



## **DME Development Limited**

*(A Wholly Owned Entity of NHAI)*

NHAI Corporate Office, Plot G -5 &6, Sector – 10, Dwarka, New Delhi – 110075

CIN : U45202DL2020GOI368878/PH : 011- 25074100/25074200

Email: [dmedl@nhai.org](mailto:dmedl@nhai.org)

Website: [dmedl.in](http://dmedl.in)

**Date: 19.12.2024**

To,

<b>National Stock Exchange of India Ltd. Exchange Plaza, Jeevan Vihar Building, 4th Floor,Road Area, 3, Sansad Marg, Janpath, Connaught Place, Delhi 110001</b>	<b>BSE Limited Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001</b>
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**Subject: Audited Financial Results for the year ended 31<sup>st</sup> March, 2024**

Dear Sir/Madam,

Pursuant to Regulation 52(2)(d)(ii) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the listed entity is required to submit financial results after the completion of audit by the Comptroller and Auditor General of India within nine months from the end of the financial year.

Accordingly, DME Development Limited hereby submit the Financial Results for the year ended 31<sup>st</sup> March, 2024 along with Auditor's Report, C & AG Comments and Security Cover Certificate.

Requesting you to take note of the same.

Thanking you,

**For DME Development Limited**

**(Prachi Mittal)  
Company Secretary & Compliance Officer**

**DME DEVELOPMENT LIMITED**

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

CIN: U45202DL2020GOI368878

**STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED AND YEAR ENDED MARCH 31, 2024**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Quarter ended			Year ended	Year ended
	31st March 2024	31st December 2023	31st March 2023	31st March 2024	31st March 2023
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>REVENUE</b>					
Revenue from operations	-	-	-	-	-
Other Revenue	0.05	5.00	-	0.05	10.00
<b>Total Revenue</b>	<b>0.05</b>	<b>5.00</b>	<b>-</b>	<b>0.05</b>	<b>10.00</b>
<b>EXPENSES</b>					
Employees benefits expense	2.40	2.40	-	10.30	6.10
Financial costs	-	-	-	-	-
Administrative expenses	26.78	20.56	21.51	84.77	39.10
Other expenses	-	-	-	-	-
<b>Total Expenses</b>	<b>29.18</b>	<b>22.96</b>	<b>21.51</b>	<b>95.07</b>	<b>45.20</b>
<b>Profit/(Loss) before exceptional items &amp; tax</b>	<b>(29.13)</b>	<b>(17.96)</b>	<b>(21.51)</b>	<b>(95.02)</b>	<b>(35.20)</b>
<b>Tax expenses</b>					
Current tax	-	-	-	-	-
Deferred tax	7.57	4.67	5.59	24.71	9.16
<b>Net Tax Expenses</b>	<b>7.57</b>	<b>4.67</b>	<b>5.59</b>	<b>24.71</b>	<b>9.16</b>
<b>Profit/(Loss) for the period (A)</b>	<b>(21.56)</b>	<b>(13.29)</b>	<b>(15.92)</b>	<b>(70.31)</b>	<b>(26.05)</b>
<b>Other comprehensive income</b>					
Items that will not be reclassified to profit or loss (net of Tax)	-	-	-	-	-
Re-measurement (losses) gains on defined benefit plans	-	-	-	-	-
Income tax effect	-	-	-	-	-
Items that may be reclassified to profit or loss (net of Tax)	-	-	-	-	-
a) Prior Period Expenses due to reclassification of Intangible Assets to Financials Assets	-	-	-	-	-
<b>Net other comprehensive income not to be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/deficit for the period (A+B)</b>	<b>(21.56)</b>	<b>(13.29)</b>	<b>(15.92)</b>	<b>(70.31)</b>	<b>(26.05)</b>
<b>Profit/(Loss) for the period attributable to:</b>	<b>(21.56)</b>	<b>(13.29)</b>	<b>(15.92)</b>	<b>(70.31)</b>	<b>(26.05)</b>
Equity holders	(21.56)	(13.29)	(15.92)	(70.31)	(26.05)
<b>Total comprehensive income for the period, net of tax attributable to:</b>	<b>(21.56)</b>	<b>(13.29)</b>	<b>(15.92)</b>	<b>(70.31)</b>	<b>(26.05)</b>
Equity holders	(21.56)	(13.29)	(15.92)	(70.31)	(26.05)
<b>Earnings per equity share (of INR 100/- each):</b>					
(1) Basic (absolute value in INR)	-	-	(0.00)	(0.02)	(0.01)
(2) Diluted (absolute value in INR)	-	-	(0.00)	(0.02)	(0.01)



