

# DARJEELING ROPEWAY CO LTD

104, ShreejeeDarshan, Tata Road No. 2, Opera House, Mumbai - 400004

E-mail id: info@darjeelingropeway.com , daropeway@outlook.com

Website: www.darjeelingropeway.com

CIN: L45202MH1936PLC294011, Tel No:- +91 6358262367

Date: 03<sup>rd</sup> September, 2019

To,  
Listing Compliances  
**BSE Ltd.**,  
P. J. Towers, Fort,  
Mumbai – 400 001

**Scrip Code: - 539770**

**REF: Regulations 34(1) Of Sebi (Listing Obligation And Disclosure Requirements) Regulations. 2015**

**SUBJECT: Submission Of Annual Report For Financial Year 2018-19.**

Respected Sir/ Madam,

In Compliance with- Regulation 34(1) of SEBI (Listing Obligations and Disclosure Regulations) 2015, we hereby submit the Annual Report for the financial year 2018-19 duly approved and adopted by the shareholders of the Company as per the provisions of the Companies Act, 2013 at the Annual General Meeting held on 28<sup>th</sup> September, 2019.

You are required to kindly take above on your records.

Thanking You,

For Darjeeling Ropeway Company Limited

*H. R. Shah*

**Himanshu Ramniklal Shah**

**Managing Director**

**DIN: 08198016**

**Encl: As above**

# DARJEELING ROPEWAY COMPANY LIMITED

ANNUAL REPORT 2018-19

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# COMPANY INFORMATION

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**Scrip Id:** DARJEELING

**Scrip Code:** 539770

**CIN:** L45202MH1936PLC294011

## **BOARD OF DIRECTORS:-**

*Himanshu Shah*

*Managing Director*

*Nileshkumar Parekh*

*Non-Executive Director*

*Mahavirbhai Shah*

*Non- Executive Independent Director*

*Harshadkumar Patel*

*Additional Independent Director*

*Bhargavi Patel*

*Additional Non-Executive Director*

## **KEY MANAGERIAL PERSONNEL:-**

*Dilip Doshi*

*Chief Financial Officer*

*Zalak Gajjar*

*Company Secretary & Compliance Officer*

## **BOARD COMMITTEES:-**

### **Audit Committee**

*Mahavirbhai Shah*

*Chairman*

*Nileshkumar Parekh*

*Member*

*Himanshu Shah*

*Member*

### **Nomination and Remuneration Committee**

*Mahavirbhai Shah*

*Chairman*

*Nileshkumar Parekh*

*Member*

*Harshadkumar Patel*

*Member*

### **Stakeholders Relationship Committee**

*Mahavirbhai Shah*

*Chairman*

*Nileshkumar Parekh*

*Member*

*Himanshu Shah*

*Member*

## **AUDITORS:-**

### **Statutory Auditors**

#### **M/s. Shah & Shah**

Chartered Accountants  
207, Samedh, Besides Associated Petrol  
Pump, C.G. Road, Ahmedabad-380006  
**Firm Registration No. 131527W**

### **Secretarial Auditor**

#### **M/s. N K M & Associates**

Practicing Company Secretary  
501, Empress Nucleus, Gaothan Road, Near  
Little Flower School, (East) Mumbai – 400 069  
**C P No.: 20414**

### **Internal Auditor**

#### **M/s. Aalok S. Mehta & Associates**

#### **Chartered Accountants**

7/2, Triveni Appt., B/h. Picnic House, Kankaria,  
Maninagar, Ahmedabad – 380 008

## **REGISTRAR & SHARE TRANSFER AGENT**

### **Purva Shareregistry (India) Private Limited**

Address: Unit No. 9, Shiv Shakti Industrial Estate,  
Ground Floor, J. R. Boricha Marg, Lower Parel (E),  
Mumbai - 400 011

Website: [www.purvashare.com](http://www.purvashare.com)

Email: [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

Phone: 022- 2301 6761 / 8261

## **BANKERS**

IDFC Bank

HDFC Bank

## **REGISTERED ADDRESS**

104, Floor-1, Shreeji Darshan, Tata Road No. 2,  
Roxy Cinema Opera House, Girgaon Mumbai - 400 004

**Phone:** +91 63582 62367

# BOARD'S REPORT

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To,  
**The Members of Darjeeling Ropeway Company Limited**

## 1. Report

Your Directors have presented the 82<sup>nd</sup> Annual Report together with the Audited Financial Statements for the year ended **31<sup>st</sup> March, 2019**.

## 2. Financial Highlights

(₹ in lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from Operations	473.95	11.42
Other Income	97.88	90.91
<b>Total Income</b>	<b>571.83</b>	<b>102.32</b>
<b>Expenses</b>		
Operating expenditure	446.10	30.44
Depreciation	0.05	-
<b>Total Expenses</b>	<b>446.15</b>	<b>30.44</b>
Profit before finance cost and tax	125.68	71.88
Finance costs	<b>2.30</b>	<b>2.44</b>
<b>Profit before tax (PBT)</b>	<b>123.38</b>	<b>69.44</b>
Tax expense	35.64	15.14
<b>Profit for the year</b>	<b>87.74</b>	<b>54.30</b>
Attributable to Shareholders of the Company	87.74	54.30
<b>Opening balance of retained earnings</b>	<b>63.33</b>	<b>9.03</b>
Profit for the year	87.74	54.30
Other comprehensive income	-	-
<b>Total Comprehensive Income</b>	<b>151.07</b>	<b>63.33</b>
Dividend (including tax on dividend)	(9.19)	-
<b>Closing balance of retained earnings</b>	<b>141.88</b>	<b>63.33</b>

## 3. Business Performance

During the financial year 2018-19 total Revenue was ascertained as **Rs. 571.83 Lakhs** and Earning before tax stood at **Rs. 123.38 Lakhs**. Profit after tax stood at **Rs 87.74 Lakhs**.

## 4. Dividend

You directors in the meeting held on 29<sup>th</sup> September, 2018, have declared interim dividend of Rs. 0.25 (Rupees Twenty Five paise only) per Equity Share.

Further, your Directors have not recommended any final dividend for the financial year ended **31<sup>st</sup> March, 2019.**

## **5. Transfer to reserves**

The Company does not propose to transfer any amount to the General Reserve out of the amount available for appropriations.

## **6. Share capital**

### **Authorized Share Capital:**

The Authorized Share Capital of the Company as at 31<sup>st</sup> March, 2019 is Rs. 325.00 Lakhs divided into 32,50,000 Equity Shares of Rs. 10/- each.

### **Issued & Subscribed Share Capital:**

The Issued & Subscribed Capital of the Company as at 31<sup>st</sup> March, 2019 is Rs. 325.00 Lakhs divided into 30,50,000 Equity Shares of Rs. 10/- each.

During the year under review, the Company has neither issued Equity Shares nor issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

## **7. Auditors and their reports:**

### **Statutory Auditor:**

During the year under review the board of director of the Company in their meeting held on 3<sup>rd</sup> November, 2018 has appointed **M/s Shah and Shah**, Chartered Accountants, as Statutory Auditors of the Company to conduct audit and hold office for FY 2018-19. Further, the Board has proposed the appointment of **M/s Shah and Shah**, Chartered Accountants, as Statutory Auditor for 5 year commencing from FY 2019-20.

There are no qualifications, reservations or adverse marks made by the Statutory Auditor in its report. The said report also forms a part of this Annual Report.

Pursuant to Section 134(3) of the Companies Act, 2013, there were no frauds reported by the Statutory Auditor of the Company under Section 143(12) of the Companies Act, 2013.

### **Secretarial Auditor:**

As required under Section 204 of the Companies Act, 2013 and Rules there under, the Board had appointed **M/s. N K M & Associates, Practicing Company Secretary**, as the Secretarial Auditor of the Company. Report of the Secretarial Auditor has been annexed as **Annexure 1** to this Report.

There are no qualifications, reservations or adverse marks made by the Secretarial Auditor in its report.

#### **Internal Auditor:**

Pursuant to Section 138 of the Companies Act, 2013 and Rules thereunder, the Board has appointed **M/s. Aalok S. Mehta & Associates, Chartered Accountants**, as the Internal Auditor of the Company.

The Internal Auditor has not reported any qualification, reservation or adverse opinion during the period under review.

#### **8. Management's discussion and analysis report:**

The Management Discussion and Analysis Report as required under the Listing Regulations forms part of the Annual Report.

#### **9. Subsidiaries, joint ventures and associate companies:**

The company does not have any subsidiary/ Joint Ventures/ Associate Companies. Hence, statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 under Form AOC-1, is not applicable to the Company.

#### **10. Details of Directors and Key Managerial Personnel and changes:**

<b>Sr. No.</b>	<b>Name of Directors and KMP</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Date of Resignation</b>
1	Himanshu Shah	Managing Director	29-09-2018	-
2	Bhargavi Patel	Additional Non-Executive Director	12-02-2019	-
3	Nileshkumar Parekh	Non- Executive Director	29-09-2018	-
4	Mahavir Shah	Independent Director	29-09-2018	-
5	Harshadkumar Patel	Additional Independent Director	12-02-2019	-
6	Dilip Doshi	Chief Financial Officer	09-08-2018	-
7	Jeni Shah	Non-Executive Director	29-09-2018	12-02-2019
8	Ankitkumar Mehta	Independent Director	29-09-2018	12-02-2019
9	Arjay Gupta	Independent Director	15-07-2015	06-09-2018
10	Rommel Rodrigues	Managing Director	27-03-2015	29-09-2018
11	Savita Bhaliya	Independent Director	28-05-2015	29-09-2018
12	Abhay Giri	Non-Executive Director	21-07-2016	29-09-2018

Mr. Dilip Doshi was appointed as CFO of the Company w.e.f. 9<sup>th</sup> August, 2018 to fill vacancy that arose due to resignation of Mr. Bhavesh Solanki w.e.f. 5<sup>th</sup> April, 2018.



Mr. Himanshu Shah, was appointed by the Board as Additional Executive Director of the Company w.e.f. 10<sup>th</sup> August, 2018. He has further been appointed as the Managing Director by the Members w.e.f. 29<sup>th</sup> September, 2018.

Mrs. Jeni Shah, was appointed by the Board as Additional Non-Executive Director w.e.f. 10<sup>th</sup> August, 2018, and whose appointment was regularized by the Members of the company w.e.f. 29<sup>th</sup> September, 2018. She further resigned from the directorship of the company w.e.f. 12<sup>th</sup> February, 2019

Mr. Ankitkumar Mehta, was appointed by the Board as Additional Independent Director w.e.f. 06<sup>th</sup> September, 2018, and whose appointment was regularized by the Members of the company w.e.f. 29<sup>th</sup> September, 2018. He further resigned from the directorship of the company w.e.f. 12<sup>th</sup> February, 2019

Mr. Nileshkumar Parekh and Mr. Mahavir Shah, were appointed as the Non-Executive Director and Independent Director respectively by the Members of the company in the Annual General Meeting dated 29<sup>th</sup> September, 2018.

Mr. Harshadkumar Patel and Mrs. Bhargavi Patel, Mrs. Jeni Shah, were appointed by the Board as Additional Independent Director and Additional Non-Executive Director respectively w.e.f. 12<sup>th</sup> February, 2019, and subject to the approval of the Members in the ensuing Annual General Meeting, would continue as Independent Director and Non-Executive Director respectively of the Company.

Mr. Arnav Gupta, the Independent Director of the company have resigned from the post of Independent Director of the company due to pre-occupancy w.e.f 06<sup>th</sup> September, 2018

#### **Retirement by Rotation:**

In accordance with the provisions of Section 152 of the Act read with Article 116 and 117 of the Articles of Association of the Company, Mr. Nileshkumar Parekh, Non-Executive Director is proposed to be director retire by rotation.

#### **Key Managerial Personnel:**

Mr. Bhavesh Solanki, CFO of the Company had to resign from his post due to pre-occupancy, on 5<sup>th</sup> April, 2018. The Company accepted his resignation and commended him for this valuable contribution to the financial structure of the Company, during his period of service.

His position was filled by Mr. Dilip Doshi, on 9<sup>th</sup> August, 2018. Mr. Dilip Doshi has a rich experience in the field of finance and marketing. The Board of your company believes that the association with Mr. Doshi would boost the present financial strength of the Company.

#### **11. Declaration by independent directors:**

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the

Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

## 12. Board meetings:

A calendar of Board Meetings to be held during the year was circulated in advance to the Directors. Nine Board Meetings were convened and held during the year.

Sr. No.	Date of meeting	Total strength of Board	No. of Directors Present
1	05 <sup>th</sup> April 2018	4	4
2	29 <sup>th</sup> May 2018	4	4
3	09 <sup>th</sup> August 2018	4	4
4	06 <sup>th</sup> September 2018	5	5
5	29 <sup>th</sup> September, 2018	5	5
7	14 <sup>th</sup> November 2018	5	5
8	28 <sup>th</sup> November 2018	5	5
9	12 <sup>th</sup> February 2019	5	5

The intervening gap between the Meetings was within the period prescribed under the Act.

## 13. Independent Directors' Meeting:

During the year under review, Independent Directors met on 6<sup>th</sup> September, 2018, inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, quantity content and timelessness of flow of information between the **management and the Board**.

## 14. Deposits:

We have not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

## 15. Formal Annual Evaluation:

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

Further, the Independent Directors, at their exclusive meeting held 6<sup>th</sup> September, 2018 during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

**16. Human resource:**

Your Company believes that its employees are one of the most valuable assets of the Company. During the year under review, the Company organised various training programs at all level to enhance skill of the employees. The employees are deeply committed to the growth of the Company.

**17. Particulars of Employees**

There were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as covered under the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**18. Policy against sexual harassment:**

Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a Policy on Sexual Harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The said policy can be accessed on the Company's website at [www.darjeelingropeway.com](http://www.darjeelingropeway.com).

**19. Vigil mechanism:**

The Company has formulated Whistleblower Policy in conformity with the provisions of Section 177(9) of the Companies Act, 2013 and Listing Regulation to provide a mechanism for any concerned person of the Company to approach the Ethics Counselor/Chairman of the Audit Committee of the Company for the purpose of dealing with instance of fraud and mismanagement, if any and also ensure that whistleblowers are protected from retribution, whether within or outside the organisation.

