



**Dhruv Consultancy
Services Ltd.**



THE ERA OF EXPRESSWAYS

ANNUAL
REPORT
2022-23

CORPORATE INFORMATION

BOARD OF DIRECTORS

TANVI T. AUTI
MANAGING DIRECTOR

PANDURANG B. DANDAWATE
PROMOTER & NON-EXECUTIVE DIRECTOR

JAYASHREE P. DANDAWATE
EXECUTIVE DIRECTOR

SANDEEP B. DANDAWATE
EXECUTIVE DIRECTOR

SUDHIR A. SHRINGARE
INDEPENDENT DIRECTOR

ASHOKKUMAR NAGESH KATTE
INDEPENDENT DIRECTOR

SALEEM K WADGAONKAR
INDEPENDENT DIRECTOR

DHANYAKUMAR B. MAHAMUNI
INDEPENDENT DIRECTOR (UP TO 5TH JULY, 2023)

SHAILA J. PATIL
INDEPENDENT DIRECTOR (UP TO 5TH JULY, 2023)

SNEHAL L. PATIL
CHIEF FINANCIAL OFFICER

ISHA S. KULKARNI
COMPANY SECRETARY & COMPLIANCE OFFICER

MITTAL & ASSOCIATES
STATUTORY AUDITORS



REGISTERED OFFICE AND CORPORATE OFFICE

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REGISTRAR AND TRANSFER AGENTS

LINK INTIME INDIA PRIVATE LIMITED

LENDERS TO OUR COMPANY
HDFC BANK LIMITED
PUNJAB NATIONAL BANK

CAUTIONARY STATEMENTS

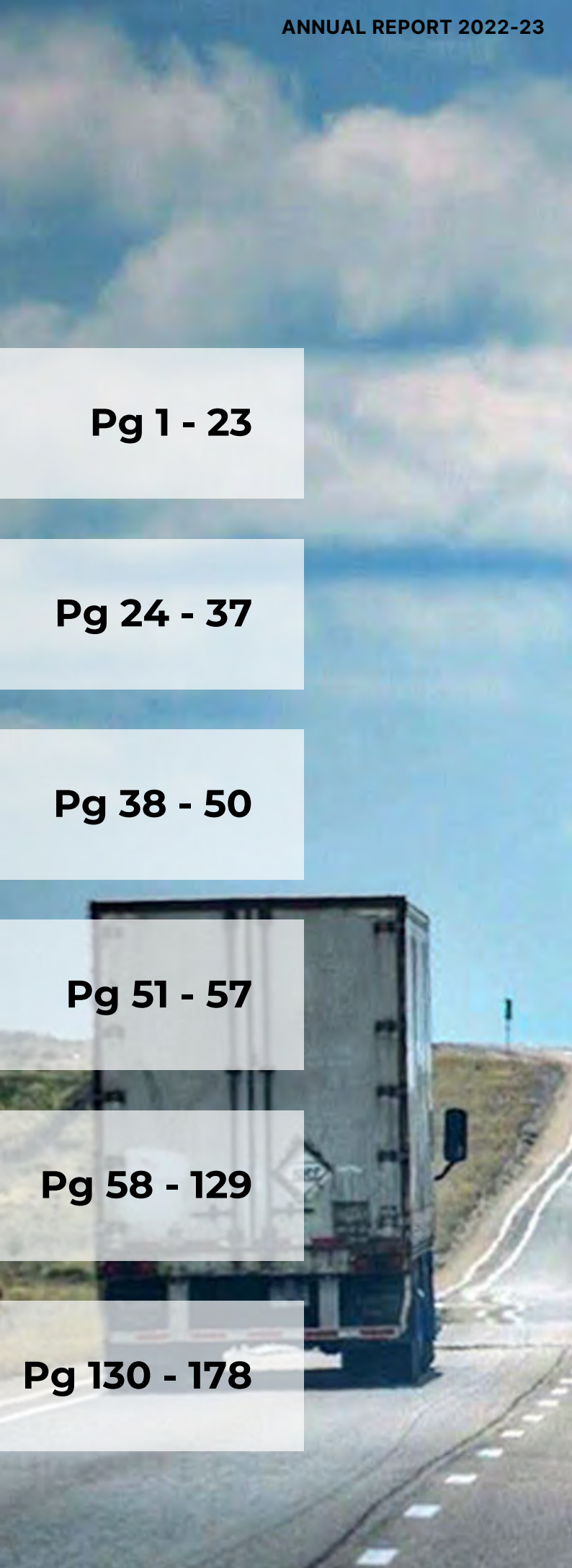
Statements in this Annual Report, particularly those related to Management Discussion Analysis, company's objectives, projections, estimates and expectations, may contain 'forward-looking statements'.