**DME DEVELOPMENT LIMITED**

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

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**Statement of Assets & Liabilities**

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	As at 31st March 2024 (Audited)	As at 31st March 2023 (Audited)
<b>I</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
	Financial assets		
	Other financial assets	47,24,853.46	35,84,107.96
	Deferred tax assets (net)	109.70	84.99
	<b>Total Non-current assets</b>	<b>47,24,963.16</b>	<b>35,84,192.95</b>
	<b>Current assets</b>		
	Financial assets		
	Cash and Cash equivalents	4,043.96	1,986.94
	Other current assets	523.09	51,133.04
	<b>Total Current assets</b>	<b>4,567.05</b>	<b>53,119.98</b>
	<b>Total Assets</b>	<b>47,29,530.21</b>	<b>36,37,312.93</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Equity share capital	5,23,400.00	4,39,400.00
	Other equity	(312.18)	(241.87)
	<b>Total Equity</b>	<b>5,23,087.82</b>	<b>4,39,158.13</b>
	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	40,56,567.40	31,91,995.75
	<b>Total Non-current liabilities</b>	<b>40,56,567.40</b>	<b>31,91,995.75</b>
	<b>Current liabilities</b>		
	Financial liabilities		
	Other financial liabilities	15,613.05	5,945.14
	Other current liabilities	1,34,261.94	213.91
	<b>Total Current liabilities</b>	<b>1,49,874.99</b>	<b>6,159.05</b>
	<b>Total Equity and Liabilities</b>	<b>47,29,530.21</b>	<b>36,37,312.93</b>



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**DME DEVELOPMENT LIMITED**

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**Statement of Cash Flow**

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Year ended 31st March 2024	Year ended 31st March 2023
		(Audited)	(Audited)
<b>A</b>	<b>Operating Activities</b>		
	Loss before tax	(95.02)	(35.21)
	<b>Operating profit/(loss) before working capital changes</b>	<b>(95.02)</b>	<b>(35.21)</b>
	<b>Movements in working capital :</b>		
	(Increase)/decrease in other current assets	50,609.96	1,28,135.52
	(Increase)/decrease in other financial assets	(11,40,745.49)	(12,96,708.40)
	Increase/(decrease) in other financial liabilities	9,667.91	1,626.30
	Increase/(decrease) in other current liabilities	1,34,048.03	(183.15)
	Increase/(decrease) in trade payables and financial liabilities	-	(48.11)
	<b>Cash flow from/(used in) operations</b>	<b>(9,46,514.61)</b>	<b>(11,67,213.05)</b>
	Income taxes paid	-	4.54
	<b>Net cash used in operating activities (A)</b>	<b>(9,46,514.61)</b>	<b>(11,67,208.51)</b>
<b>B</b>	<b>Investing Activities</b>		
	<b>Net cash used in investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>C</b>	<b>Financing Activities</b>		
	Borrowings during the period	8,64,571.65	10,33,896.75
	Net proceeds from issue of equity shares capital	84,000.00	1,26,100.00
	<b>Net cash from financing activities (C)</b>	<b>9,48,571.65</b>	<b>11,59,996.75</b>
	<b>Net increase/(decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>2,057.02</b>	<b>(7,211.76)</b>
	Cash and Cash equivalents at the beginning of the year	1,986.94	9,198.70
	<b>Cash and Cash equivalents at the end of the year (refer note 5)</b>	<b>4,043.96</b>	<b>1,986.94</b>