**20. Code of conduct for prevention of insider trading:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the securities of the Company. Details of dealing in the Company's shares by Designated Persons, if any, are placed before the Audit Committee on a quarterly basis. The Company has also adopted a Code of Corporate Disclosure Practices, for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information by the Company, to enable the investor community to take informed investment decisions with regard to the Company's shares

The policy is uploaded on the Company's website and can be viewed at the Company website at [www.darjeelingropeway.com](http://www.darjeelingropeway.com)

## **21. Risk management:**

The Company has been addressing various risks impacting the Company and details of the same are provided in this Annual Report in Management Discussion and Analysis. The Company has voluntarily framed risk management policy and the same has been approved by the Audit Committee.

## **22. Internal Control Systems And Adequacy:**

The Company has in place adequate internal financial controls with reference to financial statements. The Company has adopted an Internal Financial Control Framework policy and Procedure document in to ensure orderly and efficient conduct of the business, accuracy and completeness of the accounting records and timely preparation of financial reports.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Board's Report.

## **23. Transfer of Amounts to Investor Education and Protection Fund:**

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as 31<sup>st</sup> March, 2019.

## **24. Change in financial reporting standards:**

The Ministry of Corporate Affairs issued "The Companies (Indian Accounting Standards) Rules, 2015 and amendment thereto "The Companies (Indian Accounting Standards) Amendment Rules, 2016 as converged version of International Financial Reporting System (IFRS). Further "General instructions for preparation of Balance Sheet and Statements of Profit and Loss of a Company", for compliance and implementation of said rules are also notified by Govt. As per MCA notification, your Company has been updating & implementing new changes in Ind AS issued by Govt from time to time.

## **25. Corporate governance:**

Pursuant to Regulation 15 of SEBI (LODR) Regulations, 2015, the compliance with the corporate governance provisions as specified in Regulations 17, 18, 19, 20, 21,22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of SEBI (LODR) Regulations, 2015, shall not apply, in respect of the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.

Thus, due to non-applicability, a separate report of Corporate Governance providing the disclosures as required under para C of Schedule V has not be provided in this Annual report.

## 26. Committee:

### Audit Committee

This Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013.

During the year, the committee met on Six occasions **29<sup>th</sup> May, 2018, 09<sup>th</sup> August, 2018, 6<sup>th</sup> September, 2018, 29<sup>th</sup> September, 2018, 14<sup>th</sup> November, 2018 and 12<sup>th</sup> February, 2019.**

**Composition of Audit Committee and details of the Members participation at the Meetings of the Committee in the year 2018-19 are as under:**

Sr. No.	Name of Member	Designation	Attendance at committee meetings
1	Ankitkumar Mehta*	Chairman	1/1
2	Savita Bhaliya*	Member	3/3
3	Rommel Rodrigues*	Member	3/3
4	Mahavirbhai Shah*	Chairman	3/3
5	Nileshkumar Parekh*	Member	3/3
6	Himanshu Shah*	Member	3/3

\* The Composition of committee was changed in the Board Meeting held on 29<sup>th</sup> September, 2018. Mr. Ankitkumar Mehta, Mrs. Savita Bhaliya and Mr. Rommel Rodrigues were replaced by Mr. Mahavirbhai Shah, Mr. Nileshkumar Parekh and Mr. Himanabshu Shah respectively.

Recommendations, if any, made by the Audit Committee were accepted by the Board.

### Nomination & Remuneration Committee & Policy

In compliance with section 178 of the Act the Board has constituted "Nomination and Remuneration Committee".

During the year, the committee met 7 (Seven) times on **05<sup>th</sup> April, 2018, 29<sup>th</sup> May, 2018, 09<sup>th</sup> August, 2018, 06<sup>th</sup> September, 2018, 14<sup>th</sup> November, 2018, 28<sup>th</sup> November, 2018 and 12th Feb 2019.**

**Composition of the Committee and details of the Members participation at the Meetings of the Committee in the year 2018-19 are as under:**

Sr. No.	Name of Member	Designation	Attendance at committee meetings
1	Savita Bhaliya*	Chairman	4/4
2	Ankitkumar Mehta#	Member	6/6
3	Abhay Giri*	Member	4/4
4	Mahavirbhai Shah*	Chairman	3/3
5	Nileshkumar Parekh*	Member	3/3
6	Harshadkumar Patel#	Member	1/1

\* The Composition of committee was changed in the Board Meeting held on 29<sup>th</sup> September, 2018. Mrs. Savita Bhaliya and Mr. Abhay Giri were replaced by Mr. Mahavirbhai Sha and Mr. Nileshkumar Parekh respectively.

# Mr. Ankitkumar Mehta was replaced by Mr. Harshadkumar Patel w.e.f 12<sup>th</sup> February, 2019

The Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the Listing Regulations. The Policy can be viewed at Company website with the link as [www.darjeelingropeway.com](http://www.darjeelingropeway.com)

## **27. Stakeholders Relationship Committee:**

The Committee monitors the Company's response to investor complaints. The Committee exercises the power to transfer of shares, non-receipt of dividend/notices/annual reports, etc. in accordance with the provisions of SEBI (LODR) Regulations, 2015.

During the year, the committee met on five occasions **29<sup>th</sup> May, 2018, 09<sup>th</sup> August, 2018, 6<sup>th</sup> September, 2018, 14<sup>th</sup> November, 2018 and 12<sup>th</sup> February, 2019.**

Composition of the Committee:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Attendance at committee meetings</b>
1	Savita Bhaliya*	Chairman	3/3
2	Ankitkumar Mehta*	Member	3/3
3	Abhay Giri*	Member	3/3
4	Mahavirbhai Shah*	Chairman	2/2
5	Nileshkumar Parekh*	Member	2/2
6	Himanshu Shah*	Member	2/2

\* The Composition of committee was changed in the Board Meeting held on 29<sup>th</sup> September, 2018. Mr. Ankitkumar Mehta, Mrs. Savita Bhaliya and Mr. Abhay Giri were replaced by Mr. Mahavirbhai Shah, Mr. Nileshkumar Parekh and Mr. Himanabshu Shah respectively.

## **28. Regulatory actions:**

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

## **29. Material Changes And Commitments If Any:**

There is no any material change and commitment which have occurred between the end of the financial year and the date of the report which affect the financial position of the Company.

### 30. Particulars of contracts or arrangements made with related parties:

Pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, all the transactions with related parties have been conducted at an arms' length basis and are in the ordinary course of business, there are no transactions to be reported in Form AOC-2 and as such do not form part of this report.

All related party transactions are placed before the Audit Committee and Board of the Company for review and approval or Omnibus approval as permitted under law. Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the Company's website.

Further, the SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 requires to disclose the transactions of the listed entity with promoter holding share more than 10% or more, in consonance with the same provided below are the disclosure as required :

Particular	Amount (₹ in lakhs)	Name of Promoter and shareholding
<u>Loan taken</u>		
Opening balance	-	Mr. Himanshu Shah
Add: Loan taken during the year	44.65	8,15,404 Equity Share representing
Add: Interest expenses	0.96	26.70% shares of the Company.
Closing Balance	45.61	

### 31. Energy conservation, technology absorption and foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is attached as **Annexure 2** to the *Board's Report*.

### 32. Extract of the annual return:

Pursuant to the provisions of section 92(3) of the Companies Act, 2013, an extract of annual return is annexed hereto as **Annexure-3** and forms part of this report.

### 33. Details of loans, guarantees and investments u/s 186 of the Act:

Details of loans, guarantee or investments made by your Company, if any, under Section 186 of the Companies Act, 2013 during the financial year 2018-19 is appended in the notes to the Financial Statements that form part of this Annual Report.

#### **34. Corporate Social Responsibility (CSR):**

During the year your Company does not fall in any of the criteria specifies in pursuant to Sub Section 1 of Section 135 of the Companies Act, 2013, the disclosure/reporting as applicable to CSR companies, is not applicable to the Company. However, the Company strives to make constant efforts to contribute to the Society by trying to achieve a balance of economic, environmental and social imperatives, while at the same time addressing the expectations of shareholders and stakeholders.

#### **35. Listing at Stock Exchanges**

Equity Shares of the Company are listed on BSE Limited under Scrip Code: 539770 and Scrip Id: DARJEELING.

#### **36. Change in the nature of Business:**

During the year under review, there was no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from March 31, 2019 till the date of this report.

#### **37. Directors' Responsibility Statement:**

In terms of the provisions of Companies Act, 2013, the Directors state that:

- In preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies to the financial statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on 31<sup>st</sup> March, 2019 and of the profit of the Company for that period;
- The directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **38. Acknowledgements:**

Yours Directors take this opportunity to express their sincere appreciation for the excellent support and co-operation extended by the shareholders, customers, suppliers, bankers and



other business associates. Your Directors gratefully acknowledge the on-going co-operation and support provided by the Central and State governments and all Regulatory Authorities. Your Directors also place on record their deep sense of appreciation to all employees for their dedicated services rendered at various levels.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 3<sup>rd</sup> September, 2019**

**Sd/-**  
**Himanshu Shah**  
**(Managing Director)**  
**DIN: 08198016**

**Sd/-**  
**Nileshkumar Parekh**  
**(Director)**  
**DIN: 08215249**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**For the Financial Year ended 31<sup>st</sup> March, 2019**

To,

**The Members,**

**Darjeeling Ropeway Company Limited**

104, Floor-1, Shreeji Darshan, Tata Road No. 2,

Roxy Cinema Opera House, Girgaon Mumbai - 400 004

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Darjeeling Ropeway Company 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 my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31<sup>st</sup> 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, minute books, forms and returns filed and other records maintained by The Company for the period ended on **31<sup>st</sup> 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, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
  - 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 - **Not applicable as the Company has not issued any shares during the financial year under review;**

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 1999 - **Not applicable as the Company has not issued any shares to its Employees during the financial year under review;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued any debt securities;**
  - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted /proposed to delist its equity shares from stock exchange during the financial year under review;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back or proposed to buyback any of its securities during the financial year under review.**
- (vi) I, in consultation with the Company came to a conclusion that no specific laws were directly applicable with regard to business activities of the Company during the period under review.

I have also examined the compliance by the Company of the following statutory provisions/standards/regulations:

- a) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) The Secretarial Standards issued by The Institute of Company Secretaries of India.
- c) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act and SEBI (LODR) Regulations, 2015.

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda are 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.

The compliance by the Company of the applicable financials laws, like Direct and Indirect Tax laws, has not been reviewed in this audit since the same have been subject to review by Statutory Auditors and other designated professionals.

Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that**

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 as also represented by management.

I **further report that** during the audit period, there were no instances of:

- i. Public / Rights / Debentures / Sweat Equity.
- ii. Buy-Back of Securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / Amalgamation / reconstruction, etc.
- v. Foreign Technical Collaborations.

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.

**For M/s. N K M & Associates**  
Practicing Company Secretaries

Sd/-

**Nikita Kedia**

Proprietor

Membership No: A54970 | CP No.:20414

**Place: Mumbai**

**Date: 08<sup>th</sup> June, 2019**

To,

**The Members,**

**Darjeeling Ropeway Company Limited**

104, Floor-1, Shreeji Darshan, Tata Road No. 2,

Roxy Cinema Opera House, Girgaon Mumbai - 400 004

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express as opinion on these secretarial records based on my audit.
2. I have followed the audit practice and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For M/s. N K M & Associates**

Practicing Company Secretaries

Sd/-

**Nikita Kedia**

Proprietor

Membership No: A54970 | CP No.:20414

**Place: Mumbai**

**Date: 08th June, 2019**

**Annexure 2**

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

<b>A Conservation of Energy :</b>		
1	The steps taken or impact on conservation of energy	Your Company requires energy for its operations and the Company is making all efforts to conserve energy by monitoring energy costs and periodically reviews of the consumption of energy. It also takes appropriate steps to reduce the consumption through efficiency in usage and timely maintenance /installation/up gradation of energy saving devices.
2	The steps taken by your Company for utilizing alternate sources of energy	
3	The capital Investment on energy conservation equipment's	
<b>B Technology Absorption :</b>		
1	The efforts made towards technology absorption	Your Company uses latest technology and equipment's into the business. Further, your Company is not engaged in any manufacturing activities.
2	The benefits derived like product improvement, cost reduction, product development or import substitution	
3	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	
4	The expenditure incurred on Research and development	
<b>C. Foreign Exchange Earnings and Outgo</b>		
There have been no dealings in forex in the financial year under consideration.		

