

FIRST ANNUAL REPORT

FY 2020-2021

BOARD OF DIRECTORS

1. Sh. NRVVMK Rajendra Kumar, Member (Fin), NHAI – Chairman
2. Sh. Amit Kumar Ghosh, IAS, AS (H), MoRTH-Director
3. Sh. Manoj Kumar, Member (Project), NHAI-Director
4. Sh. Shashi Bhushan– GM (T), Bharatmala
5. Sh. S.Q Ahmad – GM (Fin/SPV), NHAI-Director

STATUTORY AUDITORS

M/s. SINGH HARBEER & ASSOCIATES
CHARTERED ACCOUNTANTS
7, LGF, SHRASHTA VIHAR, NEW DELHI - 110092

SECRETARIAL AUDITORS

M/s. JALAJ SRIVASTAVA & ASSOCIATES
COMPANY SECRETARIES
GEM BUSINESS CENTRE, 104, FIRST FLOOR,
86, NEHRU PLACE
NEW DELHI-110019

REGISTERED OFFICE

NHAI CORPORATE OFFICE
PLOT NO. G-5 & 6, SECTOR-10, DWARKA,
NEW DELHI-110 075

NOTICE- Agenda Items

NOTICE is hereby given that the 1st Annual General Meeting of the Members of "**DME DEVELOPMENT LIMITED**" will be held on **Monday, the 28th March 2022 at 11:00 A.M.** at shorter notice through Video Conferencing (VC)/ Other Audio Video Means (OAVM) facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements as defined u/s 2(40) of the Companies Act, 2013 consisting of Audited Balance Sheet as at 31st March 2021, Statement of Profit and Loss for the period ended on that date, Cash Flow Statement for the period ended on that date and Reports of the Board of Directors and the Statutory Auditors and the comments of C&AG and management replies thereto.
2. To appoint Director in place of Shri S.Q. Ahmad (DIN: 08275536) who retires by rotation and being eligible offers himself for re-appointment.
3. To fix the remuneration of the Statutory Auditors appointed by the Comptroller & Auditor General of India (C&AG) for the Financial Year 2021-22.

To consider and if thought fit, to pass with or without modification(s), the following resolution:

"RESOLVED THAT pursuant to the provisions of Sections 138, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Harbeer Singh & Associates, Chartered Accountants (ICAI Firm Registration No. FRN 017247N), who have been appointed as Statutory Auditors by the Comptroller and Auditor General of India (CAG) for the financial year 2021-22 and from whom written consent to act as statutory Auditors along with the certificate pursuant to Section 138(1) of the Companies Act, 2013 ("Act") read with Rule 4 of Companies (Audit and Auditors) Rules, 2014 has been received and who have confirmed their eligibility in terms of provisions of Section 141 of the Companies Act, 2013, be and are hereby approved to be appointed as the Statutory Auditors of the Company upto the conclusion of the 2nd Annual General Meeting of the Company to be held in the year 2022 at a fees of Rs. 1,10,000/- (Rs One Lakh Ten thousand only) (excluding GST).

By the order of the Board of Directors
For DME DEVELOPMENT LIMITED



(S.Q. Ahmad)
Director
DIN: 08275536

Place: New Delhi
Date: 25.03.2022

Distribution:- All Shareholders
Directors
Statutory Auditors

NOTE:

1. In View Of The Continuing Covid 19 Pandemic, The Ministry Of Corporate Affairs (Mca) Has Vide Its Circular Dated 13th January 2021 Read With Circulars Dated 5 May 2020, 8 April, 2020 And 13 April, 2020 (Collectively Referred As Mca Circulars) Permitted Holding Of The Annual General Meeting (Agm) Through Vc/Oavm Facility Without The Physical Presence Of The Members At The Common Venue. In Compliance With The Provisions Of The Mca Circulars, The Agm Of The Company Is Being Conducted Through Vc/Oavm Herein After Called As E-Agm.
2. The deemed venue for the 1st AGM shall be the Registered Office of the Company at G-5 & 6, NHAI Building, Dwarka Sector-10, New Delhi- 110075.
3. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this notice.

DIRECTORS REPORT

To
All The Members,
DME Development Limited

Your Directors are pleased to present the 1st Annual Report on the business and operations of the Company along with the Audited Financial Statements for the year ended March 31, 2021 and Auditors' Report thereon on behalf of the Board of Directors.

Background & Operations:

DME Development Limited (DMEDL) has been registered on 29 August 2020 as a Special purpose vehicle (SPV) to finance the construction and operation of the Delhi–Mumbai Expressway as per the concession agreement executed between NHAI and DMEDL which covers a length of 1277 kilometers. The project is being executed in 52 packages, out of which 31 are under Engineering, Procurement and Construction model or EPC projects (Sohna–Vadodara segment) while the remaining 21 are Hybrid Annuity Model or HAM projects. The HAM Model is a hybrid or mixture of EPC Model and BOT Model in which the Government of India will pay 40% of the project cost in tranches linked to milestones, while the balance 60% cost will be arranged by the contractors.

The total cost of the project is estimated to be Rs. 53849 Crore. The year wise estimated funding requirement of DME and the proposed means of finance for the Delhi Mumbai Expressway Project ("Project") is given below:

(Rs. Cr)

Particulars	FY2021	FY2022	FY2023	FY2024	Total
Capex Phasing	10,812	20,506	19,646	2,884	53,849
NHAI Equity	1,081	2,051	1,965	288	5,385
Debt (term loan from lenders /bond market)	9,731	18,456	17,682	2,596	48,464

An implementation agreement has been executed between the Company and NHAI for implementation of the project.

Financial Highlights:

Particulars	Amount (In Lakhs) 2020-21
Total Revenue	-
Total expenses excluding depreciation	275.01
Profit/(Loss) before Depreciation & Tax	(275.01)
Less-Depreciation	-
Profit /(Loss) after depreciation	(275.01)
Less- Prior Period adjustments	-
Profit after Prior Period adjustments	(275.01)
Less-Provision for Tax net of MAT credit entitlements	-



Less: Provision for Deferred tax	71.50
Less: Tax for earlier years	-
Profit/(Loss) after tax	(203.51)

Dividend:

The operations of your Company during the year under review have not generated adequate cash flow for consideration of declaration of Dividend for the year under review. As such, your Directors do not recommend Dividend for the year. However, it will be the endeavor of the Management of your Company to have a stable dividend policy in the future

Reserves:

No amount has been proposed to be transferred to reserves during the year. The Company has incurred a loss of Rs. 203.51 lakhs during the F.Y. 2020-21.

Capital Structure:

The Company was incorporated on 29th August, 2020. The Authorised Share Capital of the Company is Rs. 30,000 crore and the present Paid-up share capital of the Company is Rs. 3133 crore.

A. Issue of shares

During the year following equity shares have been issued by the Company:

Date of Allotment	No. of Equity Shares
Subscribers to MoA	1,00,000
25.08.2021	20,51,00,000
19.03.2021	10,81,00,000
Total	31,33,00,000

B. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

C. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

D. Bonus Shares

No Bonus Shares were issued during the year under review.

E. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

F. Shares with Differential Rights

The Company has not issue any Equity shares with Differential Rights.