**Notes :**

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
2. Figures in bracket represent cash outflow.
3. Components of Cash and Cash equivalents:

Particular	As at 31st March 2024	As at 31st March 2023
<b>Cash &amp; Cash Equivalent</b>		
Balance with Banks	4,043.96	1,986.94
<b>Balance as per Statement of Cash Flows</b>	<b>4,043.96</b>	<b>1,986.94</b>

The accompanying notes 1-34 are an integral part of these financial statements.

As per our report of even date attached



by



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

Notes forming part of financial statements for the year ended 31st March 2024  
(All amounts in INR Lakhs, unless otherwise stated)

21. RATIOS	Year ended 31st March 2024 (Audited)	Year ended 31st March 2023 (Audited)
a) Current Ratio	4,567	53,120
	1,49,875	6,159
	0.03	8.62
b) Debt Equity Ratio	40,56,567	31,91,996
	5,23,088	4,39,158
	7.76	7.27
c) Debt Service Coverage ratio	NIL	NIL
d) Return on Equity Ratio	NIL	NIL
e) Inventory Turnover ratio	NIL	NIL
f) Trade receivables turnover ratio	NIL	NIL
g) Trade payables turnover ratio	NIL	NIL
h) Net Capital turnover ratio	NIL	NIL
i) Net profit ratio	NIL	NIL
j) Return on Capital employed	NIL	NIL
k) Return on Investment	NIL	NIL
l) interest service coverage ratio	NIL	NIL
m) outstanding redeemable preference shares (quantity and value)	NIL	NIL
n) capital redemption reserve/debenture redemption reserve	NIL	NIL
o) net worth	5,23,087.82	4,39,158.13
p) net profit after tax	(70.31)	(26.05)
q) earnings per share	(0.02)	(0.01)
r) long term debt to working capital	NIL	NIL
s) bad debts to Account receivable ratio	NIL	NIL
t) current liability ratio	32.82	0.12
u) total debts to total assets	0.86	0.88
v) debtors turnover	NIL	NIL
w) Operating margin (%)	NIL	NIL
x) Net profit margin (%)	NIL	NIL
y) sector specific equivalent ratios, as applicable	NIL	NIL

Note:- Since the company has neither started its earnings from commercial operations nor did it have any turnover till date, thus ratios from c to k are not relevant. Hence mentioned as Nil.





## **Independent Auditor's Report**

To the Members of

**M/s. DME DEVELOPMENT LIMITED**

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

#### **Qualified Opinion:**

We have audited the Financial Statements of DME DEVELOPMENT LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Financial Statements give the information required by the Companies Act' 2013 ("the Act") in the manner so required and give a true and fair view in conformity the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, losses (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.



## **Basis for Qualified Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

## **Description of Basis of Qualified Opinion**

### **Revenue recognition**

As per Ind AS 115, revenue is to be recognised as control over the asset is transferred to the grantor and if the operator is entitled to annuity, revenue will be recognized over time based on the performance obligations satisfied during the period.

The Company has an assured right to receive annuities under the concession agreement dated 05.02.2021 with the NHAI. Under the concession agreement the company has received from NHAI the right, license, authority to construct, operate, manage, and maintain the Delhi Mumbai Expressway (DME) project for construction period of 3 years and operation & maintenance period of 17 years as a concessionaire. We have been provided copies of the concession agreement.

As per the said concession agreement, the commercial operation date (COD) is the date on which completion certificate or provisional certificate for the project or any relevant



part thereof is issued. We understand some parts of the projects have been completed during the Financial Year under audit, however details thereof including the and the project's status report have not been made available to us. In absence of the said report we are not in position to evaluate or comment on the Percentage Completion of the project.