**Form No. MGT-9**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31<sup>st</sup> March, 2019

**I. REGISTRATION AND OTHER DETAILS:**

Sr. No.	Particulars	Details
i.	CIN	L45202MH1936PLC294011
ii.	Registration Date	16 <sup>th</sup> October, 1936
iii.	Name of The Company	Darjeeling Ropeway Company Limited
iv.	Category/Sub-Category	Company limited by shares
v.	Address Of The Registered Office And Contact Details	104, Floor-1, Shreeji Darshan, Tata Road No. 2, Roxy Cinema Opera House, Girgaon Mumbai - 400 004 <b>Phone:</b> +91 63582 62367 <b>Email:</b> <a href="mailto:info@darjeelingropeway.com">info@darjeelingropeway.com</a>
vi.	Whether Listed	Yes
vii.	Name, Address And Contact Details Of The Registrar And Share Transfer Agent	<b>Purva Sharegistry (India) Private Limited</b> <b>Add:</b> Unit no. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai- 400 011 <b>Phone:</b> 022-23016761 <b>Email:</b> busicomp@vsnl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

Sr. No.	Name And Description Of Main Product/Services	NIC Code Of The Product/Service	% To The Total Turnover Of The Company
1.	Other Financial Income	649	100.00%

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

Sr. No.	Name And Address Of The Company	CIN/GLN/ LLPIN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
	None				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):****i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 1 <sup>st</sup> April, 2018				No. of Shares held at the end of the year i.e. 31 <sup>st</sup> March, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
Individual/HUF	30407	2017	32424	1.06	815404	0	815404	26.73	25.67
Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
Bodies Corporates	4800	0	4800	0.16	0	0	0	0	-0.15738
Bank/FI	0	0	0	0	0	0	0	0	0
Directors/Relatives	0	0	0	0	0	0	0	0	0
Any Other- Trust	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (1)</b>	<b>35207</b>	<b>2017</b>	<b>37224</b>	<b>1.22</b>	<b>815404</b>	<b>0</b>	<b>815404</b>	<b>26.73</b>	<b>25.51</b>
<b>(2) Foreign</b>									
NRI-Individuals	0	0	0	0	0	0	0	0	0
Other Individuals	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks/FI	0	0	0	0	0	0	0	0	0
Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>35207</b>	<b>2017</b>	<b>37224</b>	<b>1.22</b>	<b>815404</b>	<b>0</b>	<b>815404</b>	<b>26.73</b>	<b>25.51</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
Mutual Funds	0	0	0	0	0	0	0	0	0
Banks/FI	0	0	0	0	0	0	0	0	0
Central govt.	0	0	0	0	0	0	0	0	0
State Govt.	0	0	0	0	0	0	0	0	0
Venture Capital Fund	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FII's	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (Specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



<b>(2) Non Institutions</b>									
Bodies corporates									
i) Indian	708293	0	708293	23.22	91442	0	91442	3.00	-20.22
ii)Overseas	0	0	0	0	0	0	0	0	0
Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	157640	12776	170416	5.59	356079	12776	368855	12.09	6.51
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1529750	0	1529750	50.16	1398607	0	1398607	45.86	-4.30
Others (specify)									
i) N.R.I. (Repat & Non-Repat)	14	0	14	0	35329	0	35329	1.16	1.16
ii) Trust	0	0	0	0	0	0	0	0	0
iii) Clearing Member	593013	0	593013	19.44	308562	0	308562	19.44	-9.33
iv) HUF	11290	0	11290	0.37	31801	0	31801	1.04	0.67
<b>SUB TOTAL (B)(2):</b>	<b>3000000</b>	<b>12776</b>	<b>3012776</b>	<b>98.78</b>	<b>2221820</b>	<b>12776</b>	<b>2234596</b>	<b>73.27</b>	<b>-25.51</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>3000000</b>	<b>12776</b>	<b>3012776</b>	<b>98.78</b>	<b>2221820</b>	<b>12776</b>	<b>2234596</b>	<b>73.27</b>	<b>-25.51</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>3035207</b>	<b>14793</b>	<b>3050000</b>	<b>100</b>	<b>3037224</b>	<b>12776</b>	<b>3050000</b>	<b>100.00</b>	<b>0.00</b>

## ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 1 <sup>st</sup> April, 2018			Shareholding at the end of the year i.e. 31 <sup>st</sup> March, 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the co.	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the co.	%of Shares Pledged / encumbered to total shares	
1.	Manju Devi Chirimar	7507	0.25	0	0	0	0	-0.25

2.	Rajeev Chirimar	5817	0.19	0	0	0	0	-0.19
3.	Sangita Chirimar	5700	0.19	0	0	0	0	-0.19
4.	Rajeev Chirimar HUF	4500	0.15	0	0	0	0	-0.15
5.	Keshav Chirimar	4500	0.15	0	0	0	0	-0.15
6.	Raghav Chirimar	4400	0.14	0	0	0	0	-0.14
7.	Kemi Fibre Industries Pvt. Ltd.	2400	0.08	0	0	0	0	-0.08
8.	Radio Supply Stores Pvt. Ltd.	2400	0.08	0	0	0	0	-0.08
9.	Himanshu Ramniklal Shah	734299	24.08	0	815404	26.73	0	2.66

### iii. Change in Promoters' Shareholding:

Particulars	Shareholding at the beginning of the year i.e. 1 <sup>st</sup> April, 2018		Cumulative Shareholding during the year i.e. 31 <sup>st</sup> March, 2019		Type
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease					
1) Himanshu Ramniklal Shah	734299	24.08	-	-	
03 <sup>rd</sup> August, 2018	216150	7.09	950449	31.16	Buy
17 <sup>th</sup> August, 2018	32824	1.08	983273	32.24	Buy
24 <sup>th</sup> August, 2018	4400	0.14	987673	32.38	Buy
05 <sup>th</sup> October, 2018	10400	0.34	998073	32.72	Buy
12 <sup>th</sup> October, 2018	- 420	- 0.01	997653	32.71	Sell
15 <sup>th</sup> March, 2019	- 124942	- 4.10	872711	28.61	Sell
22 <sup>nd</sup> March, 2019	- 57307	-1.88	815404	26.73	Sell
31 <sup>st</sup> March, 2019	-	-	815404	26.73	
2) Manju Devi Chirimar	7507	0.25			
17 <sup>th</sup> August, 2018	- 7507	- 0.25	0	0	Sell
31 <sup>st</sup> March, 2019	-	-	0	0	
3) Rajeev Chirimar	5817	0.19			
12 <sup>th</sup> April, 2018	- 2017	- 0.07	3700	0.12	Sell

	13 <sup>th</sup> April, 2018	2017	0.07	5817	0.19	Buy
	17 <sup>th</sup> August, 2018	- 5817	- 0.19	0	0	Sell
	31 <sup>st</sup> March, 2019	-	-	0	0	
4)	Sangita Chirimar	5700	0.19			
	17 <sup>th</sup> August, 2018	- 5700	- 0.19	0	0	Sell
	31 <sup>st</sup> March, 2019	-	-	0	0	
5)	Keshav Chirimar	4500	0.15			
	17 <sup>th</sup> August, 2018	- 4500	- 0.15	0	0	Sell
	31 <sup>st</sup> March, 2019	-	-	0	0	
6)	Rajeev Chirimar HUF	4500	0.15			
	17 <sup>th</sup> August, 2018	- 4500	- 0.15	0	0	Sell
	31 <sup>st</sup> March, 2019	-	-	0	0	
7)	Raghav Chirimar	4400	0.14			
	17 <sup>th</sup> August, 2018	- 4400	- 0.14	0	0	Sell
	31 <sup>st</sup> March, 2019	-	-	0	0	
8)	Radio Supply Stores PVT LTD	2400	0.08			
	17 <sup>th</sup> August, 2018	- 2400	- 0.08	0	0	Sell
	31 <sup>st</sup> March, 2019	-	-	0	0	
9)	Kemi Fibre Industries PVT LTD	2400	0.08			
	17 <sup>th</sup> August, 2018	- 2400	- 0.08	0	0	Sell
	31 <sup>st</sup> March, 2019	-	-	0	0	

**iv. Shareholding Pattern of Top Ten shareholders (other than Directors, Promoters and Holders of GDR's and ADR's)**

Sr. No.	Names of the Shareholders	Shareholding at the beginning of the year i.e. 1 <sup>st</sup> April, 2018		Cumulative Shareholding at the end of the year i.e. 31 <sup>st</sup> March, 2019		Type
		No. of shares	% of total shares of the co.	No. of shares	% of total shares of the co.	
1	Himanshu Ramniklal Shah	734299	24.08			
	13 <sup>th</sup> August, 2018	216150	7.09	950449	31.16	Buy
	17 <sup>th</sup> August, 2018	32824	1.08	983273	32.24	Buy
	24 <sup>th</sup> August, 2018	4400	0.14	987673	32.38	Buy
	05 <sup>th</sup> October, 2018	10400	0.34	998073	32.72	Buy
	12 <sup>th</sup> October, 2018	- 420	- 0.01	997653	32.71	Sell
	15 <sup>th</sup> March, 2018	-124942	-4.10	872711	28.61	Sell
	22 <sup>nd</sup> March, 2018	-57307	-1.88	815404	26.73	Sell

	31 <sup>st</sup> March, 2018			815404	26.73	
2	Arham Share Consultants Pvt. Ltd.	569429	18.67			
	06 <sup>th</sup> April, 2018	-25000	-0.82	275000	9.02	Sell
	13 <sup>th</sup> April, 2018	-181000	-5.93	94000	3.08	Sell
	27 <sup>th</sup> April, 2018	-94000	-3.08	0	0.00	Sell
	04 <sup>th</sup> May, 2018	-21770	-0.71	493849	16.19	Sell
	11 <sup>th</sup> May, 2018	-10410	-0.34	483439	15.85	Sell
	18 <sup>th</sup> May, 2018	-2482	-0.08	480957	15.77	Sell
	25 <sup>th</sup> May, 2018	11065	0.36	492022	16.13	Buy
	31 <sup>st</sup> May, 2018	-164887	-5.41	327135	10.73	Sell
	01 <sup>st</sup> June, 2018	-2500	-0.08	324635	10.64	Sell
	08 <sup>th</sup> June, 2018	-1000	-0.03	323635	10.61	Sell
	15 <sup>th</sup> June, 2018	2669	0.09	326304	10.70	Buy
	22 <sup>th</sup> June, 2018	-9162	-0.30	317142	10.40	Sell
	29 <sup>th</sup> June, 2018	-475	-0.02	316667	10.38	Sell
	06 <sup>th</sup> July, 2018	-555	-0.02	316112	10.36	Sell
	13 <sup>th</sup> July, 2018	-155	-0.01	315957	10.36	Sell
	20 <sup>th</sup> July, 2018	-50	-0.00	315907	10.36	Sell
	27 <sup>th</sup> July, 2018	-2508	-0.08	313399	10.28	Sell
	03 <sup>rd</sup> August, 2018	-2908	-0.10	310491	10.18	Sell
	10 <sup>th</sup> August, 2018	3712	0.12	314203	10.30	Buy
	17 <sup>th</sup> August, 2018	-11251	-0.37	302952	9.93	Sell
	24 <sup>th</sup> August, 2018	-4472	-0.15	298480	9.79	Sell
	31 <sup>st</sup> August, 2018	-50	-0.00	298430	9.78	Sell
	07 <sup>th</sup> September, 2018	2516	0.08	300946	9.87	Buy
	14 <sup>th</sup> September, 2018	42243	1.39	343189	11.25	Buy
	21 <sup>st</sup> September, 2018	22080	0.72	365269	11.98	Buy
	28 <sup>th</sup> September, 2018	-68030	-2.23	297239	9.75	Sell
	29 <sup>th</sup> September, 2018	13000	0.43	310239	10.17	Buy
	05 <sup>th</sup> October, 2018	-7688	-0.25	302551	9.92	Sell
	09 <sup>th</sup> October, 2018	-99764	-3.27	202787	6.65	Sell
	12 <sup>th</sup> October, 2018	840	0.03	203627	6.68	Buy
	19 <sup>th</sup> October, 2018	-1025	-0.03	202602	6.64	Sell
	26 <sup>th</sup> October, 2018	-9552	-0.31	193050	6.33	Sell
	02 <sup>nd</sup> November, 2018	9235	0.30	202285	6.63	Buy
	09 <sup>th</sup> November, 2018	-5163	-0.17	197122	6.46	Sell
	16 <sup>th</sup> November, 2018	-25568	-0.84	171554	5.62	Sell
	23 <sup>rd</sup> November, 2018	-6931	-0.23	164623	5.40	Sell
	30 <sup>th</sup> November, 2018	5550	0.18	170173	5.58	Buy
	07 <sup>th</sup> December, 2018	-19891	-0.65	150282	4.93	Sell
	14 <sup>th</sup> December, 2018	10408	0.34	160690	5.27	Buy
	21 <sup>th</sup> December, 2018	1750	0.06	162440	5.33	Buy
	28 <sup>th</sup> December, 2018	2930	0.10	165370	5.42	Buy
	31 <sup>st</sup> December, 2018	-1992	-0.07	163378	5.36	Sell
	04 <sup>th</sup> January, 2019	9000	0.30	172378	5.65	Buy
	25 <sup>th</sup> January, 2019	-119708	-3.92	52670	1.73	Sell
	01 <sup>st</sup> February, 2019	-500	-0.02	52170	1.71	Sell
	08 <sup>th</sup> February, 2019	5771	0.19	57941	1.90	Buy
	15 <sup>th</sup> February, 2019	-11116	-0.36	46825	1.54	Sell
	22 <sup>nd</sup> February, 2019	-9878	-0.32	36947	1.21	Sell

	01 <sup>st</sup> March, 2019	28757	0.94	65704	2.15	Buy
	08 <sup>th</sup> March, 2019	25250	0.83	90954	2.98	Buy
	15 <sup>th</sup> March, 2019	20900	0.69	111854	3.67	Buy
	22 <sup>nd</sup> March, 2019	-7788	-0.26	104066	3.41	Sell
	29 <sup>th</sup> March, 2019	-49443	-1.62	54623	1.79	Sell
	30 <sup>th</sup> March, 2019	-19366	-0.63	35257	1.16	Sell
	31 <sup>th</sup> March, 2019			35257	1.16	
3	DKC Trading Private Limited	200000	6.56			
	08 <sup>th</sup> May, 2018	-100000	-3.28	100000	3.28	Sell
	25 <sup>th</sup> May, 2018	-61000	-2.00	39000	1.28	Sell
	29 <sup>th</sup> June, 2018	-39000	-1.28	0	0.00	Sell
	31 <sup>th</sup> March, 2019			0	0.00	
4	Mateswari Sales	152150	4.99			
	29 <sup>th</sup> June, 2018	-152150	-4.99	0	0.00	Sell
	31 <sup>th</sup> March, 2019			0	0.00	
5	Sidh Silver Imex Private Limited	150000	4.92			
	03 <sup>rd</sup> August, 2018	-150000	-4.92	0	0.00	Sell
	31 <sup>th</sup> March, 2019			0	0.00	
6	Beeline Broking Limited	128575	4.22			
	15 <sup>th</sup> June, 2018	-119300	-3.91	9275	0.30	Sell
	29 <sup>th</sup> June, 2018	1	0.00	9276	0.30	Buy
	03 <sup>rd</sup> August, 2018	2000	0.07	11276	0.37	Buy
	10 <sup>th</sup> August, 2018	-2050	-0.07	9226	0.30	Sell
	24 <sup>th</sup> August, 2018	11336	0.37	20562	0.67	Buy
	14 <sup>th</sup> September, 2018	-15500	-0.51	5062	0.17	Sell
	28 <sup>th</sup> September, 2018	-5062	-0.17	0	0.00	Sell
	19 <sup>th</sup> October, 2018	2331	0.08	2331	0.08	Buy
	26 <sup>th</sup> October, 2018	200	0.01	2531	0.08	Buy
	16 <sup>th</sup> November, 2018	200	0.01	2731	0.09	Buy
	23 <sup>rd</sup> November, 2018	-200	-0.01	2531	0.08	Sell
	30 <sup>th</sup> November, 2018	-2131	-0.07	400	0.01	Sell
	07 <sup>th</sup> December, 2018	-200	-0.01	200	0.01	Sell
	14 <sup>th</sup> December, 2018	4655	0.15	4855	0.16	Buy
	21 <sup>st</sup> December, 2018	-171	-0.01	4684	0.15	Sell
	22 <sup>nd</sup> February, 2019	58058	1.90	62742	2.06	Buy
	01 <sup>st</sup> March, 2019	-62742	-2.06	0	0.00	Sell
	30 <sup>th</sup> March, 2019			0	0.00	
7	Rupal Bhavin Shah	109245	3.58			
	29 <sup>th</sup> June, 2018	-100000	-3.28	9245	0.30	Sell
	19 <sup>th</sup> October, 2018	100000	3.28	109245	3.58	Buy
	29 <sup>th</sup> March, 2019	-3056	-0.10	106189	3.48	Sell
	30 <sup>th</sup> March, 2019			106189	3.48	
8	Shashikant C Kapadia	62137	2.04			
	13 <sup>th</sup> April, 2018	-750	-0.02	61387	2.01	Sell
	20 <sup>th</sup> April, 2018	499	0.02	61886	2.03	Buy