Sc *P*

Board of Directors:

The Board comprises of the following Directors:

Name of the Directors	Director Identification Number (DIN)	Date of Appointment	Designation
Sh. Alok	02600247	08.10.2020	Nominee Director
Sh. Amit Kumar Ghosh	01092172	22.09.2020	Nominee Director
Sh. Manoj Kumar	08854382	29.08.2020	Director
Sh. Syed Qamar Ahmad	08275536	29.08.2020	Director
Sh. Rohin Kumar Gupta	03158413	29.08.2020	Director

Key Managerial Personnel:

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Act are as follows:

- Actions are being taken for appointment of KMP in the Current Financial Year 2021-22.

Changes in the Board of Directors:

Following are the changes in the Board of Directors during the Financial Year:

Name of Director	Designation	Date of Change	Nature of Change
Changes in Board of Directors			
Sh. Amit Kumar Ghosh (DIN 01092172)	Nominee Director	22.09.2020	Appointment
Sh. Alok (DIN 02600247)	Nominee Director	08.10.2020	Appointment
Sh. Asheesh Sharma (DIN 02329278)	Director	09.10.2020	Cessation

Meetings of the Board of Directors and Members:

Minimum four prescheduled Board meetings are held every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs of the Company. In case of any exigency/ emergency, resolutions are also passed by circulation. During the Financial Year ended 31st March, 2021, the Board met Three (3) times, on the following dates:

1. 22nd September, 2020
2. 3rd February, 2021
3. 19th March, 2021

One Extra Ordinary General Meeting of DME Development Limited during the Financial Year was held on 19th March, 2021.

The Director wise presence in the respective Board Meeting is as under:

Date of Board Meeting	Sh. Asheesh Sharma*	Sh. Manoj Kumar	Sh. S. Q. Ahmad	Sh. Rohin Kumar Gupta	Sh. Amit Kumar Gosh**	Sh. Alok***
22.09.2020	P	P	P	P	-	-
03.02.2021	NA	P	P	P	P	P
19.03.2021	NA	P	P	P	L	p

P: Present

LOA: Leave of Absence

*Ceased to be Director w.e.f 09.10.2020

**Appointed w.e.f 22.09.2020

***Appointed w.e.f 08.10.2020

Statement regarding declaration given by Independent Director u/s 149(7) of the Companies Act, 2013:

Since, there is no Independent director in place. Hence, no declaration shall be given under this section.

Statutory Auditors:

M/s. Singh Harbeer & Associates, Chartered Accountants, Delhi bearing Firm Registration No. 017247N with the Institute of Chartered Accountants of India were appointed as Statutory Auditors of the Company by Comptroller and Auditor General of India to conduct audit of the Company for the Financial Year 2020-21 as well as for the F.Y. 2021-22.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and they have not been disqualified from continuing as the Statutory Auditors

Auditors Report:

Replies to observations of Statutory Auditors has been enclosed as **Annexure-I** to Director's Report.

C& AG Comments:

Comments of C &AG on Financial Statements for the F.Y. 2020-21 has been enclosed as per **Annexure-II**.

Secretarial Audit Report:

Your Directors had appointed M/s Jalaj Srivastava & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of your Company. They have submitted Secretarial Audit Report for the year 2020-21. A copy of the secretarial audit report issued in form MR-3 by M/s Jalaj Srivastava & Associates, Secretarial Auditors is enclosed as an Annexure III to this report. It may be observed that there no adverse remarks made by

them except for a minor observation. Directors Reply to the observations of Secretarial Auditor will be enclosed as **Annexure-IV**.

Policy on Directors Appointment & remuneration:

After the appointment of Independent Director, the Nomination and Remuneration Committee shall be constituted.

Directors Appointment & Remuneration:

As per Articles of Association of the Company, National Highways Authority of India/MoRTH has right to appoint Directors of the Company. The Directors of the Company are nominated by NHAI from amongst the officers of NHAI. These officers, being employees of NHAI/MoRTH, salary is paid by NHAI. Apart from NHAI, MoRTH also appoints Directors on the Board. These Directors also being employees/officers of the respective appointing body are governed by applicable rules of service of the appointing Parent body. The Company does not pay any salary or remuneration to its Directors.

Appointment & Remuneration of Key Management Personnel and other employees:

Actions are being taken for appointment of Key Managerial personnel in the current FY 2021-22.

Evaluation of Board's performance:

Performance of each Board Member is evaluated based upon attendance to Board or Committee Meetings, positive contribution in the meetings and overall strategic planning.

Particulars of Loans, Guarantees or Investment u/s 186 of the Companies Act, 2013:

The Company has not given any loan, Guarantee or made any investment to which section 186 of the Companies Act, 2013 applies.

Particulars of Contracts or Arrangements with Related Parties referred to in section 188(1) of the Companies Act, 2013:

All Related Party Transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Related Parties or other designated persons which may have a potential conflict with the interest of the Company at large.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report:



There are no material changes and commitments occurred between the end of the Financial Year on 31.03.2021 and the date of the Board report which affects the financial position of the company.

Development & Implementation of Corporate Social Responsibility:

The provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) are applicable to the Company. CSR committee shall be constituted after appointment of the Independent director in the current FY.

Directors' Responsibility Statement:

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the management, your Directors make the following statement and confirm that:

1. In preparation of the Annual Accounts for the Financial Year ended 31st March 2021, the applicable Accounting Standards have been followed along with proper explanation to material departures;
2. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the Annual Accounts on a going concern basis.
5. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Information pursuant to Rule 8 of Companies (Accounts) Rules, 2014:

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo:

Information pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014 is as under:

Particulars	Steps taken
A- Conservation of energy	
i. Steps taken or impact on energy conservation	Efforts are being made to conserve energy in the operations and activities of the Company.
ii. Steps taken for utilizing alternate sources of energy	The Company is committed to use alternate sources of energy wherever possible.
iii. Capital investment on energy conservation equipments	NIL
B- Technology Absorption	
i. Efforts made towards technology absorption	There is no scope of technology absorption in the operations of the Company

ii. The benefits derived like product improvement, cost reduction, product development and import substitution	Not applicable
iii. Details related to imported technology	Not applicable as the Company is not using imported technology
iv. Expenditure on Research & development	NIL
C-Foreign Exchange earnings and outgo	
i. Actual earnings	NIL
ii. Actual outgo	NIL

Change in Nature of business:

There is no change in nature of business of the Company during the period under review.

Details of Subsidiaries, Joint Ventures or Associate Companies during the year:

The Company is a wholly owned subsidiary of National Highways Authority of India which holds 100% of the Equity Share Capital of the Company. The Company is neither a holding Company nor has any subsidiary, Joint Ventures or Associate Companies.

Internal Financial Control & its Adequacy:

The Company is having adequate internal financial control commensurate to its nature and size of business. Internal Audit is conducted by an independent firm of Chartered Accountants.

Material and Significant Orders Passed By Regulators & Courts:

No significant and material orders have been passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

Deposits:

The Company has neither accepted nor renewed any deposits during the year.

Details of Deposits not in Compliance with the requirements of the Act:

Since the Company has not accepted any deposits during the financial year under review, there has been no non-compliance with the requirements of the Act.