The concession agreement allows the company to demand & collect Annuity payments from NHAI based on the debt repayment obligations under Financing Agreements. As conveyed to us by the management, the amount of the annuity is yet to be determined and will be mutually decided by the Company and NHAI based upon initiation of debt repayment obligations.

The said policy where revenue is proposed to be recognised based on Debt repayment obligation and not on project completion is not compliant with Ind AS 115.

Due to the absence of agreement between NHAI and the company regarding the annuity amount to which the company is entitled under the concession agreement and the status of project completion, we are currently unable to comment upon the revenue amount pertaining to the completed project and its corresponding impact on the statement of profit & loss, had the financial statement be prepared in compliance with Ind AS 115.

### **Borrowing Cost**

In accordance with the provision of paragraph 22 of Appendix C of Ind AS 115 and in line with Ind AS 23, the borrowing cost attributable to the arrangement shall be recognized as an expense in the period in which it is incurred unless the operator has a contractual right to receive an intangible asset (a right to charge users of the public services). Hence, the cost incurred on borrowing the loan needs to be charged to the Profit & Loss account instead of being capitalized. Consequently, we are of the opinion that the interest cost of Rs. 2,89,316.19 Lakhs pertaining to the borrowed funds should be expensed in the statement of profit & loss since the ownership of the asset rests with





NHAI, and the company does not possess any ownership right over the asset. Accordingly, it has resulted in an understatement of the company's losses and an overstatement of its financial assets by Rs. 2,89,316.19 Lakhs.

### **Amortization of Financial Assets**

In accordance with Ind AS 115 and Ind AS 109, the operator must recognize a financial asset to the extent that it has an unconditional right to receive cash or another financial asset from, or at the direction of, the grantor for construction services. This financial asset should be initially measured at fair value and subsequently at amortized cost. The Company has reclassified capital work-in-progress as a financial asset in line with its updated accounting policy, but has not amortized this asset over its useful life.

Due to the absence of the status of project completion, we are currently unable to comment upon the amortization of an amount pertaining to the completed project and its corresponding impact on the statement of profit & loss.

### **Verification of Financial Assets**

As per the Implementation Agreement with NHAI dated 5th February 2021, NHAI is responsible for the expenditures related to the projects under construction. Since NHAI is incurring these expenses, the company is effectively financing NHAI for these costs. The total expenditure incurred by the company till 31<sup>st</sup> March, 2024 is Rs 41,56,799.95 Lakhs.

The total amount of expenditure and the balance has been confirmed by NHAI and we have relied upon the said confirmation w.r.t. the amount of expenditure incurred till 31<sup>st</sup> March, 2024 and financial asset balance. We have not conducted any other audit procedure due to unavailability of the supporting documents, vouchers etc. from NHAI.



## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

## **Description of Key Audit Matters**

### **Advance against Annuity from NHAI**

During the year, the company received an advance of Rs. 23,000 Lakhs from NHAI, which was intended to be against annuity payments. However, this amount was subsequently returned to NHAI, as the terms of the annuity are yet to be mutually agreed upon. In the absence of supporting documents, agreements, or formal approvals, we are unable to comment on the nature and purpose of this transaction. However, as the amount was fully returned within the year, we do not consider this matter material enough to qualify our report.

### **Revenue Recognition**

Based on the decision of the company's management in agreement with NHAI, the company has opted not to recognise any revenue during the year, as per their interpretation of the relevant clauses of the concession agreement. The amount of annuity income, will be determined at the discretion of the management of the company which is yet to be decided mutually between the company and NHAI.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman's



statement, Director's report, Business Responsibility and Sustainability Reporting etc. but does not include the financial statements and our auditor's report thereon. The Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. is expected to be made available to us subsequent to this auditor's report.