	27 <sup>th</sup> April, 2018	-1028	-0.03	60858	2.00	Sell
	04 <sup>th</sup> May, 2018	-3723	-0.12	57135	1.87	Sell
	11 <sup>th</sup> May, 2018	-700	-0.02	56435	1.85	Sell
	06 <sup>th</sup> July, 2018	-4256	-0.14	52179	1.71	Sell
	13 <sup>th</sup> July, 2018	-2038	-0.07	50141	1.64	Sell
	20 <sup>th</sup> July, 2018	-36169	-1.19	13972	0.46	Sell
	27 <sup>th</sup> July, 2018	-11635	-0.38	2337	0.08	Sell
	17 <sup>th</sup> August, 2018	81	0.00	2418	0.08	Buy
	05 <sup>th</sup> October, 2018	25655	0.84	28073	0.92	Buy
	12 <sup>th</sup> October, 2018	533	0.02	28606	0.94	Buy
	19 <sup>th</sup> October, 2018	-18697	-0.61	9909	0.32	Sell
	26 <sup>th</sup> October, 2018	-4223	-0.14	5686	0.19	Sell
	02 <sup>nd</sup> November, 2018	-920	-0.03	4766	0.16	Sell
	09 <sup>th</sup> November, 2018	100	0.00	4866	0.16	Buy
	16 <sup>th</sup> November, 2018	-2900	-0.10	1966	0.06	Sell
	14 <sup>th</sup> December, 2018	3000	0.10	4966	0.16	Buy
	21 <sup>st</sup> December, 2018	32683	1.07	37649	1.23	Buy
	28 <sup>th</sup> December, 2018	3305	0.11	40954	1.34	Buy
	31 <sup>st</sup> December, 2018	3635	0.12	44589	1.46	Buy
	04 <sup>th</sup> January, 2019	-14817	-0.49	29772	0.98	Sell
	11 <sup>th</sup> January, 2019	7518	0.25	37290	1.22	Buy
	18 <sup>th</sup> January, 2019	7630	0.25	44920	1.47	Buy
	25 <sup>th</sup> January, 2019	4365	0.14	49285	1.62	Buy
	01 <sup>st</sup> February, 2019	19142	0.63	68427	2.24	Buy
	08 <sup>th</sup> February, 2019	-45593	-1.49	22834	0.75	Sell
	15 <sup>th</sup> February, 2019	159	0.01	22993	0.75	Buy
	22 <sup>nd</sup> February, 2019	-8382	-0.27	14611	0.48	Sell
	01 <sup>st</sup> March, 2019	5902	0.19	20513	0.67	Buy
	08 <sup>th</sup> March, 2019	22052	0.72	42565	1.40	Buy
	15 <sup>th</sup> March, 2019	-11000	-0.36	31565	1.03	Sell
	31 <sup>th</sup> March, 2019			31565	1.03	
9	Arohi Pratyush Shah	60171	1.97			
	21 <sup>st</sup> December, 2018	5100	0.17	65271	2.14	Buy
	31 <sup>st</sup> December, 2018	-5100	-0.17	60171	1.97	Sell
	22 <sup>nd</sup> February, 2019	-30000	-0.98	30171	0.99	Sell
	30 <sup>th</sup> March, 2019	30000	0.98	60171	1.97	Buy
	31 <sup>st</sup> March, 2019			60171	1.97	
10	Shephali Bothra	52695	1.73			
	11 <sup>th</sup> May, 2018	-10	-0.00	52685	1.73	Sell
	15 <sup>th</sup> June, 2018	-41639	-1.37	11046	0.36	Sell
	22 <sup>nd</sup> June, 2018	-11046	-0.36	0	0.00	Sell
	31 <sup>st</sup> March, 2019			0	0.00	
11	Aakash Dilip Doshi	38182	1.25			
	07 <sup>th</sup> September, 2018	30000	0.98	68182	2.24	Buy
	28 <sup>th</sup> September, 2018	-30000	-0.98	38182	1.25	Sell
	09 <sup>th</sup> October, 2018	100000	3.28	138182	4.53	Buy
	12 <sup>th</sup> October, 2018	-79799	-2.62	58383	1.91	Sell
	07 <sup>th</sup> December, 2018	4607	0.15	62990	2.07	Buy

	14 <sup>th</sup> December, 2018	15	0.00	63005	2.07	Buy
	28 <sup>th</sup> December, 2018	17883	0.59	80888	2.65	Buy
	25 <sup>th</sup> January, 2019	96453	3.16	177341	5.81	Buy
	15 <sup>th</sup> February, 2019	-54087	-1.77	123254	4.04	Sell
	08 <sup>th</sup> March, 2019	1810	0.06	125064	4.10	Buy
	31 <sup>st</sup> March, 2019			125064	4.10	
12	ARVIND SHANTILAL SHAH	32549	1.07			
	25 <sup>th</sup> May, 2018	100000	3.28	132549	4.35	Buy
	31 <sup>st</sup> May, 2018	247996	8.13	380545	12.48	Buy
	15 <sup>th</sup> June, 2018	-43315	-1.42	337230	11.06	Sell
	27 <sup>th</sup> July, 2018	-580	-0.02	336650	11.04	Sell
	03 <sup>rd</sup> August, 2018	13080	0.43	349730	11.47	Buy
	10 <sup>th</sup> August, 2018	-3500	-0.11	346230	11.35	Sell
	17 <sup>th</sup> August, 2018	10	0.00	346240	11.35	Buy
	24 <sup>th</sup> August, 2018	3525	0.12	349765	11.47	Buy
	31 <sup>st</sup> August, 2018	30000	0.98	379765	12.45	Buy
	07 <sup>th</sup> September, 2018	5000	0.16	384765	12.62	Buy
	14 <sup>th</sup> September, 2018	-1511	-0.05	383254	12.57	Sell
	28 <sup>th</sup> September, 2018	10291	0.34	393545	12.90	Buy
	29 <sup>th</sup> September, 2018	-13000	-0.43	380545	12.48	Sell
	05 <sup>th</sup> October, 2018	-19676	-0.65	360869	11.83	Sell
	09 <sup>th</sup> October, 2018	-20500	-0.67	340369	11.16	Sell
	12 <sup>th</sup> October, 2018	-59859	-1.96	280510	9.20	Sell
	19 <sup>th</sup> October, 2018	-9552	-0.31	270958	8.88	Sell
	02 <sup>nd</sup> November, -2018	-500	-0.02	270458	8.87	Sell
	22 <sup>nd</sup> February, 2019	-43657	-1.43	226801	7.44	Sell
	01 <sup>st</sup> March, 2019	-17980	-0.59	208821	6.85	Sell
	08 <sup>th</sup> March, 2019	-2300	-0.08	206521	6.77	Sell
	15 <sup>th</sup> March, 2019	7500	0.25	214021	7.02	Buy
	22 <sup>nd</sup> March, 2019	686	0.02	214707	7.04	Buy
	31 <sup>st</sup> March, 2019			214707	7.04	
13	Prashant Jayantilal Patel	5200	0.17			
	27 <sup>th</sup> July, 2018	34000	1.11	39200	1.29	Buy
	10 <sup>th</sup> August, 2018	-5000	-0.16	34200	1.12	Sell
	28 <sup>th</sup> September, 2018	35000	1.15	69200	2.27	Buy
	08 <sup>th</sup> March, 2019	16725	0.55	85925	2.82	Buy
	31 <sup>th</sup> March, 2019			85925	2.82	
14	Bharati Arvind Shah	5000	0.16			
	28 <sup>th</sup> September, 2018	152968	5.02	157968	5.18	Buy
	12 <sup>th</sup> October, 2018	9787	0.32	167755	5.50	Buy
	19 <sup>th</sup> October, 2018	73	0.00	167828	5.50	Buy
	02 <sup>nd</sup> November, 2018	-8850	-0.29	158978	5.21	Sell
	09 <sup>th</sup> November, 2018	-7644	-0.25	151334	4.96	Sell
	16 <sup>th</sup> November, 2018	-24746	-0.81	126588	4.15	Sell
	07 <sup>th</sup> December, 2018	-17354	-0.57	109234	3.58	Sell
	21 <sup>st</sup> December, 2018	-26500	-0.87	82734	2.71	Sell
	29 <sup>th</sup> March, 2019	43357	1.42	126091	4.13	Buy
	31 <sup>st</sup> March, 2019			126091	4.13	

15	Mansukh Stock Brokers Limited	500	0.02			
	06 <sup>th</sup> April, 2018	30	0.00	530	0.02	Buy
	13 <sup>th</sup> April, 2018	200	0.01	730	0.02	Buy
	11 <sup>th</sup> May, 2018	20	0.00	750	0.02	Buy
	18 <sup>th</sup> May, 2018	-750	-0.02	0	0.00	Sell
	15 <sup>th</sup> June, 2018	500	0.02	500	0.02	Buy
	22 <sup>nd</sup> June, 2018	-500	-0.02	0	0.00	Sell
	27 <sup>th</sup> July, 2018	906	0.03	906	0.03	Buy
	03 <sup>rd</sup> August, 2018	-906	-0.03	0	0.00	Sell
	19 <sup>th</sup> October, 2018	75331	2.47	75331	2.47	Buy
	26 <sup>th</sup> October, 2018	24669	0.81	100000	3.28	Buy
	09 <sup>th</sup> November, 2018	-100000	-3.28	0	0.00	Sell
	16 <sup>th</sup> November, 2018	100000	3.28	100000	3.28	Buy
	30 <sup>th</sup> November, 2018	5026	0.16	105026	3.44	Buy
	22 <sup>nd</sup> February, 2019	-25000	-0.82	80026	2.62	Sell
	31 <sup>st</sup> March, 2019			80026	2.62	
16	Ankur Mehta	0	0.00			
	12 <sup>th</sup> October, 2018	23500	0.77	23500	0.77	Buy
	19 <sup>th</sup> October, 2018	1500	0.05	25000	0.82	Buy
	26 <sup>th</sup> October, 2018	16500	0.54	41500	1.36	Buy
	30 <sup>th</sup> November, 2018	-5369	-0.18	36131	1.18	Sell
	07 <sup>th</sup> December, 2018	-12000	-0.39	24131	0.79	Sell
	21 <sup>st</sup> December, 2018	23500	0.77	47631	1.56	Buy
	28 <sup>th</sup> December, 2018	-23500	-0.77	24131	0.79	Sell
	08 <sup>th</sup> February, 2019	55000	1.80	79131	2.59	Buy
	01 <sup>st</sup> March, 2019	21184	0.69	100315	3.29	Buy
	22 <sup>nd</sup> March, 2019	-8000	-0.26	92315	3.03	Sell
	31 <sup>st</sup> March, 2019			92315	3.03	
17	Sunflower Broking Private Limited	0	0.00			
	15 <sup>th</sup> March, 2019	30000	0.98	30000	0.98	Buy
	22 <sup>nd</sup> March, 2019	45000	1.48	75000	2.46	Buy
	31 <sup>st</sup> March, 2019			75000	2.46	
18	Yash Manish Mehta	0	0.00			
	01 <sup>st</sup> March, 2019	41558	1.36	41558	1.36	Buy
	29 <sup>th</sup> March, 2019	24116	0.79	65674	2.15	Buy
	31 <sup>st</sup> March, 2019			65674	2.15	
19	Sonam Pankajkumar Shah	0	0.00			
	12 <sup>th</sup> October, 2018	3800	0.12	3800	0.12	Buy
	19 <sup>th</sup> October, 2018	2181	0.07	5981	0.20	Buy
	02 <sup>nd</sup> November, 2018	279	0.01	6260	0.21	Buy
	09 <sup>th</sup> November, 2018	3543	0.12	9803	0.32	Buy
	16 <sup>th</sup> November, 2018	46964	1.54	56767	1.86	Buy
	23 <sup>rd</sup> November, 2018	-1750	-0.06	55017	1.80	Sell
	30 <sup>th</sup> November, 2018	5700	0.19	60717	1.99	Buy
	22 <sup>nd</sup> March, 2019	2750	0.09	63467	2.08	Buy
	30 <sup>th</sup> March, 2019	1300	0.04	64767	2.12	Buy
	31 <sup>st</sup> March, 2019			64767	2.12	



**v. Shareholding of Directors and Key Managerial Personnel:**

SL No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year		Type
		31/03/2018		30/03/2019		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in shareholding during the year	
1	Himanshu Shah (Managing Director)	734299	24.08			
	30-03-2019			815404	26.73	
2	Zalak Gujjar (Company Secretary)	0	0.00			
	30-03-2019			0	0.00	
3	DILIP DOSHI (CFO)	0	0.00			
	30-03-2019			0	0.00	