These statements may be identified by words such as "aim", "anticipate", "believe", "drive", "estimate", "expect", "future", "goals", "intend", "may", "objectives", "outlook", "plans", "project", "seek", "strategy", "target", "will", or similar statements or variation of such words. These forward -looking statements are currently based on the available information about future events and trends. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. We undertake no obligation to publicly update any forward- looking statements, whether as a result of new information, future events or otherwise.



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KEY HIGHLIGHTS

FY 2022-23



Rs. in Cr

TURNOVER/ REVENUE	NET WORTH	PAT	EBIDTA
81.18	55.59	4.82	10.29
DEBT TO EQUITY RATIO	ORDER BOOK VALUE	BILLED AMOUNT OF WORK COMPLETED	UNBILLED AMOUNT OF WORK ORDER
0.27	520.0	251.27	268.79

Share Value (INR per share) **46.29**

BANK FACILITIES: LONG TERM / SHORT TERM

RATING - BBB- CARE



INDIAN ROAD CONNECTIVITY

India's road network is the 2nd largest in the world, covering a vast expanse of the country. **An impressive 64.5% of all goods transportation and 90% of passenger traffic in India** occurs on these roads. This underscores the crucial role that the country's road network plays in facilitating the movement of people and goods and in driving economic growth and development.

25 years ago, Indian road infrastructure was still underdeveloped. The roads were narrow, potholed, and often unsafe, making travel time-consuming and expensive. Rural areas were especially hit hard by the lack of connectivity, as it limited their access to essential services like healthcare, education, and markets.

However, over the last two decades, India has made significant progress in improving its road connectivity, changing the lives of millions of Indians and boosting the country's growth.

Recognizing the pivotal role of road infrastructure in spurring economic growth, the Indian government prioritized the need for better road connectivity and developed a focused approach to achieve it. This entailed a concerted effort to expand the national highway network, construct expressways, and upgrade state highways, resulting in impressive progress in India's road infrastructure. As a result, millions of Indians, especially those in rural areas, have benefitted from improved accessibility and connectivity.

Transformative Changes in Indian Road Connectivity: A 25-Year Retrospective

Over the years, India has embarked on several ambitious road infrastructure projects that have significantly improved connectivity across the country.

The Golden Quadrilateral (GQ) highway network

The Golden Quadrilateral Project was a visionary undertaking that aimed to transform India's inter-city connectivity. Over 11 years, thousands of workers toiled tirelessly to build a 5,846 km network of four-lane highways connecting Delhi, Mumbai, Chennai, and Kolkata. Today, this project stands as a testament to India's unwavering commitment to progress, boosting trade, commerce, and cultural exchange between these major metropolitan cities.

Bharatmala Pariyojana

Another significant road infrastructure project is the **Bharatmala Pariyojana, launched in 2017**. It is a bold, ambitious vision that seeks to unite India and unlock its vast potential. By building **26,000 km of highways (MoRTH)** at an estimated cost of **Rs 10.63 lakh crore (Business Standard)**, the project will transform India's border areas and coastal regions, improving connectivity and boosting trade and commerce.

It will also enhance the overall efficiency of the national corridor, making it easier for people and goods to move across the country. When completed in 2024, the Bharatmala Pariyojana will stand as a monument to India's limitless potential and unrelenting pursuit of progress.

The Pradhan Mantri Gram Sadak Yojana

(PMGSY) **The Pradhan Mantri Gram Sadak Yojana is another flagship program of the Indian government launched in 2000**. The program aims to connect all rural habitations with all-weather roads, improving access to healthcare, education, and other services in rural areas.



Under the program, over 1.5 lakh habitations have been connected with all-weather roads, benefitting millions living in remote areas.