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

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

When we read the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of



appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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





- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraph 3 and 4 of the said Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss dealt with by this report are in agreement with the books of account;



- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, we report that none of the directors is disqualified as on from being appointed as a director in terms of Sub-section (2) of Section 164 of the Companies Act, 2013
- (f) In our opinion and according to the information and explanations obtained, the provisions of Section 197 are not applicable to the company as the company has not paid any remuneration to its directors.
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The company does not have any pending litigations which would impact its financial position.
  - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts that were required to be transferred to the investor’s education and protection fund by the company.
  - iv. A).The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding whether recorded in writing or



otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

B). The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

C). Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. According to the information and explanations given to us and on the basis of our examination of the records of the company:

A). The final dividend has not been declared and paid by the Company during the previous year.

B). The interim dividend has not been declared and paid by the Company during the year.

C). The Board of Directors of the Company have not proposed final dividend.

vi. Based on our examination, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.





As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

3. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure C" on the directions and sub- directions issued by the comptroller and Auditor General of India.

For **A A A G & CO. LLP**

Chartered Accountants

Firm's Registration No.004924N



(**CA. ANKIT GOEL**)

PARTNER

Membership No. :522308

DATE: 25/09/2024

Place: New Delhi

UDIN: 24522308BKAUYS6236



### **Annexure "A" to the Auditors' report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended 31 March 2024, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) A). According to the information and explanations given to us and on the basis of our examination of the records, the company has no Property, Plant and Equipment's. Accordingly, the provisions stated under clause 3(i)(a)(A) of the order are not applicable to the company.  
B). The Company has no intangible assets. Accordingly, the provisions stated under clause 3(i)(a)(B) of the order are not applicable to the company.
  - (b) The company has no Property, Plant and Equipment and intangible assets. Accordingly, the provisions stated under clause 3(i)(b) of the order are not applicable to the company.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the provisions stated under clause 3(i)(c) of the order are not applicable to the company.
  - (d) According to the information and explanation given to us and based on our examination of records, the provisions stated under clause 3(i)(d) of the order are not applicable to the company.
  - e) According to the information and explanation given to us and based on our examination of records, the provisions stated under clause 3(i)(e) of the order are not applicable to the company.
- (ii) a) As the company is providing funds to the NHAI by way of reimbursement of all capital expenditures made for construction of Delhi-Mumbai-Expressway in terms of Implementation Agreement & Concession Agreement dated 05.02.2021 between the Company & the NHAI for execution of the Project.



Hence nature of its business activities does not require holding of any type of inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the order are not applicable to the company.

b) The company is not holding any type of inventory thus no working capital limit is sanctioned to the company from any bank, financial institution and comment on reconciliation between stock statements submitted to bank and with books of accounts under clause 3(ii)(b) is not applicable.

- (iii) The Company has not made any investment in the companies and has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, investments, guarantees and security where Section 186 is applicable. Thus, paragraph (iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposit from the public. Thus, paragraph 3(v) of the Order is not applicable.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Hence comment on maintenance of records is not applicable.
- (vii) (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, duty of Customs, Duty of Excise, Cess and other material statutory dues have been



generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2024 for a period of more than six months from the date of becoming payable.

(b) According to the records and information and explanations given to us, there are no statutory dues referred to in clause 3 (vii)(a) above which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

(ix) a). Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.

b). Based on the information and explanations obtained by us, the Company has not been declared willful defaulter by any bank or financial institution or other lender and hence, reporting under clause 3(ix)(b) of the Order is not applicable.

c). In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

d). According to the information and explanation given to us and based on our examination of records, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company. Accordingly, reporting under this clause 3(ix)(d) of the Order is not applicable.

e). As per records produced and information available to us, the company has no subsidiary, associate company or joint venture during the year. Hence comments





on clause 3(ix)(e) for taken loan from such entities & clause 3(ix)(f) for raising loans on the pledging of securities of such entities are not applicable.

(x) a). In our opinion and according to the information and the explanations given to us, the Company has not raised any money by way of initial public offer. Hence, reporting under clause 3(x)(a) of the order is not applicable to the company.

b). The company has made preferential allotment of Rs. 84,000 Lakhs on 28.04.2023 & 23.02.2024 during the year in addition to earlier allotments of equity shares of Rs. 4,39,400 Lakhs of the company in the previous periods and the requirement of section 42 and 62 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.