**vi. Indebtedness**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<u>Indebtedness at the beginning of the financial year:</u>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<u>Change in Indebtedness during the financial year:</u>				
- Addition	NIL	NIL	NIL	NIL
- Reduction				
<b>Net Change</b>				
<u>Indebtedness at the end of the financial year:</u>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager/ CEO/ CFO/	CS (Zalak Gajjar)	Total Amount
1.	<b>Gross Salary:</b> 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. c) Profits in lieu of salary under section 17(3) Income – tax Act, 1961	There was no remuneration paid to the Managing Director, Wholetime Director and/or Manager.	33,000	33,000
2.	Stock Option		-	-
3.	Sweat Equity		-	-
4.	<b>Commission:</b> - as% of profit - Others, specify...		-	-
5.	Others, please specify		-	-
6.	<b>Total(A)</b>		33,000	33,000
7.	Ceiling as per the Act			

#### **B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of the Director	Amount
1.	<u>Independent Directors</u> ·Fee for attending board & committee meetings ·Commission ·Others, please specify	There was no remuneration paid to the other Directors i.e. Independent Directors and other Non-Executive Directors of the Company.	
2.	<b>Total(1)</b>		
3.	<u>Other Non-Executive Directors</u> ·Fee for attending board & committee meetings ·Commission ·Others, please specify		
4.	<b>Total(2)</b>		
5.	<b>Total(B) = (1 + 2)</b>		
6.	<b>Total Managerial Remuneration</b>		
7.	Overall Ceiling as per the Act		

#### **C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

Sr. no.	Particulars of Remuneration	Key Managerial Personnel	Total
1.	<b>Gross Salary:</b> 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. c) Profits in lieu of salary under section 17(3) Income – tax Act, 1961	There was no remuneration paid to Key Managerial Personnel Other Than MD/Manager/WTD	
2.	Stock Option		
3.	Sweat Equity		

4.	<b>Commission:</b> - as % of profit	
5.	Others, please specify	
6.	<b>Total</b>	

**VI. 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
<b>A. Company</b>					
Penalty		The Company faced no penalty or prosecution or punishment under any provisions of Companies Act 2013 or rules made thereunder, during the year under consideration.			
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty		The Directors of your Company faced no penalty or prosecution or punishment under any provisions of Companies Act 2013 or rules made thereunder, during the year under consideration.			
Punishment					
Compounding					
<b>C. Other Officers In Default</b>					
Penalty		None other Officers of your Company faced any penalty or prosecution or punishment under any provisions of Companies Act 2013 or rules made thereunder, during the year under consideration.			
Punishment					
Compounding					

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 3<sup>rd</sup> September, 2019**

**Sd/-**  
**Himanshu Shah**  
**(Managing Director)**  
**DIN: 08198016**

**Sd/-**  
**Nileshkumar Parekh**  
**(Director)**  
**DIN: 08215249**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Indian Economy and developments

The Indian economy has slowed down in comparison to the previous years and also there has been a slowdown globally. The General Elections in India just got over, and the National Democratic Alliance (NDA) government is back with a stronger mandate for the next five years which, we all hope, will enable them to build a stronger India in all respects.

During the year under review, the sheen on the India Growth Story remained intact. India once again moved up in the World Bank's 'Ease of Doing Business' survey. Progress on the Insolvency & Bankruptcy Code (IBC) has been slower than expected, but it has nonetheless ushered in a healthy credit culture, and this will reap rich dividends in terms of attracting more investments to India. The roll-out of the Goods & Services Tax (GST) has considerably expanded the tax base, formalised larger segments of the economy and heralded a transparent way of doing business. Further rationalisation of the GST tax rates will provide a huge boost to entrepreneurship.

## Industry Overview

The year under review has been a very challenging one for the Non Banking Financial Sector in India, especially after the IL&FS episode in September 2018. The infrastructure sector in India has also been facing challenging times. The credit crunch due to NPA problems have severely affected the Construction, Infra Structure and the Real Estate Sector. This has led to fall in demand for the construction materials and also subcontracting business.

The government has shown its intent to boost the economy and has been taking several steps to ease the pressure in various sectors in the economy. Such steps along with easing of the finance pressure should auger well for the Infrastructure sector.

## Financial Performance:

This year the Company strived to achieve a total income of approx. **Rs. 571.83 Lakhs** as against approx. **Rs.102.32 lakhs** achieved during the previous year. Expenditure incurred during the year was Rs. 448.45 lakhs vis-à-vis Rs. 32.88 lakhs in the previous year. The Company successfully earned a Profit before tax of **Rs. 123.38 lakhs** as against Profit of **Rs. 69.44 lakhs** in the previous year. Our focus continues to strengthen our Balance sheet and create a long term shareholder's value.

## Significant Changes in the Key Financial Ratios:

Key Ratios	Financial	FY 2018-19	FY 2017-18	% Change (YOY)	Remarks
Debtors Ratio	Turnover	2.04	3.55	-42.41	The debtors turnover ratio has reduced due to the difficulty in recovering the due. The company is taking necessary steps to improve the situation.
Inventory Turnover		NA	NA	NA	

Ratio				
Interest Coverage Ratio	54.64	29.46	85.49	The Interest Coverage ratio, which reflects the ability to service the interest has improved YoY.
Current Ratio	2.01	169.43	-98.81	The company has been able to maintain a healthy current ratio.
Debt –Equity Ratio	0.13	0.04	218.54	The company has been able to maintain a healthy Debt-Equity ratio.
Operating Profit Margin	0.22	0.70	-68.71	There has been significant fall in the margins due to increasing completion and falling demand.
Net Profit Margin	0.15	0.53	-71.09	There has been significant fall in the margins due to increasing completion and falling demand.
Return on Net worth	0.18	0.13	35.64	The overall Return on Networth has seen a good increase.

### Opportunities and Threats

Your company is associated with the infrastructure sector, is exposed to specific risks that are particular to its business and the environment within which it operates including interest rate volatility, economic cycle, and market risk.

Due to general slowdown in the infra and real estate sector the margins have contracted. It is imperative to focus on improving the operational efficiencies and reduce costs.

Such challenging situations also offer an opportunity to collaborate with other participants and also expand the market share through organic and inorganic means. Your company is open to explore any such opportunity to create long term wealth for the stakeholders. The management is also keenly following the developments on the IBC front as we expect several brown field investment opportunities to open up there.

### Human Resources:

While we have all the processes in place, it is important that we have the right people at job to achieve the goals. Our employees are our most important assets. The competency development of our employees continues to be a key area of strategic focus for us.

By creating conducive environment for career growth, company is trying to achieve the maximum utilization of employee's skills in the most possible way.

There is need and the company is focused on retaining and bringing in talent keeping in mind the ambitious plans despite the market and industry scenario.

The need to have a change in the management style of the company is one of the key focus areas this year.

**Internal Control Systems:**

The Company has adequate system of strong internal controls for business processes, with regard to operations, financial reporting, compliance with applicable laws and regulations, etc. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of the changing business needs from time to time. The Company has also appointed Internal Auditor pursuant to the provisions of Companies Act, 2013 read with relevant rules made thereunder.

**Outlook:**

The Indian economy, despite some signs of stress, is still growing faster than most major economies. Thus, the prospects for your Company remain bright. We expect the investment climate to improve in the second half of FY20, as the new Government settles down. Financial markets and capital inflows may witness volatility in the first half of FY20 but gain relative stability in the latter half, given India's inherent potential as an investment destination in the emerging markets space.

**Cautionary Statement:**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 03<sup>rd</sup> September, 2019**

**Sd/-**  
**Himanshu Shah**  
**(Managing Director)**  
**DIN: 08198016**

**Sd/-**  
**Nileshkumar Parekh**  
**(Director)**  
**DIN: 08215249**

# MD CERTIFICATION ON FINANCIALS

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The Board of Directors,

**Darjeeling Ropeway Company Limited**

104, Floor-1, Shreeji Darshan, Tata Road No. 2,  
Roxy Cinema Opera House, Girgaon Mumbai - 400 004

I, Himanshu Shah, Managing Director (MD) of the Company do hereby certify the following:

- a. I have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2019, which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We hereby indicated to the auditors and the Audit committee,
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting

**For Darjeeling Ropeway Company Limited**

**Sd/-  
Himanshu Shah  
Managing Director  
DIN: 08198016**

**Date: 20<sup>th</sup> May, 2019**

**Place: Mumbai**

# INDEPENDENT AUDITOR'S REPORT

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## **To the Members of Darjeeling Ropeway Company Limited Report on audit of the Financial Statements**

### **Opinion**

We have audited the accompanying Ind AS financial statements of **Darjeeling Ropeway Company Limited** ('the Company'), which comprise the balance sheet as at 31 March 2019, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash flows and the for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 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 Ind AS financial statements of the current period.

We have determined that there are no key audit matters to communicate in our report.

### **Information Other than Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include Ind AS financial statements and our auditor's report thereon.

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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and those charged with governance for Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Responsibility for the Audit of Ind AS Financial Statement**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS 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 the paragraph 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 Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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:
  - i. The Company does not have any pending litigations which would impact its financial position.;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

3. With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

**For Shah & Shah**

Chartered Accountants  
(Firm's Registration Number 131527W)

Sd/-

**Tejas C. Shah**

Partner  
Membership No. 135639

Date: 20 May 2019  
Place: Ahmedabad

## **Annexure - A to the Independent Auditors' Report**

With reference to the Annexure referred to in paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Independent Auditors' Report to the Members of the Company on the Ind AS financial statements for the year ended 31 March 2019, we report that:

- (i) In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
  - (b) According to the information and explanation given to us, the fixed assets have been physically verified by the management once in a year which in our opinion is reasonable, having regards to the size of the Company and nature of its business. No material discrepancies have been noticed on such verifications.
  - (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 Company is in the business of providing works contract services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- (iii) As per the information furnished, the Company has not granted loans whether secured or unsecured to persons covered in the Register, maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31 March 2019 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us and based on books of account, maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the company and hence paragraph 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax (GST) and any other statutory dues with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Income Tax, Goods and Service Tax, and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no dues of Income-tax or Central Sales Tax or Service tax or Goods and Services tax or Duty of Excise or Value added tax or Goods and Service Tax which have not been deposited by the Company on account of disputes.

- (viii) The Company has not borrowed money from financial institution, banks Government or through issue of debentures. Hence, reporting under clause 3(viii) of the Order is not applicable to the Company.
- (ix) In our opinion and according to the information and explanation given to us, the term loans were applied for the purposes for which loans were raised.
- (x) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under this clause of the Order is not applicable.
- (xi) Based upon the audit procedures performed and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xii) 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 Companies Act, 2013.
- (xiii) The Company is not a Nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiv) 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 with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- (xv) 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.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provision of section 192 of the Act is not applicable.
- (xvii) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Shah & Shah**

Chartered Accountants

(Firm's Registration Number 131527W)

Sd/-

**Tejas C. Shah**

Partner

Membership No. 135639

Date: 20 May 2019

Place: Ahmedabad

## **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")**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

#### **Opinion**

We have audited the internal financial controls over financial reporting of **Darjeeling Ropeway Company Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, 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 31 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.

#### **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 Ind AS financial statements, whether due to fraud or

error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

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.

### **For Shah & Shah**

Chartered Accountants  
(Firm's Registration Number 131527W)

Sd/-

### **Tejas C. Shah**

Partner  
Membership No. 135639

Date: 20 May 2019  
Place: Ahmedabad

# BALANCE SHEET

## Darjeeling Ropeway Company Limited

Balance Sheet as at 31 March, 2019

(₹ in lakhs)

Sr No.	Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, plant and equipment	3	5.14	-
	(b) Financial assets			
	(i) Investments	4	-	58.08
	<b>Total Non-current Assets</b>		<b>5.14</b>	<b>58.08</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Financial assets			
	(i) Trade receivables	5	549.78	9.62
	(ii) Cash and cash equivalents	6	11.07	33.57
	(iii) Loans	7	434.28	341.75
	(iv) Other Financial assets	8	83.00	-
	(b) Other current assets	9	0.28	1.35
	<b>Total Current Assets</b>		<b>1,078.41</b>	<b>386.29</b>
	<b>TOTAL ASSETS</b>		<b>1,083.55</b>	<b>444.37</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity share capital	10	305.00	305.00
	(b) Other equity	11	184.26	105.71
	<b>Total Equity</b>		<b>489.26</b>	<b>410.71</b>
<b>2</b>	<b>Liabilities</b>			
	<b>Non-Current Liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	12	33.45	16.75
	(b) Deferred tax liabilities (net)	13	1.41	1.14
	(c) Income tax liabilities (net)		22.78	13.49
	<b>Total Non-Current Liabilities</b>		<b>57.64</b>	<b>31.38</b>
<b>3</b>	<b>Current Liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	14	30.11	-
	(ii) Trade payables	15	504.70	0.37
	(b) Other current liabilities	16	1.84	1.91
	<b>Total Current Liabilities</b>		<b>536.65</b>	<b>2.28</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,083.55</b>	<b>444.37</b>
	<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	<b>1-29</b>		

As per our report of even date attached

**For Shah & Shah**

Chartered Accountants

Firm Registration Number: 131527W

Sd/-

**Tejas C. Shah**

Partner

Membership Number: 135639

**For and on behalf of the board**

Sd/-

**Himanshu Shah**

Managing Director

DIN: 08198016

Sd/-

**Dilip Doshi**

Chief Financial Officer

Place: Mumbai

Date: May 20, 2019

Sd/-

**Nileshkumar Parekh**

Director

DIN: 08215249

Sd/-

**Zalak Gajjar**

Company Secretary



# STATEMENT OF PROFIT AND LOSS

## Darjeeling Ropeway Company Limited

### Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakhs)