MoRTH has achieved tremendous progress in building national highways across the country in recent years. According to data provided by the Ministry, the Indian government has achieved the record-breaking milestone of constructing 37 kilometers of highways per day in 2020 & 21.

The Government's Role in Developing Road Connectivity in India

Road infrastructure development has immensely increased the CAGR and significantly improved connectivity, accessibility, and economic growth. In recent years, the Indian government has focused on expanding and modernizing the road infrastructure, resulting in a significant increase in highway construction. India's national highways, which account for only **2.9% of the country's road network**, carry over 40% of the total traffic.

Between FY16 and FY21, highway construction increased at a CAGR (compound annual growth rate) of 17%, with **13,298 km of highways constructed in FY21 alone**, despite the pandemic and lockdown. This growth has led to the roads and highways market being projected to grow at a CAGR of 36.16% between 2016-2025. Furthermore, around 40% of the PPP projects awarded in India until December 2019 were related to roads.

All these major projects have had a tremendous impact on India's economy, with the road infrastructure sector contributing significantly to the country's GDP. The Ministry of Road Transport and Highways

stated that the road transport sector contributed around 4.5% to India's GDP and employed over 50 million people in 2005-2006. Now, nearly 25 years later, according to a report by the Economic Times, the ongoing and targeted projects of the National Highways Authority of India (NHAI) are likely to generate estimated employment of 50 crore man days over the next four years on a seasonal basis.

As India's road network serves as the primary mode of travel for 90% of passenger traffic and the transport of 64.5% of all goods and commodities, it has proven to have a significant impact on the nation's development.

India's dedication towards creating Emergency Landing Facility (ELF) on National Highway-925 at Gandharva-Bhaskar in Barmer, Rajasthan, highlights the importance of road development for strengthening security networks. This has led to the construction of 12 more ELFs across the country.

Improving road infrastructure has also created employment and business opportunities for low-income people, especially in rural areas. Farmers can now transport their goods to markets quickly and efficiently, and small business owners can reach more customers.

The benefits of road infrastructure go beyond economic growth. Improved connectivity has made healthcare and education more accessible to rural areas.

Better roads allow patients to reach hospitals and clinics more quickly, and students can attend school without walking long distances. According to a report provided by the National Sample Survey Office (NSSO), the percentage of households in rural areas with access to healthcare facilities increased from 30% in 2004 to 42% in 2014.

FUTURE ROAD INFRASTRUCTURE DEVELOPMENT PROJECTS IN INDIA

With the continued development of road infrastructure, India is actively working towards developing and modernizing its road infrastructure, intending to bring it up to the global standards by 2024.

Recently, The Ministry of Road Transport and Highways, has taken on and commenced more road and highway projects. They plan to take on even more projects.

Several upcoming expressways are expected to be completed in 2023, significantly improving connectivity between major cities and regions. These include the Dwarka Expressway, which will boost connectivity of the western part of the capital with Gurugram and decongest the NH8.

The Delhi-Mumbai Expressway will cut the road travel time between the two metropolitans to 12 hours, and the Ahmedabad-Dholera Expressway, which will connect the city of Ahmedabad with the Dholera Special Investment Region, reducing travel time to just two hours.

The **Amritsar-Jamnagar Expressway** will connect three oil refineries and two thermal power plants. In contrast, the **Mumbai-Vadodara Expressway** will connect the cities of Mumbai and Vadodara, two major economic centres in western India, reducing travel time to just six hours.

These projects are expected to impact the country's economy and development significantly,

To achieve this goal, Dhruv Consultancy Services Ltd. plays a crucial role in India's development.



DHRUV'S CONTRIBUTION TO THE INDIAN ROAD INFRASTRUCTURE

Dhruv Consultancy's contribution to India's road infrastructure development is significant. Our expertise in planning, designing, and project management has helped ensure that these projects are completed efficiently and effectively. Our involvement in these projects has also helped to enhance the quality and safety standards of road infrastructure in India, further improving the country's connectivity and economic growth.

At Dhruv Consultancy Services Limited, we've had the privilege of contributing to transformative projects across India - initiatives that are reshaping our nation's infrastructure and driving socio-economic progress.

Our role as Authority's Engineer in projects such as the Delhi-Vadodara Greenfield Alignment Expressway, the Delhi Saharanpur Dehradun Economic Corridor, the Ganga Expressway, and the Development of the Six-Lane Korlam to Sabbavaram Section of NH-130 Road have been learning experiences that have enabled us to grow as a company, and as a team.