(xi) A). In our opinion and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

B). According to the information and explanation given to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

C). We have been informed that there is no whistle blower complaints received by the Company during the year (and up to the date of this report). Accordingly, the reporting under the clause 3(xi)(c) of the Order is not applicable.

(xii) The said company does not fall under the provisions of Nidhi Company. Thus, paragraph (xii) of the Order is not applicable.



- (xiii) As per the records obtained, all transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and details have been disclosed in the Financial Statements as required by applicable accounting standards.
- (xiv) A). According to the information and explanation given to us and based on our examination of records, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
B). We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of our report, in determining the nature, timing and extent of our audit procedures.
- (xv) As per the information obtained the company has not entered into any non-cash transactions.
- (xvi) A). As per the records obtained the, company is not required to be registered under section 45-IA of the Reserve Bank of India.  
B). According to the information and explanations given to us and based on our examination of the records, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.  
C). According to the information and explanations given to us and based on our examination of the records, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly, paragraph 3(xvi)(c) of the Order is not applicable.  
D). According to the information and explanations given to us and based on our examination of the records, there is only one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.



- (xvii) Since the company is pursuing only a single project (i.e. Delhi-Mumbai-Expressway) through NHAI, which is under construction, and the company is providing the cost of constructions under license granted to it for getting annuity from the NHAI, thus all direct expenditures are capitalized by the company as Financial Assets under Other Financial Assets. The company has incurred cash loss of Rs 95.02 lakhs during the year under report on account of normal expenses incurred and in immediately previous financial year Rs 35.21 lakhs.
- (xviii) In accordance with clause 3(xviii) we note that the statutory auditors, Singh Harbeer & Associates, resigned during the year and we have been appointed by Comptroller General Auditors of India, ensuring that our audit approach remains robust and independent. All relevant issues have been addressed in our assessment of the company's financial statements.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) On the basis of records of the company, we report that the provisions of Corporate Social Responsibility (CSR) are applicable to the company from the financial 2021-22 being having net worth over and prescribed limits u/s 135 of the Companies Act, 2013, since the average profit in the three preceding financial years is negative, hence comments on clause 3(xx)(a)(b) are not applicable. Also, the company has not formed CSR Committee in compliance of the provisions of section 135 of the Companies Act' 2013 till date.

(xxi) As per verification of records of the company, it is a wholly owned (SPV) of National Highway Authority of India (NHAI) and it has no subsidiary, associate or joint venture as on date. Thus, the company is not required to prepare Consolidate financial statement hence this clause is not applicable to the company.

**For A A A G & CO. LLP**

Chartered Accountants

Firm's Registration No.004924N



**(CA. ANKIT GOEL)**

PARTNER

Membership No. :522308

DATE: 25/09/2024

Place: New Delhi

UDIN: 24522308BKAUYS6236



## **Annexure 'B' to the Auditors' report**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of Companies Act 2013**

We have audited the internal financial controls with reference to standalone financial statements of DME Development Limited (“the company”) as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over





financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

**For A A A G & CO. LLP**

Chartered Accountants

Firm's Registration No.004924N



**(CA. ANKIT GOEL)**

PARTNER

Membership No. :522308

DATE : 25/09/2024

Place : New Delhi

UDIN : 24522308BKAUYS6236s



### Annexure C

Referred to in our report of even date to the members of DME Development Limited on the accounts for the period ended 31st March 2024.