Vigil Mechanism:

Pursuant to section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of the Board and Its Powers) Rules, 2014, Audit Committee oversees the vigil mechanism.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

No amount was required to be transferred to Investor Education and Protection Fund during the year.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is an equal opportunity employer. The endeavor of the Management is to create and provide an environment that is free from discrimination and harassment including sexual harassment. The provisions of section 6(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 regarding formation of Internal Complaint Committee are not applicable to the Company. During the period under review, no complaints were received by the Company related to sexual harassment.

Particulars of employees pursuant to Rule 5(2) of the Companies (Appointment & Remuneration of Key Managerial Personnel) Rules, 2014

Not applicable

Compliance of applicable Secretarial Standards (ss) issued by the Institute of Company Secretaries of India:

The Company has complied with the SS-1 on Meeting of the Board of Directors, SS – 2 on General Meetings and SS-3 on Board Report as required under Section 118(10) of the Companies Act, 2013.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going Concern status and your Company's Operations in Future.

Cost Records:

The Company is not required to maintain cost records as per sub-section (1) of Section 148 of the Companies Act, 2013.

Details of frauds reported by auditors under sub-section (12) of Section 143 other than those which are reportable to the Central Government

During the financial year, no frauds reported to have been occurred, requiring reporting under sub-section 12 of section 143 of the Companies Act, 2013.

Acknowledgements:

The Directors wish to place on record their sincere gratitude for the co-operation extended by NHAI, Contractors, Bankers, Various Government agencies and all other stakeholders. The



Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

By Order of the Board
For DME Development Limited



(SHASHIBHUSHAN DIPNARAYAN (S.Q. AHMAD)
MANDAL)
Director
DIN: 09428273



Director
DIN: 08275536

Place: New Delhi
Date: 3rd March, 2022

Annexure - I
REPLY TO THE OBSERVATIONS OF STATUTORY AUDITOR

Sl. No.	Observations	Reply by Management
1.	We draw attention to Note No 26(i) (ii) & (iii) of the financial statements, which indicate towards contingent liability for penalty due to delay in appointment of Whole Time Company Secretary (KMP) in terms of section 203 of the Companies Act 2013, delay in payment of stamp duty on share certificates on allotments during the year in terms of section 3 of the Indian Stamp Act, 1989, every instruments require proper duty and section 32 of the Indian Stamp Act, the company is required to pay proper stamp duty on all share certificates within 30 days of issue of share certificates and not to constitute an Audit Committee u/s 177 of the Companies Act 2013 till date. However, our opinion is not modified in respect of these matters.	Noted for future compliance.





381226/2022/GM (F&A) Office

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF DME DEVELOPMENT LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of **DME DEVELOPMENT LIMITED** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(7) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 14 September 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **DME DEVELOPMENT LIMITED** for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

A. Comment on Financial Position

Balance Sheet

Assets

Non-Current Assets

Capital Work in Progress-Intangible Assets (Note No. 3) - Rs. 9,890.74 crore

The above represents the Capital Work in Progress in respect of construction of Delhi-Mumbai Expressway. The company does not have right to charge users for toll fee and the tolling rights vest with NHAI and the company will only receive periodic annuity payments from NHAI. Thus, as per Ind AS 115 relating to Revenue from Contracts with Customers and Ind AS 38 relating to Intangible Assets, categorizing expenditure of Rs. 9,890.74 crore as Capital Work in Progress-Intangible Assets instead of Financial Assets is incorrect. This has resulted in overstatement of Capital Work in Progress-Intangible assets and understatement of Financial Assets by Rs. 9,890.74 crore.

381226/2022/GM (F&A) Office

B. Comment on Disclosure

Capital Commitments (Note No. 24 B)

Note No. 24 B1 states that 'the company is committed to provide total funds of Rs.53,849 crore to NHAI for construction of Delhi-Mumbai Expressway and till date, the Company has incurred the sum of Rs.9890.74 crore'. Thus, pending capital commitments are Rs.43,958.26 crore. However, as per Note No. 24 B2, total Pending Capital Commitments of the Company for the Financial Year 2021-22, 2022-23 and 2023-24 are Rs.43,036 crore. Thus, there is a difference of Rs. 922.26 crore in the value of Capital Commitments as stated above. Hence, the above note is deficient to that extent.

**For and on behalf of the
Comptroller and Auditor General of India**



(Rina Akojam)

**Director General of Audit (Infrastructure)
New Delhi**

Place: New Delhi

Dated: 7 January 2022



JALAJ SRIVASTAVA & ASSOCIATES
Company Secretaries

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]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2021

To,
The Members,
DME Development Limited
New Delhi

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DME Development Limited. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by DME Development Limited ("the Company") for the financial year ended on 31st March, 2021 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; - Not applicable as the company is not listed company.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - Not applicable as the company is not listed company except to the extent of compliance with Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014.



- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not applicable as the company has no FDI, ODI or ECB during the financial year.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (Not applicable as the company is not listed company)

(vi) There are no laws specifically applicable to the company (As informed by the management)

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India. -
- The Listing Agreements entered into by the Company with Stock Exchange(s), if Applicable; Not applicable company is not listed company

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

Companies Act, 2013 and the Rules there under-

- The Company has allotted 10,81,00,000 equity shares of Rs.10 in the 19th Mrch,2021 on rights basis. We observe that procedure under Section 62 should have been followed for the said allotment.
- The Company has not complied with the Secretarial Standard on Board Meeting issued u/s 118 in respect of the following-
 - Mode of presence of the Director has not been recorded in the Minutes.
 - Time of commencement and conclusion of Board Meeting not noted.



I/we 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 subject to our observations regarding non appointment of requisite number of Independent Directors above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

We 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.

Specific Observations with reference to Board structure, process and systems: NIL

We further report that during the audit period the company has-

- I. There are no reportable events/developments.
- II. Without qualifying the report, we advise the Company to get its CIN U45202DL2020GOI368878 corrected to non-government company as the Company is not a Government Company within the meaning of Section 2(45) of Companies Act,2013.

Place: New Delhi

Date: 28.12.2021

**For Jalaj Srivastava & Associates
Company Secretaries**



ACS No.26096

C P No.:9356

UDIN: A026096C001970665

Note: This report is to be read with our letter of even date which is annexed herewith and forms an integral part of this report.

Annexure to Secretarial Audit Report (Form MR-3)

To,
The Members,
DME Development Limited
New Delhi

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations & 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 procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. In view of the Covid-19 pandemic, the audit process has been carried out on line and offline and is based upon the soft /scanned copies of the documents furnished to us by the Company.

Place: New Delhi

Date: 28.12.2021

For Jalaj Srivastava & Associates

Company Secretaries



Pinky Singh

Proprietor

ACS No:26096

C P No.:9356

UDIN: A026096C001970665

Annexure-IV.

REPLY TO THE OBSERVATIONS OF SECRETARIAL AUDITOR

Sl. No.	Observations	Reply by Management
1.	The Company has allotted 10,81,00,000 equity shares of Rs. 10 in the 19 th March, 2021 on right basis. We observe that procedure under section 62 should have been followed for the said allotment.	Noted for future compliance.
2.	The Company has not complied with the Secretarial Standard on Board Meeting issued u/s 118 in respect of the following- I- Mode of presence of the Director has not been recorded in the Minutes. II- Time of commencement and conclusion of Board Meeting not noted.	Noted for future compliance.

DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Balance Sheet as at 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No	As at 31 March 2021
I ASSETS		
Non-current assets		
Property, plant and equipment	3	-
Capital work in progress- Intangible Assets	3	9,89,074.00
Other intangible assets		
Financial assets		
(i) Other financial assets	4	-
Non-current tax assets (net)	19	71.50
Deferred tax assets (net)		
Other non-current assets	5	-
Total non-current assets		9,89,145.50
Current assets		
Financial assets		
(i) Cash and cash equivalents	6	1,06,148.27
(ii) Other financial assets	4	-
Other current assets	5	-
Total current assets		1,06,148.27
Total Assets		10,95,293.77
II EQUITY AND LIABILITIES		
Equity		
Equity share capital	7	1,08,200.00
Other equity	8	(203.51)
Share application pending allotment	9	-
Total equity		1,07,996.49
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	10	9,73,099.89
(ii) Other financial liabilities	11	-
Other non-current liabilities	12	-
Total non-current liabilities		9,73,099.89
Current liabilities		
Financial liabilities		
(i) Trade payables	13	14,082.28
(ii) Other financial liabilities	11	-
Other current liabilities	12	115.11
Total current liabilities		14,197.39
Total equity and liabilities		10,95,293.77

The accompanying notes 1-29 are an integral part of these financial statements.

As per our report of even date attached
For SINGH HARBEER & ASSOCIATES
Chartered Accountants
Firm Regn. No. : 017247N



Rohin
(ROHIN KUMAR GUPTA)
Director
DIN: 08854433

For and on behalf of Board

S.Q. Ahmad
(S.Q. AHMAD)
Director
DIN: 08275536

Place : New Delhi
Date : 14.09.2021
UDIN : 21093542AAAAEA8279

DME DEVELOPMENT LIMITED

G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075

CIN: U45202DL2020GOI368878

Statement of Profit and Loss for the period from 29th August' 2020 to 31st March' 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	For the period ended
		31 March 2021
INCOME		
Revenue from operations	14	-
Other income	14	-
Total income		-
EXPENSES		
Employees benefits expense		-
Financial costs		-
Other expenses	18	275.01
Total Expenses		275.01
Profit/(Loss) before exceptional items & tax		(275.01)
Tax expenses		
Current tax	19	
Deferred tax	19	71.50
Net Tax Expenses		71.50
Profit/(Loss) for the period (A)		(203.51)
Other comprehensive income		-
Items that will not be reclassified to profit or loss in subsequent years		
Re-measurement (losses)/gains on defined benefit plans		-
Income tax effect		-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (B)		-
Total comprehensive income/deficit for the period (A+B)		(203.51)
Profit/(Loss) for the period attributable to:		(203.51)
Equity holders		(203.51)
Total comprehensive income for the period, net of tax attributable to:		(203.51)
Equity holders		(203.51)
Earnings per equity share (of INR 100/- each):		
(1) Basic (absolute value in INR)	20	(188.09)
(2) Diluted (absolute value in INR)	20	(188.09)

The accompanying notes 1-29 are an integral part of these financial statements.

As per our report of even date attached

For SINGH HARBEER & ASSOCIATES

Chartered Accountants

Firm-Regn No. : 017247N



(Signature of Harbeer Singh)

Partner
M.No. 093542

For and on behalf of Board

(Signature of Rohin Kumar Gupta)

(ROHIN KUMAR GUPTA)
Director
DIN: 08854433

(Signature of S.Q. Ahmad)

(S.Q. AHMAD)
Director
DIN: 08275536

Place : New Delhi

Date : 14.09.2021

UDIN : 21093542AAAAEA8279

DME DEVELOPMENT LIMITED

G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075

CIN: U45202DL2020GOI368878

Statement of Changes in Equity for the period ended 31 March 2021 (All amounts in INR Lakhs, unless otherwise stated)

(a) Equity share capital Current reporting period

Particulars	Number of shares	Amount in INR
Equity shares of INR 100/- each issued, subscribed and fully paid		
At 31 March 2020	-	-
Change during the period	10,82,00,000	1,08,200.00
At 31 March 2021	10,82,00,000	1,08,200.00

(b) Other equity

Current reporting period

Particulars	Other equity	Total
	Surplus in the Statement of Profit and Loss	
At 31 March 2020	-	-
Profit for the period	(203.51)	(203.51)
Other comprehensive income	-	-
Total comprehensive income	(203.51)	(203.51)
Transferred from surplus in the Statement of Profit and Loss	-	-
Share issue cost	-	-
At 31 March 2021	(203.51)	(203.51)

The accompanying notes 1-29 are an integral part of these financial statements.

As per our report of even date attached

For SINGH HARBEER & ASSOCIATES

Chartered Accountants

Firm Regn No. : 017247N



For and on behalf of Board

(ROHIN KUMAR GUPTA)
Director
DIN: 08854433

(S.Q. AHMAD)
Director
DIN: 08275536

Place : New Delhi

Date : 14.09.2021

UDIN : 21093542AAAAEA8279

DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Statement of Cash Flows for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars		For the period ended 31 March 2021
A	Cash flow from operating activities	
	Profit before income tax	(275.01)
	Depreciation	-
	Operating cash flows before working capital changes	(275.01)
	Movements in working capital :	
	(Increase)/decrease in other asset	-
	(Increase)/decrease in other financial asset	-
	(Increase)/decrease in other non current asset	-
	Increase/(decrease) in financial liabilities	-
	Increase/(decrease) in other current liabilities	115.11
	Increase/(decrease) in other non current liabilities	-
	Increase/(decrease) in trade payables and financial liabilities	14,082.29
	Cash generated from operations	13,922.39
	Income taxes paid	-
	Net cash flow from operating activities (A)	13,922.39
B	Cash flow from investing activities:	
	Proceeds from sale of property, plant and equipment, including intangible assets and CWIP	-
	Addition in CWIP	(9,89,074.00)
	Capital grant received	-
	Change in Fixed Assets	-
	Net cash flow (used in) investing activities (B)	(9,89,074.00)
C	Net cash flow from financing activities:	
	Borrowings during the period	9,73,099.88
	Change in Share Capital	1,08,200.00
	Share issue expenses paid	-
	Change in share application Money	-
	Net cash flow (used in) in financing activities (C)	10,81,299.88
D	Net (decrease) in cash and cash equivalents (A + B + C)	1,06,148.27
	Effect of exchange differences on cash and cash equivalents held in foreign currency	-
	Cash and cash equivalents at the beginning of the year	-
	Cash and cash equivalents at the end of the year	1,06,148.27
Supplementary information:		
	Restricted cash balance	-

The accompanying notes 1-29 are an integral part of these financial statements.