Our journey, while fulfilling, has been paved with challenges. For the Ganga Expressway, we were part of a vision to enhance connectivity and invigorate economic activity in Uttar Pradesh, an endeavor that required meticulous planning and diligent execution. In the Korlam to Sabbavaram section of NH-130 national highway, we navigated through environmental and logistical hurdles, demonstrating our commitment to creating solutions even in the most challenging circumstances.

These experiences, while testing our resilience, have reinforced our belief in the power of dedication, innovation, and teamwork. As we look towards the future, we remain inspired and committed to contributing to India's road infrastructure development.



CHAIRMAN'S MESSAGE

Dear Stakeholders,

It is with great pleasure and pride that I address you today as we reflect upon the remarkable achievements of Dhruv Consultancy Services Ltd. during the financial year 2022-23. This year has been truly exceptional for us, marked by stable cash flow and an unprecedented increase in order book, which stands at an impressive Rs. 270 Cr. This milestone represents a significant leap forward for our company, as it is twice the value of our average order book over the past three years. These orders are set to be completed within the next three years, ensuring a stable revenue stream in the upcoming years.

I am pleased to announce that as an Authority Engineer, we have successfully supervised and completed two prestigious projects. The first project was the Delhi - Vadodara Expressway Greenfield Alignment (NH-148N) section from Bawadi village to Ratlam under the esteemed Bharatmala Pariyojana. The second project involved the construction of the Ahmedabad Ahmednagar Elevated Structure, connecting Sakkar Chowk to SB Chowk on the Pune Aurangabad road (NH-222). These projects not only showcase our expertise but also contribute to the nation's infrastructure development. The Ahmednagar Elevated Structure was completed ahead of schedule and bonus was given to the contractor for delivering before the deadline.

Looking ahead, the upcoming year holds immense significance as it marks the final year of the current government's tenure. Our clients share our enthusiasm and are eager to complete ongoing projects, as well as award new projects under the prestigious Bharatmala Pariyojana and National Infrastructure Pipeline (NIP). This presents us with an opportunity to further strengthen our position in the industry and contribute to the nation's infrastructure growth.

At present, Dhruv is a major player in Highway Infra Consultancy, primarily due to our highest technical score. Our technical marks are based on three critical factors: experience, the qualifications of our personnel, and our state-of-the-art equipment and software bank. I am delighted to inform you that we consistently score 95+ marks out of 100, surpassing the industry average of 92-93. This remarkable achievement positions us as the topmost consultancy firm in India.

Building upon this success, we eagerly anticipate receiving and working on more orders in the years to come.

On the financial front, we have taken significant steps to fortify our position. We have added Punjab National Bank (PNB) to our list of multiple banking partners, with an exposure of Rs. 5.5 Cr. This addition complements our existing HDFC facility of Rs. 40 Cr, further enhancing our financial stability. Additionally, we successfully raised Rs. 5 Cr through preferential issue at an attractive rate. These financial endeavours bolster our confidence in sustaining our growth trajectory.

Furthermore, I am pleased to inform you that we have received a long-awaited income tax refund of Rs. 9 Cr, which had been overdue for the past two years. This, along with fundraising initiatives added to our financial strength and stability. In line with our commitment to expansion and diversification, we have submitted approximately 75 Expressions of Interest (EOIs) to enter the international consultancy market. We have high hopes of securing substantial business from the international arena in the coming years.

As we embark on this exciting journey, I would like to extend my heartfelt gratitude to our stakeholders for their unwavering support and trust in our capabilities. It is your belief in our vision and relentless pursuit of excellence that has propelled us to new heights. I also extend my deepest appreciation to our dedicated team members, whose unwavering commitment and hard work have been instrumental in our growth and success.

Looking ahead, we remain committed to our core values of integrity, innovation, and excellence. We will continue to focus on delivering high-quality solutions that exceed client expectations and contribute to the development of a robust infrastructure ecosystem in India. Together, we will build a brighter future, where connectivity and sustainable growth go hand in hand.

Thank you for your continued trust and support.

Warm regards,

P.B Dandawate
Chairman and Promoter, Dhruv Consultancy Services Ltd.