S.No	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on Financial Statements
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company is maintaining its accounts through IT system on Tally Prime. The Company has system in place to process all the accounting transactions through IT system. No accounting transaction is done manually outside IT system.	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loan / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There is no case of restructuring of an existing loan. Also there is no cases of waiver/write off of debts/loan / interest etc. made by a lender to the company due to the company's inability to repay the loan.	NIL



3	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	During the period, no funds were received or receivable for any specific schemes from Central/State agencies.	NIL
4	Report under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on accounting software/audit trail matters w.e.f. 2023-24 in view of applicability of Rule 3(1) of Companies (Accounts) Rules, 2014 for companies on same issue w.e.f. 2023-24	We confirm that the Company has used an accounting software "Tally Prime" for maintaining its books of account for the year ended 31 <sup>st</sup> March, 2024 which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.	NIL

For **A A A G & CO. LLP**

Chartered Accountants

Firm's Registration No.004924N

*Ankit Goel*

(**CA. ANKIT GOEL**)

PARTNER

Membership No. :522308

DATE: 25/09/2024

Place: New Delhi

UDIN: 24522308BKAUYS6236





## Compliance Certificate

We have conducted the audit of annual accounts of **M/s. DME DEVELOPMENT LIMITED** for the year ended 31 March, 2024 in accordance with the directions/sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For **AAAG & CO. LLP**

Chartered Accountants

Firm's Registration No.004924N



(**CA. ANKIT GOEL**)

PARTNER

Membership No. :522308

Date: 25.09.2024

Place: New Delhi





गोपनीय  
कार्यालय महानिदेशक लेखापरीक्षा  
(अवसंरचना), नई दिल्ली  
तृतीय तल, ए-स्कन्ध, इन्द्रप्रस्थ भवन,  
इन्द्रप्रस्थ एस्टेट, नई दिल्ली-110002



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest

OFFICE OF THE DIRECTOR GENERAL OF  
AUDIT (INFRASTRUCTURE), NEW DELHI  
3rd Floor, A-Wing, Indraprastha Bhawan,  
I.P. Estate, New Delhi-110002

दिनांक / DATE 20.11.2024

सेवा मे,

अध्यक्ष,

डी.एम.ई डेवलपमेंट लिमिटेड,

जी-5 एवं 6 सेक्टर 10 द्वारका,

नई दिल्ली-110075

विषय: कम्पनी अधिनियम 2013 की धारा 143 (6)(b) के अधीन 31 मार्च 2024 को समाप्त वर्ष हेतु  
डी.एम.ई डेवलपमेंट लिमिटेड (DMEDL) के वार्षिक लेखों पर भारत के नियंत्रक एवं  
महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं इस पत्र के साथ 31 मार्च 2024 को समाप्त वर्ष के लिए डी.एम.ई डेवलपमेंट लिमिटेड (DMEDL)  
के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 143 (6)(b) के अन्तर्गत भारत के नियंत्रक महालेखा  
परीक्षक की 'शून्य टिप्पणियाँ' अग्रेषित कर रही हूँ। इन शून्य टिप्पणियों को कम्पनी की वार्षिक आमसभा में उसी  
प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा परीक्षा रिपोर्ट रखी जाती है।

संलग्न: शून्य टिप्पणियाँ

भवदीया,

(विनीता मिश्रा)

महानिदेशक

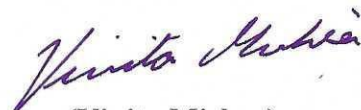
**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER  
SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF DME DEVELOPMENT LIMITED FOR THE YEAR ENDED 31  
MARCH 2024**

The preparation of financial statements of **DME DEVELOPMENT LIMITED** for the year ended 31 March 2024 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(5) 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 25 September 2024.

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 2024 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.

On the basis of my supplementary audit noting significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

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



**(Vinita Mishra)**

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

**Place: New Delhi**

**Dated: 26 November 2024**



**Independent Auditor's Certificate on Book Value of Assets of the Company Contained in Columns A to J of "Statement of Security Cover and Statement of Compliance Status of Financial Covenants in respect of non-Convertible debentures of M/s. DME Development Limited as at and for the year ended March 31, 2024" ("the Statement")**

To,

The Board of Directors,

DME Development Limited

G-5 & 6, NHAI Building, Sector-10,

Dwarka, New Delhi -110075.