As per our report of even date attached

For SINGH HARBEER & ASSOCIATES

Chartered Accountants

Firm Regn No. : 017247N


(HARBEER SINGH)
Partner

M.No. 093542

For and on behalf of Board


(ROHIN KUMAR GUPTA)
Director
DIN: 08854433


(S.Q. AHMAD)
Director
DIN: 08275536

Place : New Delhi

Date : 14.09.2021

UDIN : 21093542AAAAEA8279

DME DEVELOPMENT LIMITED

Notes forming part of financial statements for the period ended 31 March 2021

Note No.-1 Corporate Information

The Company has mandate to implement the prestigious project of Delhi-Mumbai Expressway as per the concession agreement executed between NHAI and DME which covers a length of total 1277 Kilometres. Out of this, the stretch of Delhi- Vadodara is 845 Kilometres to be executed in EPC mode. The other stretch of Vadodara to Mumbai section is 432 Kilometres to be executed in HAM. The Delhi-Mumbai section under this project is targeted to be completed by September 2023. The total cost of the project is estimated at Rs.53849 Crore. Out of the total cost, 10% is to be contributed by NHAI in the form of equity and balance to be resourced through borrowings from banks and other lending non-banking institutions. An Implementation Agreement has been executed by the Company with NHAI for implementation of the project and the construction of various packages under the project is in advanced stage.

Note No.-2 Significant accounting policies

I. Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

In accordance with the notification issued by Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standard (referred to as Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 with effect from 1st April' 2017. Accounting policies have been applied consistently to all periods presented in these financial statements. The financial statements referred hereinafter have been prepared in accordance with the requirements and instructions of Division II of Schedule III to the Companies Act 2013, amended from time to time applicable to companies to whom Ind AS applies.

II. Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments i.e., derivative instruments, defined benefit plans and share based payments, if any, which are measured at fair value/amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange of goods and services. 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 Ind AS have been prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

The Balance Sheet corresponds to the classification provisions contained in Ind AS-1 Presentation of Financial Statements. For clarity, various items are aggregated in the Statement



of Profit and Loss and Balance Sheet. These items are disaggregated separately in the Notes, where applicable.

The balance sheet and the statement of Profit & Loss has to be prepared and presented in the format prescribed as per schedule III of the Act. The cash flow statement has to be prepared and presented as per the requirements of IND-AS 7 of cash flow statements.

The disclosure requirement with respect to items in the Balance sheet and statement of Profit and Loss as prescribed in schedule III are presented by way of notes forming part of accounts along with the other notes required to be disclosed including under the applicable accounting standards.

The financial statements are presented in Indian Rupees (INR) and all values are rounded off to nearest rupees in lakhs except otherwise stated.

Amount in the financial statements is rounded off to the nearest Indian Rupee per share data is to be presented in Indian rupees to 2 decimal places.

III. Basis of measurement

The financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets and financial liabilities if any that are measured at fair value at the end of each reporting date as required under relevant Ind-AS as explained in accounting policies. The company maintains its accounts in accordance with the Generally Accepted Accounting Principles in compliance with the provisions of the Companies Act 2013 and the applicable accounting standards as specified in the relevant provisions of the Companies Act 2013. Further, the guidance notes /announcements issued by The Institute of Chartered Accountants of India are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

IV. Use of estimates and Judgements

The preparation of the financial statements requires the management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to the contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful trade receivables and advances, employee benefits, provision for income taxes, impairment of assets and useful lives of fixed assets.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to changes in these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialized.

V. Classification of assets and liabilities as current and noncurrent

- i. An asset is classified as current when it satisfies any of the following conditions
 - It is expected to be settled in the company's normal operating cycle
 - it is held primarily for the purpose of being traded



- it is due to be realized within 12 months after the reporting date or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date

All other assets are classified as non-current.

- ii. A liability is classified as current when it satisfies any of the following conditions
- it is expected to be settled in the company's normal operating cycle
 - it is held primarily for the purpose of being traded
 - it is due to be settled within 12 months after the reporting date or
 - the company does not have an unconditional right to defer for settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the opinion of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

All other liabilities are classified as non-current

VI. Cash and cash equivalents (for purposes of the cash flow statement)

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

VII. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

VIII. Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Amount disclosed as revenue are net of trade allowances, rate differences, rebates and service taxes/GST.

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been mapped for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specifics of each arrangement. Revenue from toll is recognized on the basis of remittance as per contract with the toll collecting agency

Other operational revenue

Other operational revenue represents income earned from activities incidental to the business and income is due when the right to receive the income is established as per the terms of the contract.



Other income

Interest income is accrued on a time proportion basis at the applicable interest rate.

The specific recognition criteria described below must also be met before income is recognized:

- i) Interest income from debt instruments is to be recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.
- ii) Dividend income is to be recognized when the right to receive the dividend is established.
- iii) Rental income is to be recognized on a straight-line basis over the period of the lease.
- iv) Advertisement income is to be recognized when the related advertisement or commercial appears before the public.

IX. Property, plant and equipment

Property, plant and equipment is carried at cost of acquisition less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, and non-refundable taxes, duties or levies, and any other directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

All the items of property, plant and equipment are stated at historical cost net off Input Tax Credit (ITC) less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Subsequent expenditure

Subsequent costs are to be included in the assets carrying amount or recognized as a separate asset as appropriate only when it is probable that future economic benefits associated with the cost incurred will flow to the company and the cost of the item can be measured reliably the carrying amount of any component accounted for as a separate asset is derecognized when replaced.



Items such as spare parts stand by equipment and services that will meet the definition of property plant and equipment are to be capitalized at cost and appreciated over their useful life.

The cost in nature of repair and maintenance expenses are to be charged to the statement of profit and loss during the reporting period in which they will incur.

Disposal of assets

An item of property, plant and equipment is to be de-recognized upon disposal or even known future economic benefits are expected to rise from the continued use of the Asset. Any gain or loss arising on the disposal or retirement of an item of property plant and equipment is to be determined as the difference between net disposal proceeds and the carrying amount of the Asset and is to be recognized in the statement of profit and loss.

X. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in business combinations are stated at fair value as determined by the management of the Company on the basis of valuation by expert valuers, less accumulated amortisation. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

XI. Depreciation and amortisation

Depreciation is recognised so as to write off the cost of assets (other than land and properties under construction) less their residual values over their useful lives, using the straight-line method.

The estimated useful life is taken in accordance with Schedule II to the Companies Act, 2013, except in whose case the life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.



Toll road assets are amortized on pro-rata basis over the relevant remaining concession period after the date of completion of project.

XII. Capital work in progress

Capital work-in-progress are carried at cost less impairment loss, if any. Cost includes direct material costs, direct labour costs, directly attributable costs and all other incidental expenses incurred during the construction till the commencement of commercial operations and borrowing costs capitalised in accordance with the Company's accounting policy.

Other expenses incurred during the construction period which are in the nature of administrative, other general overheads or abnormal in nature and are not directly attributable to the asset are recognised as an expense in the Statement of Pre-operative expenses as mentioned below.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation on these assets commences when the assets are ready for their intended use.

XIII. Investment Property

Investment property is the property that is not occupied by the Company, and which is held to earn rentals or for capital appreciation, or both. Upon initial recognition, an investment property is measured at cost, including directly attributable overheads, if any. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of an investment property is to be recognized in profit or loss, unless any other standard specifically requires otherwise.

Company may depreciate the investment property using the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Act.

The fair value of investment property is to be disclosed in the notes. The Fair value is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

XIV. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

XV. Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.



The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.”

XVI. Preliminary Expenses

As per IND-AS 38, Intangible assets such as Preliminary expenses are to be written-off as and when incurred. Accordingly, Company has transferred all preliminary Expenses incurred upto the end of the financial year.