Sr. No.	Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from operations	17	473.95	11.42
II	Other Income	18	97.88	90.90
III	<b>TOTAL INCOME (I+II)</b>		<b>571.83</b>	<b>102.32</b>
IV	<b>Expenses</b>			
	(a) Purchases		-	12.80
	(b) Employee benefit expenses	19	1.62	6.89
	(c) Finance costs	20	2.30	2.44
	(d) Depreciation expenses	3	0.05	-
	(e) Other expenses	21	444.48	10.75
	<b>TOTAL EXPENSES</b>		<b>448.45</b>	<b>32.88</b>
V	<b>Profit before tax</b>		<b>123.38</b>	<b>69.44</b>
VI	<b>Tax Expense</b>			
	(a) Current tax	29	35.00	13.49
	(b) Earlier year tax		0.36	0.51
	(c) Deferred tax		0.28	1.14
	<b>Total tax expenses</b>		<b>35.64</b>	<b>15.14</b>
VII	<b>Profit for the year (V - VI)</b>		<b>87.74</b>	<b>54.30</b>
VIII	<b>Other comprehensive income (OCI)</b>			
	Items that will not be reclassified to profit or loss		-	-
	Income tax effect on above		-	-
	<b>TOTAL COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
IX	<b>Total comprehensive income for the year (VII + VIII)</b>		<b>87.74</b>	<b>54.30</b>
XI	<b>Earnings per equity share (₹)</b>	22		
	- Basic and diluted		2.88	1.78
	Weighted average number of equity shares		3,050,000	3,050,000
XII	<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	<b>1-29</b>		

As per our report of even date attached

For and on behalf of the board

For Shah & Shah

Chartered Accountants

Firm Registration Number: 131527W

Sd/-

Himanshu Shah

Managing Director

DIN: 08198016

Sd/-

Nileshkumar Parekh

Director

DIN: 08215249

Sd/-

Tejas C. Shah

Partner

Membership Number: 135639

Sd/-

Dilip Doshi

Chief Financial Officer

Sd/-

Zalak Gajjar

Company Secretary

Place: Mumbai

Date: May 20, 2019

# CASH FLOW STATEMENT

<b>Darjeeling Ropeway Company Limited</b>		
<b>Cash Flow Statement for the year ended March 31, 2019</b>		
(₹ in lakhs)		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit for the year</b>	<b>87.74</b>	<b>54.30</b>
Adjustments for:		
Dividend received	-	(0.31)
Depreciation	0.05	-
Donation	2.00	-
Interest and finance charges	2.30	-
Net gain on sale of investments	(7.11)	(79.76)
Loss on sale of investments	0.93	-
Unrealized (profit)/loss due to change in fair value of Investments	6.15	(6.15)
Tax expenses	35.64	14.63
Interest income	(13.92)	(8.13)
<b>Operating profit/(loss) before working capital changes</b>	<b>113.79</b>	<b>(25.42)</b>
Adjustments for changes in working capital:		
(Increase)/decrease in trade receivables	(540.16)	38.40
(Increase)/decrease in other assets	(83.00)	201.55
Decrease in other current assets	1.07	-
Increase in provisions	-	6.51
Increase /(decrease) in trade payables	504.33	(37.20)
Decrease in other financial liabilities	-	(2.64)
Decrease in other current liabilities	(0.07)	-
<b>Cash generated from operations</b>	<b>(4.05)</b>	<b>181.20</b>
Income taxes paid (net of refund)	(28.08)	(13.49)
<b>Net cash flow from/(used in) operating activities</b>	<b>(32.12)</b>	<b>167.71</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for purchase of property, plant and equipment	(5.19)	-
Sale of investments	58.10	152.27
Dividend received	-	0.31
Unrealized (profit)/loss due to change in fair value of Investments	-	6.16
<b>Net cash flow from investing activities</b>	<b>52.91</b>	<b>158.74</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	16.70	-
Interest received	13.92	8.13
Dividend paid (including tax on dividend)	(9.19)	-
Proceeds from short term borrowings	30.11	-
Increase in loans and advances	(92.53)	(317.61)
Interest and finance charges paid	(2.30)	-
<b>Net cash used in financing activities</b>	<b>(43.29)</b>	<b>(309.48)</b>
<b>Net change in cash and cash equivalents</b>	<b>(22.50)</b>	<b>16.97</b>
<b>Cash and bank balances at the beginning of the year</b>	<b>33.57</b>	<b>16.60</b>
<b>Cash and bank balances at the end of the year</b>	<b>11.07</b>	<b>33.57</b>
<b>(D) NOTES FORMING PART OF THE FINANCIAL STATEMENTS (1 to 29)</b>		
As per our report of even date attached	<b>For and on behalf of the board</b>	
<b>For Shah &amp; Shah</b>	Sd/-	Sd/-
Chartered Accountants	<b>Himanshu Shah</b>	<b>Nileshkumar Parekh</b>
Firm Registration Number: 131527W	Managing Director	Director
	DIN: 08198016	DIN: 08215249
Sd/-	Sd/-	Sd/-
<b>Tejas C. Shah</b>	<b>Dilip Doshi</b>	<b>Zalak Gajjar</b>
Partner	Chief Financial Officer	Company Secretary
Membership Number: 135639	Place: Mumbai	
	Date: May 20, 2019	

# NOTES

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## **1. Corporate Information:**

Darjeeling Ropeway Company Limited ("the Company") is a public limited company incorporated in the year 1936 and domiciled in India. It is taken over by new management in the year 2018. The new management is led by Mr. Himanshu Shah and team has rich experience in the field of Construction in the state of Gujarat. The Company has transformed in a short span of time from a civil contractor to a well-groomed infrastructure development and construction company with an aim of accomplishing world-class standards in real estate, property and infrastructure development. The Registered Office of the Company is at Mumbai controlling various Projects at various locations. The Company's equity share is listed on the Bombay Stock Exchange.

The financial statements for the year ended March 31, 2019 are approved for issue by the Company's Board of Directors on 20 May 2019.

## **2. Significant Accounting Policies:**

### **2.1 Basis of Preparation**

#### **(I) Compliance with IND AS:**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

#### **(II) Historical cost convention:**

The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities, defined benefits plans, contingent consideration and Assets held for sale, which have been measured at fair value.

#### **(III) Current and non-current classification:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- a. Expected to be realized or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realized within twelve months after the reporting period, or
- d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- a. It is expected to be settled in normal operating cycle
- b. It is held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **(IV) Rounding of Amounts:**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### **2.2 Use of Estimates and Judgements:**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

#### **2.3 Property, plant and equipment:**

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Costs include

financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use, along with effects of foreign exchange contracts. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment.

#### Tangible Fixed Assets:

Depreciation is charged as per straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognized prospectively in current and future periods, if any.

#### ***2.4 Impairment of non-financial assets***

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 is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

## 2.5 Foreign Currency Transactions

### Functional and presentation currency

The Company's financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional and presentation currency. All amounts have been reported in Indian Rupees Lakhs, except for share and earnings per share data, unless otherwise stated.

### Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of transaction.

### Conversion

Foreign currency monetary items are reported using the closing rate. In case of items which are covered by forward exchange contract, the difference between yearend rate and rate on the date of the contract is recognised as exchange difference and premium paid on forward contracts and option contract is recognised over the life of the contract. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

### Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference (i.e. translation difference on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

## 1. 2.6 Revenue Recognition

### (i) **Sale of goods and services:**

The Company derives revenues primarily from works contract services.

Effective April 1, 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. April 1, 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company recognizes provision for sales return, based on the historical results.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if all of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance;
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied.

**(ii) Interest income:**

Interest income from financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income be measured reliably. Interest income is accrued on a time basis, be reference to the amortised cost and the Effective Interest Rate (EIR) applicable.

**(iii) Other income:** Other income is recognised when no significant uncertainty as to its determination or realisation exists.

## **2. 2.7 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## **A. Financial Assets**

### **a. Initial recognition and measurement:**

All financial assets are recognized initially at fair value. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the initial cost of such asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Company commits to purchase or sell the asset.

### **b. Subsequent measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

#### **i. Debt instruments at amortized cost:**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate [EIR] method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

#### **ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income [OCI]. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



**iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit & Loss statement.

**iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:**

All equity in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**c. Derecognition:**

A financial asset is primarily derecognized when:

- i. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- ii. the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

**d. Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash
- c. Financial assets that are debt instruments and are measured as at FVTOCI
- d. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on Point c and d provided above. The application of simplified approach requires the company to recognize the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used to provide impairment. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a. Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- b. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

## **B. Financial liabilities:**

### **a. Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**b. Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

**i. Financial liabilities at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**ii. Loans and borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**iii. Financial guarantee contracts:**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

**C. Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or

modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**D. Reclassification of financial assets:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

**E. Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**2.8 Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted [unadjusted] market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

## **2.9 Income Tax**

Income tax expense comprises current and deferred tax.

### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized on the basis of reasonable certainty that the company will be having sufficient future taxable profits and based on the same the DTA has been recognized in the books.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is "realized or the liability is settled, based on tax rates [and tax laws] that have been enacted or substantively enacted at the" reporting date.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

## **2.10 Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### **2.11 Provisions, Contingent Liabilities and Contingent Assets:**

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

### **2.12 Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### **2.13 Earnings per equity share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## Darjeeling Ropeway Company Limited

### Statement of Changes in Equity for the Year Ended March 31, 2019

(₹ in lakhs)

**(A) Equity Share Capital**

**Balance as at March 31, 2018**

As at April 1, 2017	Changes during the year	As at March 31, 2018
305.00	-	305.00

**Balance as at March 31, 2019**

As at April 1, 2018	Changes during the year	As at March 31, 2019
305.00	-	305.00

**(B) Other Equity**

Particulars	General Reserve	Retained Earnings	Total Equity
Balance as at April 1, 2017	42.38	9.03	51.41
Profit for the year	-	54.30	54.30
<b>Balance as at March 31, 2018</b>	<b>42.38</b>	<b>63.33</b>	<b>105.71</b>
Balance as at April 1, 2018	42.38	63.33	105.71
Profit for the year	-	87.74	87.74
Dividend (including tax on dividend of ₹ 1.57 lakhs)	-	(9.19)	(9.19)
<b>Balance as at March 31, 2019</b>	<b>42.38</b>	<b>141.88</b>	<b>184.26</b>

## Darjeeling Ropeway Company Limited

### Notes forming part of the Financial Statements

(₹ in lakhs)

#### 3 - Property, Plant and Equipment

Particulars	Computers	Total
<b>Cost:</b>		
As at April 1, 2017	-	-
Additions during the year	-	-
As at March 31, 2018	-	-
Additions during the year	5.19	5.19
<b>As at March 31, 2019</b>	<b>5.19</b>	<b>5.19</b>
<b>Accumulated Depreciation:</b>		
As at April 1, 2017	-	-
Depreciation for the year	-	-
As at March 31, 2018	-	-
Depreciation for the year	0.05	0.05
<b>As at March 31, 2019</b>	<b>0.05</b>	<b>0.05</b>
<b>Net Carrying Amount:</b>		
As at March 31, 2018	-	-
As at March 31, 2019	5.14	5.14
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>4 - Investments (Non Current Financial Assets)</b>		
Investment in property	-	25.93
Investment in listed shares	-	25.99
Add: Increase due to fair value of Investments	-	6.16
	<b>-</b>	<b>58.08</b>
<b>5 - Trade Receivables (Unsecured)</b>		
Considered good	549.78	9.62
Considered doubtful	-	-
	549.78	9.62
Less: Expected Credit Loss	-	-
	<b>549.78</b>	<b>9.62</b>
<b>6 - Cash and Cash Equivalents</b>		
Balances with banks in current accounts	4.17	31.78
Cash on hand	6.90	1.79
	<b>11.07</b>	<b>33.57</b>
<b>7 - Current Financial Assets - Loans</b>		
Loans to unrelated party (unsecured and considered good)	434.28	341.75
	<b>434.28</b>	<b>341.75</b>



## Darjeeling Ropeway Company Limited

### Notes forming part of the Financial Statements

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>8 - Other financial Assets</b>		
Amount receivable	83.00	-
	<b>83.00</b>	<b>-</b>
<b>9 - Other Current Assets</b>		
Balance with statutory authorities	-	1.35
Advances to suppliers	0.28	-
	<b>0.28</b>	<b>1.35</b>
<b>10 - Share Capital</b>		
<b>Authorised:</b>		
32,50,000 Equity Shares of ₹ 10 each (March 31, 2018: 32,50,000 Equity shares of ₹ 10 each)	325.00	325.00
<b>Issued, Subscribed and fully paid-up:</b>		
30,50,000 Equity Shares of ₹ 10 each fully paid up (March 31, 2018: 30,50,950 Equity shares of ₹ 10 each)	305.00	305.00
	<b>305.00</b>	<b>305.00</b>

#### (i) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
<b>Equity Shares</b>				
Opening Balance	3,050,000	305.00	3,050,000	305.00
Add: Issued during the year	-	-	-	-
Closing Balance	<b>3,050,000</b>	<b>305.00</b>	<b>3,050,000</b>	<b>305.00</b>

#### (ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

#### (iii) Number of Shares held by each shareholder holding more than 5% Shares in the Company

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% of Holding	Number of shares	% of Holding
Himanshu Ramniklal Shah	815,404	26.73%	734,299	24.08%
DKC Trading Private Limited	-	-	200,000	6.56%
Arvind Shantilal Shah	214,707	7.04%	-	-

(iv) During the 5 years immediately preceding March 31, 2019, there are no shares allotted as fully paid up pursuant to contract(s) without payment being received in cash. Also, there are no shares allotted as fully paid up by way of bonus shares.