XVII. Financial instruments

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate (“EIR”) method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss.



(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of profit and loss.

(iv) Financial liabilities

Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables 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.

Subsequent measurement

Financial liabilities at FVPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

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. Amortization is recognized as finance income in the Statement of Profit and Loss.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the Statement of Profit and Loss.

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.

Where the terms of a financial liability are re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

De-recognition of Financial Liabilities



Financial liabilities are to be de-recognized when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is to be recognized in the Statement of Profit and Loss.

Off-setting financial instruments

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

b) Share capital

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

De-recognition of financial instruments

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and transfer qualifies for derecognition under Ind AS-109. A financial liability (or a part of a financial liability) is de-recognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

XVIII. Fair value measurement

The Company has to measure financial assets and financial liability 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:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participants' ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. 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. For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Companies' Valuation team determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement.

XIX. Impairment

a) Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, is recognized as an impairment gain or loss in the Statement of Profit and Loss.

b) Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying



amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

XX. Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

XXI. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

XXII. Taxes

a) Current tax

Current tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

b) Deferred tax

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realized.



Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

c) Minimum Alternate Tax (MAT)

MAT payable is recognized as an asset in the year in which credit in respect of MAT paid in earlier years becomes eligible and is set-off in the year in which the Company becomes liable to pay income taxes at the enacted tax rates as indicated in the Income Tax Act, 1961. Further, a MAT credit is recognized only if there is a reasonable certainty that these assets will be realized in the future and their carrying values are reviewed for appropriateness at each balance sheet date.

d) Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

When receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

XXIII. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equities shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

XXIV. Segment reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The company has been set up to develop, establish, construct, operate and maintain a project relating to the construction, operation and maintenance of the Delhi Mumbai Express way project under the "Build-Operate-Transfer" (BOT) Basis and is operating in India, therefore there is one reporting segment only. Accordingly, no disclosure for segment reporting has been made in the financial statements as specified in Companies (Accounts) Rules, 2014.



XXV. Government grant

Grant received from the government or other authorities towards the capital expenditure are treated initially as Capital Reserve and subsequently adjusted in the carrying value of assets acquired constructed out of these grants.

Grants received from the government or other authorities towards the revenue expenditure are recognized over the period in which in which the related costs are incurred and adapted from the related expenses.

XXVI. Inventories

Consumables, stores and spares are to be valued at lower of cost and net realizable value; cost is computed on Weighted Average basis. The cost of inventories to be comprised of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Obsolete, defective, unserviceable and slow/nonmoving stocks are to be duly provided for. Net realizable value is to be estimated as selling price in ordinary course of business less the estimated cost necessary to make the sale.

XXVII. Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially to be recognized at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognized as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are to be measured at amortized cost using the effective interest rate method

Borrowings are to be eliminated from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss. The gain / loss is to be recognized in other equity in case of transactions with shareholders.

Borrowings are to be classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

XXVIII. Trade receivables

A receivable is classified as a "trade receivable" if it is in respect of the amount due on account of services rendered in the normal course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

XXIX. Trade payables

A payable is classified as a "trade payable" if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as



current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost.

XXX. Expenditure

Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.

XXXI. Employee benefits

Defined contribution plan

The Company's contribution to Provident Fund and Employees State Insurance Scheme is to be determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis. The Company has categorized its Provident Fund, labour welfare fund and the Employees State Insurance Scheme as a defined contribution plan since it has no further obligations beyond these contributions.

Defined benefit plan

The Company's liability towards gratuity, being a defined benefit plan are to be accounted for on the basis of an independent actuarial valuation based on Projected Unit Credit Method. Gratuity liability is funded by payments to the trust established for the purpose.

Service cost and the net interest cost is to be included in employee benefit expense in the Statement of profit and loss. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in 'other comprehensive income' as income or expense.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are to be treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Companies' liability is to be actuarially determined (using the Projected Unit Credit method) at the end of each year. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are to be recognized in the Statement of Profit and Loss.



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

3. Property, plant and equipment

Particulars	As at 31.03.2021
Carrying amounts of :	
Computer equipments - Owned	-
Furniture and fixtures	-
Office equipments	-
	-

Particulars	Computer equipments - Owned	Furniture and fixtures	Office equipments	Total
Cost or deemed cost				
As at 31 March 2020	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2021	-	-	-	-
Accumulated depreciation				
As at 31 March 2020	-	-	-	-
Charge for the year	-	-	-	-
On disposals	-	-	-	-
As at 31 March 2021	-	-	-	-
Carrying amount				
As at 31 March 2021	-	-	-	-
As at 31 March 2020	-	-	-	-

Capital Work In Progress Intangible Assets

Capital work in progress at site office	9,86,868.13	-
Un-allocated pre-opertaive expenditure (t/f from Note No. 16 and 17)	2,205.87	-
Less: Capital Grant Received	-	-
	9,89,074.00	-

As permitted under Ind AS 101, the Company has decided to continue with the carrying values under GAAP for all the property, plant and equipments.



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

4. Other financial assets

Particulars	Non-current as at	Current as at
	31 March 2021	31 March 2021
Other financial assets (at fair value through profit or loss)		
Unsecured-Considered Good		
Amount recoverable from related parties (refer note 23)	-	-
Fixed Deposits with Banks (original maturity more than three months but less than a year)	-	-
Total other financial assets (at amortised cost)		
Total	-	-

5. Other assets

Particulars	Non-current as at	Current as at
	31 March 2021	31 March 2021
Unsecured-Considered Good		
Advances for deposit work	-	-
Advances to vendors	-	-
Mobilisation advance to vendors	-	-
Security Deposits	-	-
Preliminary Expenses Not written off	-	-
Inter-companies balances	-	-
Deffered tax assets (Net)	-	-
Prepaid Expenses	-	-
Advance tax and tax deducted at source (net of provision for income tax)	-	-
Other receivables	-	-
Total	-	-

6. Cash and cash equivalents

Particulars	As at
	31 March 2021
Balances with banks:	
- Bank balances	1,06,148.27
- Deposits with original maturity of less than three months	-
Cash on hand	-
Total	1,06,148.27



Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

7. Share capital

a. Equity share capital

Particulars	As at
	31 March
Authorised 3,00,00,00,000 equity shares of INR 100/- each	30,00,000.00
	30,00,000.00
Issued, subscribed and fully paid-up 108200000 equity shares of INR 100/- each	1,08,200.00
Total	1,08,200.00

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2021	
	Number	INR
Equity shares		
At the commencement of the	-	-
Issue of share during the year	10,82,00,000	1,08,200
At the end of the year	1,08,20,00,000	1,08,200.00

Rights, preferences and restrictions attached to equity shares

The company has only one class of shares i.e. equity shares having a par value of Rs. 100/- each holder of equity shares is entitled to one vote per share. The equity shareholders of the company are entitled to get the dividend as and when proposed by the Board of Directors and approved by shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at 31 March 2021	
	Number	% of total shares in the class
Equity shares of Rs. 100 each		
National Highway Authority of India (With Its Nominees)	10,81,99,994	99.99999%



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

8. Other equity

Particulars	As at
	31 March 2021
Surplus in the Statement of Profit and Loss	
At the commencement of the year	-
Add: Profit/(Loss) for the year	(203.51)
At the end of the year	(203.51)
Total	(203.51)

Nature of reserves:

9. Share application money pending allotment

Particulars	As at
	31 March 2021
	-
Total	-

10. Borrowings

Particulars	As at
	31 March 2021
Unsecured-At Amortised Cost	
Loan from Banks	9,73,099.89
Interest accrued on borrowings (refer note 23)	-
Total	9,73,099.89

DETAIL OF TERM LOAN

NAME OF LENDER	FALICITY	PURPOSE	AMOUNT OF LOAN DISBUSED DURING THE YEAR	RATE OF INTEREST	OF	REPAYMENT PERIOD



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

STATE BANK OF INDIA	TERM LOAN	Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Haryana, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode.	500000	The rate of interest for the Loan facility is based on pricing linked to 6-month MCLR of SBI, it will change from time to time as per Terms & Conditions of sanction letter.	Repayment will start from 31-03-2025 with 28 installments as per repayment schedule as mentioned in sanction letter.
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DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

BANK MAHARASHTRA	OF	TERM LOAN	Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Haryana, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode.	100000	0.10% above our 1 month MCLR ie, presently 6.90%+0.10%=7.00% P.A with monthly rest.	Repayment will start from 31-10-2024 with 28 installments as per repayment sechedue as mentioned in sanction letter.
AXIS BANK		TERM LOAN	Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Haryana, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode.	93100	The rate of interest for the Loan facility will be based on pricing linked to 6-month MCLR of SBI, which will change from time to time as per Terms & Conditions of sanction letter.	Repayment will start from 30-09-2024 with 28 installments as per repayment sechedue as mentioned in sanction letter.
PUNJAB BANK	NATIONAL	TERM LOAN	Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Haryana, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode.	280000	7.00% p.a. linked with 3 month MCLR as of Mar '2021 i.e. 6.90% + 0.10% chargeable at monthly intervals, which shall be serviced on 1st day of the next month. Rate of Interest of PNB shall not lower than the rate of interest of any lenders for the 1st year of debt requirement of the company. Further charges of PNB shall not be lower than any of these lenders. In case any downgradation in external risk rating, Bank has right to review its ROI & Service charges.	Repayment will start from 31-03-2025 with 28 installments as per repayment sechedue as mentioned in sanction letter.
NOTE:- OTHER DETAIL TERM & CONDITION WILL BE AS PER SANCTION LETTER EXECUTED BY ALL FOUR BANK AT THE TIME OF LOAN						



Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

11. Other financial liabilities

Particulars	Non-current as at		Current as at
	31 March 2021	0	31 March 2021
Other financial liabilities at amortised cost			
Interest accrued on borrowings (refer note 23)	-	-	-
Retention Money	-	-	-
Payable to related parties (Refer note 23)	-	-	-
Expenses Payable	-	-	-
Payable towards purchase of property, plant and	-	-	-
Total	-	-	-

12. Other Liabilities

Particulars	Non-current as at		Current as at
	31 March 2021	0	31 March 2021
Earnst Money Deposit	-	-	-
Statutory liabilities	-	-	6.91
Stamp Duty payable			108.20
Total	-	-	115.11

13. Trade payables

Particulars	As at
	31 March 2021
Trade payables	
- Due to micro and small enterprises*	1.11
- Others	14,081.17
Total	14,082.28

*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information received and available with the Company, the amounts payable to Micro and Small Enterprises as at 31 March 2021 has been disclosed.



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

14. Other income

Particulars	Year ended
	31 March 2021
Interest Income	
From Banks	-
From Income tax refund	-
Misc. receipts	-
Total	-

15. Employee benefits expense

Particulars	Year ended
	31 March 2021
Salaries and wages*	-
Staff welfare expenses	-
Total	-

There are no employee appointed in the Company during the period. All the workforce is working for the Company deputed by the NHAI staff on additional charge or outsourced employees.

16. Finance costs

Particulars	Year ended
	31 March 2021
Interest on debt from Financial Institutions	815.55
Loan Processing Fees	1,200.57
Total	2,016.12
Less: Transfer to Pre-operative expenses	2,016.12
Balance to P/L Account	-



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

17. Administrative expenses trf to Pre-operative expenses

Particulars	Year ended
	31 March 2021
Internal audit fee	0.70
Legal and professional charges	71.77
Auditors' remuneration [Refer note (i)]	1.00
Printing & Stationary expenses	0.01
Stamp Duty Charges	116.24
Bank charges	0.01
Total	189.74
Less: Transfer to Pre-operative expenses	189.74
Balance to P/L Account	-

(i) Payments to the auditors comprises (net of service tax input credit/GST, where applicable):

Particulars	Period ended
	31 March 2021
As Statutory Auditors:	
Statutory audit fee	1.00
Reimbursement of expenses	-
Total	1.00

18. Other administrative expenses trf to Profit & Loss Account

Particulars	Period ended
	Year ended
Preliminary Expenses	275.01
Total	275.01



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

19. Current Tax

The major components of income tax expense for the period ended 31 March 2021 are as follows

Profit and Loss section

Particulars	Period ended
	31 March 2021
Current tax charge	-
Prior period tax charge	-
Income tax expense reported in the Statement of Profit and Loss	-

Other Comprehensive Income (OCI) section

Particulars	Period ended
	31 March 2021
Remeasurements of defined benefit plans	-
Income tax charged to OCI	-

Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Period ended
	31 March 2021
Accounting profit before income tax	(275.01)
At statutory income tax rate (Current year 26% (P.Y 26%))	-
Earlier year tax adjustment	-
Others- Interest on Income Tax	-
Income reported in the Statement of Profit and Loss	(275.01)

Deferred tax

Particulars	As at
	31 March 2021
Deferred tax asset relates to the following:	
Timing Difference due to loss as per income tax act and company act	(275.01)
Total deferred tax asset on above timing difference(A)	71.50
Deferred tax liability relates to the following:	
Total deferred tax liabilities (B)	-
Net deferred tax assets/(liability) (A-B)	71.50

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The details of tax assets / (liabilities) (net) as at March 31, 2021 are as follows:

Particulars	As at
	31 March 2021
NON-CURRENT TAX ASSETS (NET)	
Tax assets	
Deferred Tax Assets	71.50
Tax liabilities	
Income tax payable	-
	71.50



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

20. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended
	31 March 2021
Profit attributable to equity holders for basic earnings	(203.51)
Profit attributable to equity holders for the effect of dilution	(203.51)
Weighted average number of equity shares for basic EPS	10,82,00,000
Weighted average number of equity shares adjusted for the	10,82,00,000
Basic EPS (absolute value in INR)	(188.09)
Diluted EPS (absolute value in INR)	(188.09)



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

21. Related party transactions

In the normal course of business, the Company enters into transactions at arm's length with affiliated companies, its ultimate holding company and key managerial personnel.