**Darjeeling Ropeway Company Limited**  
Notes forming part of the Financial Statements

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>11 - Other Equity</b>		
(A) General reserve	42.38	42.38
(B) Retained earnings		
Opening balance	63.33	9.03
Profit for the year	87.74	54.30
	151.08	63.33
Less: Appropriation		
Dividend on equity shares	(7.63)	-
Tax on dividend	(1.57)	-
	141.88	63.33
<b>(C) = (A) + (B)</b>	<b>184.26</b>	<b>105.71</b>
<b>12 - Borrowings (Non current)</b>		
<b>Unsecured</b>		
Loans & advances from directors	15.49	-
Other loans & advances	17.96	16.75
	<b>33.45</b>	<b>16.75</b>
<b>13 - Deferred Tax Liabilities (Net)</b>		
Deferred tax liabilities	1.41	1.14
Less: Deferred tax assets	-	-
Deferred Tax Liabilities (Net)	<b>1.41</b>	<b>1.14</b>
<b>14 - Borrowings (Current)</b>		
<b>Unsecured</b>		
Loans & advances from directors	30.11	-
	<b>30.11</b>	<b>-</b>
<b>15 - Trade Payables</b>		
Due to micro and small enterprises	-	-
Due to other than micro and small enterprises	504.70	0.37
	<b>504.70</b>	<b>0.37</b>
<b>a. Disclosure under Section 22 of Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 is as under:</b>		
The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:		
(a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;		
(b) Interest paid during the year;		
(c) Amount of payment made to the supplier beyond the appointed day during accounting year;		
(d) Interest due and payable for the period of delay in making payment;		
(e) Interest accrued and unpaid at the end of the accounting year; and		
(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise;		
have not been given.		
The information is given in respect of such vendors to the extent they could be identified as micro and small enterprise on the basis of information available with the Company.		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>16 - Other Current Liabilities</b>		
Statutory liabilities	1.84	1.91
	<b>1.84</b>	<b>1.91</b>

**Darjeeling Ropeway Company Limited**  
Notes forming part of the Financial Statements

(₹ in lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>17 - Revenue from operations</b>		
Sale of products	-	11.42
Sale of services	473.95	-
	<b>473.95</b>	<b>11.42</b>
<b>18 - Other Income</b>		
Interest income	13.92	8.13
Dividend income	-	0.31
Net gain on sale of investments	7.10	72.24
Unrealized Profit/(loss) due to change in fair Value of investments	(6.15)	6.15
Miscellaneous Income	83.01	4.07
	<b>97.88</b>	<b>90.90</b>
<b>19 - Employee Benefits Expenses</b>		
Salaries	1.62	6.89
	<b>1.62</b>	<b>6.89</b>
<b>20 - Finance Costs</b>		
Interest expenses	2.30	2.44
	<b>2.30</b>	<b>2.44</b>
<b>21 - Other Expenses</b>		
Advertisement, publicity and sales promotion	0.55	0.18
Conveyance expenses	-	0.36
Direct expenses	432.58	-
Donation expenses	2.00	-
Electricity expenses	-	-
Legal fees	4.14	6.19
Loss on sale of investments	0.93	-
Miscellaneous expenses	0.38	0.67
Printing and stationary	0.12	0.81
Postage and telegram	0.15	0.55
Payment to auditors**	0.70	0.10
Professional and consultancy charges	2.93	1.27
Rent	-	0.30
Telephone and internet expenses	-	0.22
Website expenses	-	0.10
	<b>444.48</b>	<b>10.75</b>
<b>** Payment to Auditors</b>		
- as auditors	0.40	0.10
- for tax audit	0.15	-
- for limited review	0.15	-

**Darjeeling Ropeway Company Limited**

**Notes forming part of the Financial Statements**

(` in lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>22 - Earnings per share</b>		
Profit available for equity shareholders (` lakhs)	87.74	54.30
Weighted average numbers of equity shares	3,050,000	3,050,000
Face value per equity share (`)	10.00	10.00
<b>Earnings Per Equity Share- Basic &amp; Diluted (`)</b>	<b>2.88</b>	<b>1.78</b>

**23 - Contingent Commitments and Commitments: Nil**

**24 - Segment Reporting**

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based upon analysis of various performance indicators by the Operating Segments. The Company's CODM constitutes of managing director and chief financial officer.

The Company has one segment of activity only. The Company's operations are limited to India only and it's all assets are domiciled in India, there are no reportable geographical segments.

**25 - Corporate Social Responsibilities**

Gross amount required to be spent by the Company during the year is ` Nil (Previous year - ` Nil).

**26 - Related Party Disclosures**

**(a) Related parties and their relationships**

**(i) Key Management Personnel (KMP)**

Sr. No.	Name of KMP	Designation
1	Himanshu Ramniklal Shah	Managing Director
2	Dilip Ramanlal Doshi	Chief Financial Officer (CFO)

**(b) Transactions with related parties for the year ended March 31, 2019:**

Particulars	Key Management Personnel	Total
Loan taken	44.75	<b>44.75</b>
	-	-
Interest expenses	0.96	<b>0.96</b>
	-	-

**(c) Balance outstanding as at March 31, 2019:**

Particulars	Key Management Personnel	Total
Non- current borrowings	15.49	<b>15.49</b>
	-	-
Current borrowings	30.11	<b>30.11</b>
	-	-

*Previous years' figures are in italics*

## Darjeeling Ropeway Company Limited

### Notes forming part of the Financial Statements

(₹ in lakhs)

#### 27 - Financial Instruments - Accounting Classification and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

(i) Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.

(ii) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

#### I. Figures as at March 31, 2019

Financial Instrument	Carrying Amount	Fair Value				Fair Value Hierarchy			
		Amortised Cost	FVOCI	FVTPL	Total Fair Value	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>									
<b>Current</b>									
Trade receivables	549.78	-	-	-	-	-	-	-	-
Cash and cash equivalents	11.07	-	-	-	-	-	-	-	-
Loans	434.28	-	-	-	-	-	-	-	-
Other financial assets	83.00	-	-	-	-	-	-	-	-
	<b>1,078.13</b>	-	-	-	-	-	-	-	-
<b>Financial Liabilities</b>									
<b>Non Current</b>									
Borrowings	33.45	-	-	-	-	-	-	-	-
<b>Current</b>									
Borrowings	30.11	-	-	-	-	-	-	-	-
Trade payables	504.70	-	-	-	-	-	-	-	-
	<b>568.26</b>	-	-	-	-	-	-	-	-

**Darjeeling Ropeway Company Limited**  
Notes forming part of the Financial Statements

(₹ in lakhs)

**II. Figures as at March 31, 2018**

Financial Instrument	Carrying Amount	Fair Value				Fair Value Hierarchy			
		Amortised Cost	FVOCI	FVTPL	Total Fair Value	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>									
<b>Non Current</b>									
Investments	-	58.08	-	-	58.08	58.08	-	-	58.08
<b>Current</b>									
Trade receivables	9.62	-	-	-	-	-	-	-	-
Cash and cash equivalents	33.57	-	-	-	-	-	-	-	-
Others	341.75	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>384.94</b>	<b>58.08</b>	<b>-</b>	<b>-</b>	<b>58.08</b>	<b>58.08</b>	<b>-</b>	<b>-</b>	<b>58.08</b>
<b>Financial Liabilities</b>									
<b>Current</b>									
Trade payables	0.37	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>0.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

During the reporting period ending March 31, 2019 and March 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements.

**III. Description of significant unobservable inputs to valuation:**

The following table shows the valuation techniques and inputs used for the financial instruments

Particulars	As at March 31, 2019	As at March 31, 2018
Other Non-Current Financial Assets Borrowings (Non-Current)	Discounted Cash Flow method using the risk adjusted discount rate	

No financial instruments have been routed through Other Comprehensive Income and hence separate reconciliation disclosure relating to the same is not applicable.

**28 - Tax Expense**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Current Tax:</b>		
Current tax expense for current year	35.00	13.49
Current tax expense pertaining to prior years	0.36	0.51
<b>Deferred Tax:</b>		
Deferred tax expense for current year	0.28	1.14
<b>Total Income tax expense recognized in current year</b>	<b>35.64</b>	<b>15.14</b>
<b>Reconciliation of tax expense and accounting profit multiplied by statutory tax rate:</b>		
Profit before taxes	123.38	69.44
Statutory tax rates in India	27.82	26.00
<b>Tax expense at applicable rate</b>	<b>34.32</b>	<b>18.05</b>
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:</b>		
Expenses not deductible for tax purposes	0.57	-
Expenses deductible for tax purposes	(0.57)	0.13
Income exempt from tax	-	(0.08)
Tax pertaining to prior years	0.36	0.51
Tax on income at different rates	(0.27)	(3.48)
Others (net)	1.21	-
<b>Total Income tax expense recognized in current year</b>	<b>35.64</b>	<b>15.14</b>

# Darjeeling Ropeway Company Limited

## Notes forming part of the Financial Statements

(₹ in lakhs)

### 29 - Financial Risk Management and Risk Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the Managing Board.

#### Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a Board of Directors, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and

#### Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company's borrowings are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

#### Foreign currency risk

The Company operates locally. The nature of its operations does not require it to transact in several currencies and consequently the Company is not exposed to foreign exchange risk in various foreign

#### Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the company compares the risk of a default occurring on the asset at the reporting date with the risk of default as the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation,
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty.
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

**Darjeeling Ropeway Company Limited**  
**Notes forming part of the Financial Statements**

(₹ in lakhs)

<b>I. Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>		
Particulars	As at March 31, 2019	As at March 31, 2018
Loans	434.28	341.75
Other financial assets	83.00	-
<b>Total (A)</b>	<b>517.28</b>	<b>341.75</b>
<b>II. Financial assets for which loss allowance is measured using 12 months Life Time Expected Credit Losses (ECL)</b>		
Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	549.78	9.62
<b>Total (A)</b>	<b>549.78</b>	<b>9.62</b>
<b>III. The ageing analysis of these receivables (gross of provision) has been considered from the date the invoice falls due</b>		
Particulars	As at March 31, 2019	As at March 31, 2018
Within credit period	549.78	-
Less than 6 months overdue	-	9.62
More than 6 months but within 12 months overdue	-	-
More than 1 year overdue	-	-
<b>Total</b>	<b>549.78</b>	<b>9.62</b>

**IV. Provision for expected credit losses against "II" and "III" above**

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Company believes that, no impairment allowance is necessary in respect of above mentioned financial assets.



**Darjeeling Ropeway Company Limited**  
**Notes forming part of the Financial Statements**

(₹ in lakhs)

**Liquidity Risk**

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

*Maturity profile of financial liabilities*

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at March 31, 2019			As at March 31, 2018		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Borrowings	30.11	33.45	<b>63.56</b>	-	16.75	<b>16.75</b>
Trade Payables	504.70	-	<b>504.70</b>	0.37	-	<b>0.37</b>
<b>Total</b>	<b>534.81</b>	<b>33.45</b>	<b>568.26</b>	<b>0.37</b>	<b>16.75</b>	<b>17.12</b>

**Capital management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The capital structure is as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Total equity attributable to the equity share holders of the Company	489.26	410.71
As a percentage of total capital	88.50%	96.08%
Current borrowings	30.11	-
Non-current borrowings	33.45	16.75
Total borrowings	63.56	16.75
As a percentage of total capital	11.50%	3.92%
<b>Total capital (equity and borrowings)</b>	<b>552.82</b>	<b>427.46</b>

# NOTICE

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NOTICE is hereby given that the 82<sup>nd</sup> Annual General meeting of the members of Darjeeling Ropeway Company Limited ("the Company") for FY 2018-19 will be held on 28<sup>th</sup> September, 2019 at 10.00 a.m. at the Registered Office of the Company situated at 104, Floor-1, Shreeji Darshan, Tata Road No. 2, Roxy Cinema Opera House, Girgaon Mumbai - 400 004, to transact the following business:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited financial statements for the financial year ended **31<sup>st</sup> March, 2019** together with reports of the Directors and Auditors thereon.
2. Re-appointment of Director **Mr. Nileshkumar Parekh**, who retires by rotation and, being eligible offers himself for re-appointment.
3. Appointment of **M/s. Shah & Shah** as a Statutory Auditor of the Company:

**"RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, **M/s. Shah & Shah, Chartered Accountant**, (Firm Registration No. 131527W) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office and conduct audit from FY 2019-20 to FY 2023-24, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.

**RESOLVED FURTHER THAT** to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

## **SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mrs. Bhargavi Patel (DIN: 08357929)**, who on recommendation of the Nomination and Remuneration committee was appointed

as an Additional Non-Executive Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company w.e.f. 12<sup>th</sup> February, 2019, holds office up to the date of this Annual General Meeting, and who has given her consent pursuant to the provisions of Section 152 (5) of the Companies Act, 2013, be and is hereby appointed as a Non-executive Director of the Company, who is liable to retire by rotation.

**RESOLVED FURTHER THAT** any of the director of the Company be and is hereby authorized to do such acts deeds and matters as may be incidental or necessary, to give effect to the aforesaid resolution.”

5. To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Mr. Harshadkumar Patel (DIN: 08356578)**, who on recommendation of the Nomination and Remuneration committee was appointed as an Additional Independent Director of the Company by the Board on 12<sup>th</sup> February, 2019 and who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and also given his consent pursuant to the provisions of Section 152 (5) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company on recommendation of the Board, to hold office for a term of five years w.e.f. 12<sup>th</sup> February, 2019 and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** any of the director of the Company be and is hereby authorized to do such acts deeds and matters as may be incidental or necessary, to give effect to the aforesaid resolution.”

**Explanatory Statement:**

**The following Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 sets out all material facts relating to the business mentioned in item nos. 4 and 5 in the accompanying Notice of the Annual General Meeting:**

**Item No. 4**

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, **Mrs. Bhargavi Patel (DIN: 08357929)** was appointed as an Additional Non-Executive Director of the Company with effect from 12<sup>th</sup> February, 2019. In terms of the

provisions of Section 161(1) of the Act, Mrs. Bhargavi Patel would hold office up to the date of the ensuing Annual General Meeting.

Mrs. Bhargavi Patel is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Your directors have proposed the appointment of Mrs. Bhargavi Patel as a Non-Executive Director of the Company and a resolution to that effect has been set out as Item No. 4 of this Notice.

Except Mrs. Bhargavi Patel to whom the resolution relates, to the extent of their shareholding interest, if any, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice. A profile of Mrs. Bhargavi Patel is set out herein below the notice.

#### **Item No. 5**

On recommendation of the Nomination and Remuneration Committee, Mr. Harshadkumar Patel (DIN: 08356578), was appointed as an Additional Independent Director on the Board of the Company, on 12<sup>th</sup> February, 2019. Your directors have proposed the appointment of **Mr. Harshadkumar Patel (DIN: 08356578)**, as a Non-Executive Independent Director of the Company for a period of 5 years, w.e.f. 12<sup>th</sup> February, 2019, and a resolution to that effect has been set out as Item No. 5 of this Notice.

**Mr. Harshadkumar Patel** is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. He has also submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Act and the rules made thereunder and also under the SEBI LODR for appointment as Independent Director and is independent of the Management.

Except **Mr. Harshadkumar Patel** to whom the resolution relates and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice. A profile of **Mr. Harshadkumar Patel** is set out herein below the notice.

**Place: Mumbai**  
**Date: 3<sup>rd</sup> September, 2019**

**For and on behalf of the Board of Directors**

**Sd/-**

**Himanshu Shah**  
**Managing Director**  
**DIN: 08198016**

**Details of Director seeking appointment at the Annual General Meeting scheduled to be held on 28<sup>th</sup> September, 2019**

<b>Name of Director</b>	<b>Mr. Nileshkumar Parekh</b>	<b>Mrs. Bhargavi Patel</b>	<b>Mr. Harshadkumar Patel</b>
<b>DIN</b>	08215249	08357929	08356578
<b>Date of Birth</b>	01/01/1973	17/04/1979	24/07/1979
<b>Date of Appointment</b>	29/09/2018	12/02/2019	12/02/2019
<b>Relationship with Directors</b>	None	None	None
<b>Expertise in specific functional areas</b>	Textile Market	Web Development and Technical Assistance.	Accountancy and Operations Management
<b>Qualification(s)</b>	B.Com Graduate	Bachelor of Commerce	Bachelor of Engineering (Information Technology)
<b>Directorship held in other Listed Companies</b>	NIL	NIL	NIL
<b>Chairmanship/ Membership of committees of other public companies</b>	NIL	NIL	NIL
<b>Number of shares held in the Company</b>	NIL	NIL	NIL

**NOTES:**

a) An Explanatory Statement pursuant to section 102 of the Companies Act, 2013, relating to Business to be transacted at the Meeting is annexed hereto.

b) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other member. The instrument appointing the proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.

Corporate Members intending to send their 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.

- c) Members holding shares in DEMAT form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
- d) Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Purva Sharegistry (India) Private Limited, the Registrar and Share Transfer Agent/ Secretarial Department of the Company immediately.
- e) The Register of Members and Share Transfer Books of the Company will remain closed from **22<sup>nd</sup> September, 2019 to 28<sup>th</sup> September, 2019 (both days inclusive)**.
- f) Pursuant to section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.
- g) The members, whose names appear in the Register of Members/list of Beneficial Owners as on **21<sup>st</sup> September, 2019** are entitled to vote, on the resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at **9.00 a.m. on 25<sup>th</sup> September, 2019 and will end at 5.00 p.m. on 27<sup>th</sup> September, 2019**. The Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed **M/s. Neelam Ahire, Company Secretary**, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The members desiring to vote through remote e-voting are requested to refer the detailed procedure given hereinafter.
- h) Members may also note that AGM notice will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.
- i) Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
- j) All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours on all working days except Saturdays and Sundays and public holidays, up to and including the date of the AGM of the Company.

### **INSTRUCTIONS/PROCEDURE FOR E- VOTING**

1. The Company has entered into an arrangement with National Securities Depository Limited (NSDL), for facilitating remote e-voting for AGM. The instructions for remote e-voting are under:
  - a. In case of Members receiving an e-mail from NSDL:
    - i. Open Email and open PDF file 'DRCL remote e-Voting.pdf', using your client ID/Folio No. as password. The PDF file contains your User ID and Password for e-voting. Please note that the password provided in PDF is an 'Initial Password'.

- ii. Launch in internet browser and open URL: <https://www.evoting.nsdl.com>
  - iii. Click on Shareholder – Login.
  - iv. Insert 'User ID' and 'Initial Password' as noted in step (i) above and click on 'Login'.
  - v. Password change menu will appear. Change the Password with a new Password of your choice with minimum 8 digits/characters or combination thereof. Please keep a note of the new Password. It is strongly recommended not to share your password with any person and take utmost care to keep it confidential.
  - vi. Home page of e-voting will open. Click on e-voting- Active Voting Cycles.
  - vii. Select 'EVEN' of "Darjeeling Ropeway Company Limited".
  - viii. Now you are ready for e-voting as 'Cast Vote' page opens.
  - ix. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.
  - x. Upon confirmation the message 'Vote cast successfully' will be displayed.
  - xi. Once you have confirmed your vote on the resolution, you cannot modify your vote.
  - xii. Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer by an email at [pcsmayank@gmail.com](mailto:pcsmayank@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- b. In case of shareholders receiving physical copy of the Notice of AGM and Attendance Slip
- i. Initial Password is provided, as follows, at the bottom of the Attendance Slip:

EVEN (E-Voting Event Number)	USER ID	PASSWORD
<b>111939</b>		

- ii. Please follow all steps from Sr. No. i to Sr. no. xii mentioned above, to cast vote.
2. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and e-voting user manual available in the downloads section of NSDL's e-voting website <https://evoting.nsdl.com> or call on toll free no.: 1800-222-990.
  3. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  4. The voting rights shall be as per the number of equity shares held by the Member(s) as on **21<sup>st</sup> September, 2019**, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares on that date.
  5. Members who have acquired shares after the dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. **21<sup>st</sup> September, 2019**, may obtain the user ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@darjeelingropeway.com](mailto:info@darjeelingropeway.com). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and Password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/Password' option



available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. 1800-222-990.

6. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
7. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
8. The results of the electronic voting shall be declared after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company.
9. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the meeting.
10. Register of Directors and Key Managerial Personnel and their Shareholding maintained under section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.
11. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period. The shareholders whose dividend/ shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.
12. Members are requested to contact M/s. Purva Sharegistry (India) Private Limited / Secretarial Department of the Company for en-cashing the unclaimed dividends standing to the credit of their account.
13. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in DEMAT form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN details to M/s. Purva Sharegistry (India) Private Limited / Secretarial Department of the Company.
14. For convenience of the members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the Attendance Slip and had it over at the Registration Counter at the venue.



15. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
16. The Chairman of the meeting shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the scrutinizer, by use of "e-voting" or "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
17. The Scrutinizer shall after the conclusion of the voting at the AGM first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
18. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.darjeelingropeway.com](http://www.darjeelingropeway.com) and on the website of NSDL immediately after the declaration of result by the Chairman of the meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

**For and on behalf of the Board of Directors**

**Sd/-**

**Himanshu Shah  
Managing Director  
DIN: 08198016**

**Place: Mumbai**

**Date: 3<sup>rd</sup> September, 2019**

**ATTENDANCE SLIP**

**DARJEELING ROPEWAY COMPANY LIMITED**

(CIN: L45202MH1936PLC294011)

Regd. Off.: 104, Floor-1, Shreeji Darshan, Tata Road No. 2, Roxy Cinema Opera House,  
Girgaon Mumbai - 400 004

Phone: +91 6358262367, Email [info@darjeelingropeway.com](mailto:info@darjeelingropeway.com) ;

Web: [www.darjeelingropeway.com](http://www.darjeelingropeway.com)

<b>DP ID No.*:</b>	<b>Folio. No.:</b>
<b>Client ID No.*:</b>	<b>No. of Shares held:</b>

\*Applicable for investors holding shares in electronic form

Name and address of the Shareholder(s)/Proxy holder:

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I / We hereby record my/our presence at the Annual General Meeting of the Company for the Financial Year ended 31<sup>st</sup> March, 2019 to be held on Saturday, September 28, 2019 at 10.00 am at Registered Office of the Company situated at 104, Floor-1, Shreeji Darshan, Tata Road No. 2, Roxy Cinema Opera House, Girgaon Mumbai - 400 004

Member's / Proxy's  
Signature

Note:

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the Meeting Hall)

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**PROXY FORM**

**DARJEELING ROPEWAY COMPANY LIMITED**

(CIN: L45202MH1936PLC294011)

Regd. Off.: 104, Floor-1, Shreeji Darshan, Tata Road No. 2, Roxy Cinema Opera House,  
Girgaon Mumbai - 400 004

Phone: +91 6358262367, Email [info@darjeelingropeway.com](mailto:info@darjeelingropeway.com) ; Web:  
[www.darjeelingropeway.com](http://www.darjeelingropeway.com)

<b>Name of the Member(s):</b>			
<b>Registered Address:</b>			
<b>Folio No./Client Id:</b>		<b>DP Id :</b>	

I/We, being the member(s) of \_\_\_\_\_ shares of Darjeeling Ropeway Company Limited, hereby appoint:

1. Name \_\_\_\_\_ Address \_\_\_\_\_  
Email Id:- \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;
2. Name \_\_\_\_\_ Address \_\_\_\_\_  
Email Id:- \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company for the Financial Year ended 31<sup>st</sup> March, 2019, to be held on Saturday September 28, 2019 at 10.00 a.m at Registered Office of the Company situated at 104, Floor-1, Shreeji Darshan, Tata Road No. 2, Roxy Cinema Opera House, Girgaon Mumbai - 400 004, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	List of Resolutions	For	Against
<b><u>ORDINARY BUSINESS:</u></b>			
<b>1</b>	To receive, consider and adopt the audited financial statements for the Financial Year ended <b>31<sup>st</sup> March, 2019</b> and the Reports of the Directors and Auditors thereon.		
<b>2</b>	To appoint a Director in place of <b>Mr. Nileshkumar Parekh</b> who retires by rotation and being eligible offers himself for re-appointment.		
<b>3</b>	Appointment of <b>M/s Shah &amp; Shah</b> , Chartered Accountant as Statutory Auditor of the Company.		
<b><u>SPECIAL BUSINESS:</u></b>			
<b>4</b>	Regularization of Appointment of <b>Mrs. Bhargavi Patel</b> as Non-Executive Director of the Company.		
<b>5</b>	Regularization of Appointment of <b>Mr. Harshadkumar Patel</b> as Independent Director of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019

Signature of Shareholder(s) \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix Revenue Stamp Re.1/-
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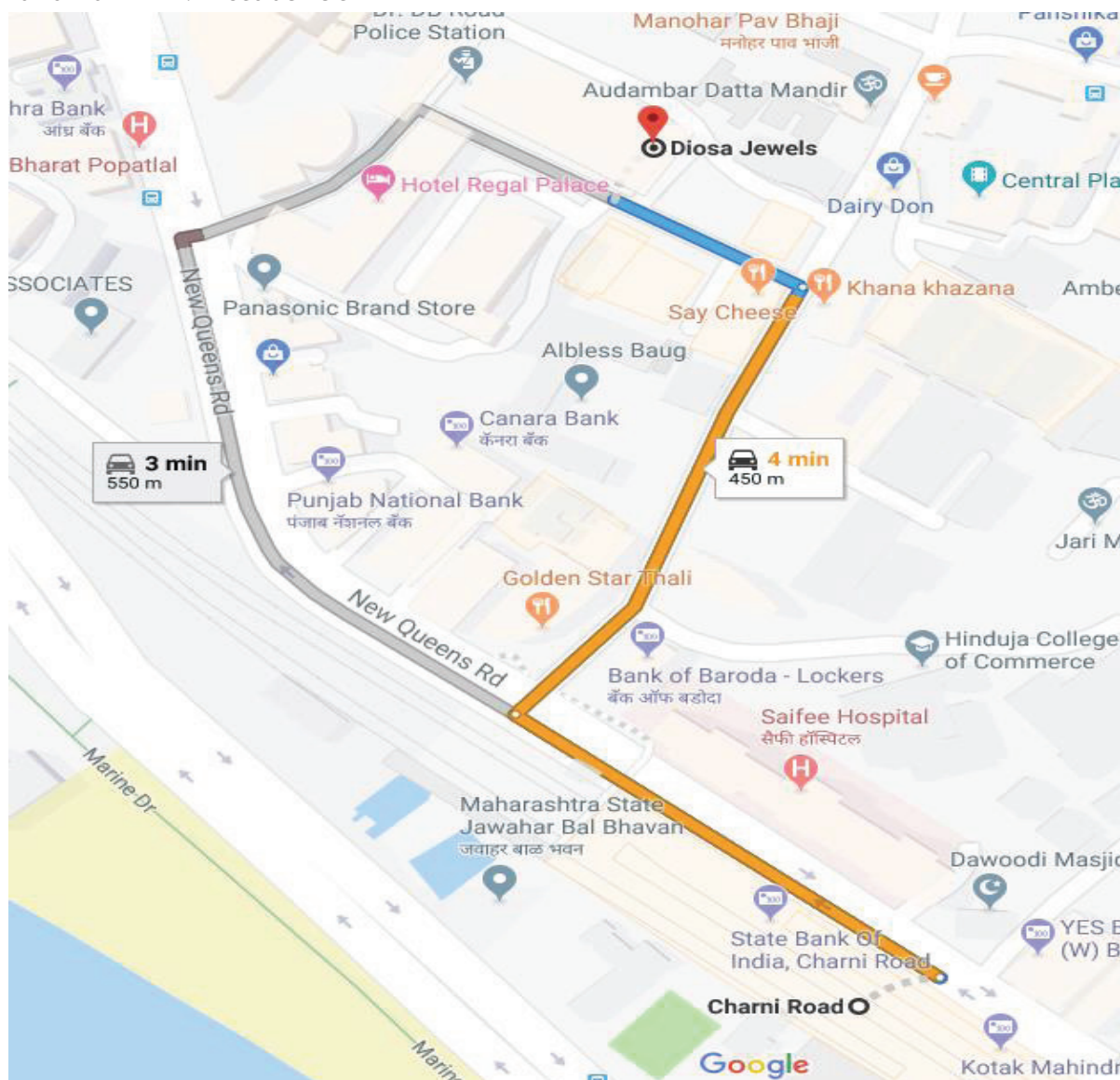
**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and notes, please refer to the Notice of the Annual General Meeting.
3. Put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.

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**AGM INFORMATION**

**Date** : 28<sup>th</sup> September, 2019  
**Day** : Saturday  
**Time** : 10.00 a.m.  
**Address** : 104, Floor-1, Shreeji Darshan, Tata Road No. 2, Roxy Cinema Opera House, Girgaon Mumbai - 400 004  
**Landmark** : Diosa Jewels



BOOK POST

*Darjeeling Ropeway Company Limited*

104, Floor-1, Shreeji Darshan, Tata Road No. 2, Roxy Cinema Opera House, Girgaon Mumbai - 400 004