The names of the related parties of the Company and the nature of relationship is as follows:

S.No.	Nature of relationship	Name of the party
a.	Enterprise having substantial interest in the Company	National Highway Authority of India holding (with its nominees) 99.9999% share capital
b.	Key management personnel of the Company	<p>Independent Directors: Not Appointed.</p> <p>Directors: Mr. Asheesh Sharma - Chairman (upto 08.10.2020) Mr. Alok (wef 08.10.2020) Mr. Amit Kumar Ghosh Mr. Manoj Kumar Mr. Syed Qamar Ahmed Mr. Rohin Kumar Gupta</p> <p>Chief Financial Officer: Not Appointed.</p>

Disclosure of transactions between the Company and related parties and the status of outstanding balances are as under:

Particulars		For the year ended 31 March 2021
a.	Enterprise having substantial interest in the Company - NHAI	NHAI
	Transactions during the year	
	Equity share issued	1,08,199.99
	Loan taken from NHAI	-
	Interest accrued on Loan	-
	Reimbursement of expenses (Paid to NHAI)	9,73,101.13
	Expenditure Incurred by NHAI on the behalf of DME	9,87,144.28
	Balance outstanding as at the year end	
	Loan outstanding from NHAI	-
	Interest Accrued (NHAI)	-
	Amount Payable to NHAI again Reimbursement of Expenses	14,043.15
d.	Key management personnel	
	Independent Director's Sitting Fees	-



DME DEVELOPMENT LIMITED
G-5 & 6, SECTOR 10, DWARKA, NEW DELHI-110075
CIN: U45202DL2020GOI368878

Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

22. Fair values

The carrying values of the financial instruments by categories is as follows:

Particulars	Carrying amount as at
	31 March 2021
FINANCIAL ASSETS	
Financial assets measured at amortised	
Cash and cash equivalents	1,06,148.27
Other financial assets	-
Total	1,06,148.27
FINANCIAL LIABILITIES	
Financial liabilities measured at	
Borrowings	9,73,099.89
Trade payables	-
Other financial liabilities	-
Total	9,73,099.89



Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

23. Financial risk management objectives and policies

The Company's business activities are exposed to a variety of financial risks, namely market risks, liquidity risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management policy and framework. These are periodically reviewed by the senior management of the Company to identify and assess key risks and formulate strategies for mitigation of those risks. The Audit Committee is not formed yet, hence board of director provides the overall direction on risk management and oversees the Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from the changes in foreign currency exchange rates, interest rates and price risk. The Company is not exposed to any market risk due to non existence of any transaction in foreign currency.

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to the risk of changes in foreign exchange rates due to non existence of any transaction in foreign currency.

(ii) Price risk

The company is not exposed to price risk due to non existence of any investment in market.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company does not have any significant items related to interest rate risk therefore it is not impacted by interest rate risk.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentration of credit risk with respect to trade receivables are limited. All trade receivables are reviewed and assessed. Historical experience of the Company for collecting receivables is that credit risk is low. Refer note 2.15 for accounting policy on impairment of trade receivables.

Customer credit risk is being driven by Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes. The Company does not hold collateral as security for the year ended 31st March 21. Considering the nature of operations, the Company evaluates the concentration of risk with respect to trade receivables as low.

The management believes that the trade receivables of on 31 March 2021 are not subject to any credit risk. Accordingly, no credit losses are being accounted for.

Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 is the carrying amounts of balances with banks.



Notes forming part of financial statements for the period ended 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

(c) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the period ended 31 March 2021. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company's treasury function reviews the liquidity position on an ongoing basis. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Carrying amount	Contractual cash flow	0-1 year	1-5 years	More than 5 years
As at 31 March 2021					
Borrowings	9,73,099.89	9,73,099.89	9,73,099.89	-	-
Trade payables	14,082.28	14,082.28	14,082.28	-	-
Other financial liabilities	-	-	-	-	-
Total	9,87,182.17	9,87,182.17	9,87,182.17	-	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

24. A) Contingent Liabilities

No other provision is recognized for liabilities where future outcome cannot be ascertained with reasonable certainty. Such liabilities are treated as contingent and disclosed by way of Notes to the Accounts.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

24. B) Capital Commitments

B1. The company is committed to provide total funds of Rs 53,849 Cr. to NHA for construction of Delhi-Mumbai Expressway and till date, the company has incurred the sum of Rs 9890.74 Cr.

B2. Pending Capital Commitments

(Rs In Crores)

Particulars			
	FY 2021-22	FY 2022-23	FY 2023-24
NHAI Equity	2051.00	1965.00	288.00
Debt (term loan from lenders /bond market)	18456.00	17862.00	2596.00
Capex Phasing	20506.00	19646.00	2884.00



Notes forming part of financial statements for the period ended 31 March 2021
(All amounts in INR Lakhs, unless otherwise stated)

25. In view of the Circular No.150/06/2021-GST from Ministry of Finance, the outward supply of the Company is taxable as forward charges under the Central Goods and Services Tax'2017. Consequently, annuity receivables from NHAI shall be subject to Goods & Service Tax as forward charge as and when it accrues in future. Therefore, accumulation of the Input tax credit on inward supply being received by the company will be utilised against such duty on supplies in future. Therefore, accumulation of the Input tax credit will be parked in current assets for setting off in future.

26. The Management has reviewed various pending legal compliances which were required to be done during the FY 2020-21 but remained pending due to spread of second wave of pandemic Covid-19 coupled with complete lockdown imposed by the state Government subsequently from the 3rd week of the April'21 to 1st week of the June'21 with relaxation in phased manner. The current position of various compliances is as under:

- i. As per S-203 of Companies Act, 2013, the appointment of the Chief Financial Officer and Company Secretary would be taken up in the current financial year following due process of selection as per applicable norms.
- ii. Necessary Provision for stamp duty amounting to INR 1.082 Crore payable on issuance of the share certificates for raising capital during the period under audit has been provided and shall be paid subject to confirmation from the Competant Authority as the necessary application has been online.
- iii. The Formation of the Audit Committee u/s 177 of the companies Act'2013 will be made in the due course of time in ensuing Financial Year.
- iv. The Company is required to carry out Corporate Social Responsibility activities i.e., CSR activities by complying one of the conditions as laid down u/s 135 for all activities as stated in schedule-VII of the companies Act'2013. However, in view of no commercial activities or no profit during the period, company is not required to carry out its obligation of CSR Activities.
- v. The necessary application for obtaining the ISIN of the securities has been filed with the competent Authority being a mandatory requirement. However, in respect of dematerialization of shares, Rule 9A of Chapter III Part I The Companies (Prospectus and Allotment of Securities) Rules, 2014, exempt Unlisted Public company being a Government Company or a wholly owned subsidiary thereof. Therefore, Shares have been issued in Physical form.


27. No provision has been made for Gratuity, Leave Encashment and other Retirement Benefits to Company's employees, since the company does not have any employee of its own as on date.

28. In the opinion of the Management Financial Instruments are stated at the value, which if realized, in the ordinary course of the business, would not be less than the amount mentioned.

29. The company was incorporated on 29th August 2020. Thus being the first year of the company, Previous years' figures have not been shown.

For SINGH HARBEER & ASSOCIATES

Chartered Accountants
Firm Regn No.: 017247N
DELHI
(HARBEER SINGH)
Partner
M.No. 093542



For and on behalf of Board


(ROHIN KUMAR GUPTA)
Director
DIN: 08854433


(S.Q. AHMAD)
Director
DIN: 08275536

Place : New Delhi

Date : 14.09.2021

UDIN : 21093542AAAAEA8279