1. We, AAAG & Co. LLP, Chartered Accountants, the statutory auditor of DME Development Limited ("the Company"), have been requested by the Management of the Company to certify book values of assets of the Company contained in Columns A to J of the Statement, and whether the Company has complied with financial covenants with respect to the listed secured non-convertible debentures issued and outstanding as at March 31, 2024.
2. The Statement is prepared by the Company from the audited books of account and other relevant records and documents maintained by the Company for the year ended March 31, 2024 pursuant to requirements of Circular no. SEBI / HO / MIRSD / MIRSD CRADT/ CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India in terms of regulation 54 read with regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 15(1)(t) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred together as "the SEBI Regulations"), as amended, for the purpose of the Non-Convertible debentures issued by the Company and outstanding as at March 31, 2024.



### **Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the terms of Offer Document / Information Memorandum / Debenture Trust Deed.

### **Auditor's Responsibility**

5. Pursuant to the requirements of Circular no. SEBI / HO / MIRSD / MIRSD CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India, our responsibility for the purpose of this certificate is to provide a limited assurance on whether the book values of the assets of the Company contained in Columns A to J of the Statement have been accurately extracted and ascertained from the unaudited books of account of the Company and other relevant records and documents maintained by the Company, and whether the Company has complied with financial covenants of the debentures.
6. A limited assurance engagement involves making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed vary in nature and timing from a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.





7. Accordingly, we have performed the following procedures in relation to the statement:
- a) Obtained the Statement from the management.
  - b) Verified that the information contained in the Statement have been accurately extracted and ascertained from the audited books of account of the Company as at and for the year ended March 31, 2024 and other relevant records and documents maintained by the Company, in the normal course of its business.
  - c) Verified and examined the arithmetical and clerical accuracy of the information included in the Statement.
  - d) Reviewed the terms of Offer Document / Information Memorandum / Debenture Trust Deed to understand the nature of charge (viz. exclusive charge or pari-passu charge) on assets of the Company.
  - e) Obtained Register of Charges kept by the Company as per the requirements of the Companies Act, 2013 to understand the composition of charges already created on assets of the company.
  - f) Read the terms relating to financial covenants of the debentures and recomputed the financial covenants.
  - g) Performed necessary inquiries with the management and obtained necessary representations.
8. We conducted our examination and obtained the explanations in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.





## Conclusion

10. Based on the procedures performed as referred to in paragraph 7 above and according to the information and explanations provided to us by the Management of the Company, nothing has come to our attention that causes us to believe that the book values of the assets of the Company contained in Columns A to J of the Statement have not been accurately extracted and ascertained from audited books of account of the Company as at and for the year ended March 31, 2024 and other relevant records and documents maintained by the Company and that the Company has not complied with financial covenants of the debentures.

## Restriction on use

11. This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Debenture Trustee and should not be used by any other person or for any other purposes without our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **AAAG & CO LLP**

**CHARTERED ACCOUNTANTS**

Firm Registration Number: 004924N



(Ankit Goel)



Designated Partner

Membership Number 522308

Place: New Delhi

Date: 18.12.2024

UDIN:24522308BKAVDO4597

DME DEVELOPMENT LIMITED														
Statement of Security Cover and Statement of Compliance Status with Financial Covenants in respect of Non-Convertible Debentures of the company														
Coverage Ratio as on 31st March, 2024														
(Amount in Lakhs)														
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of Assets for which this certificate relate	Exclusive Charge		Pari-Pasu Charge			Assets not offered as security	Elimination on (amount in negative)	Total C to H	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other secured debt	Debt for which this certificate being issued	Assets shared by Pari Pasu debt holder (includes debt for which this is issued & other debt with pari pasu charge)	Other Assets on which there is pari pasu charge (excluding items covered in column F)		Debt Amount considered more than once (due to exclusive plus pari pasu charge)		Market value for Assets charged on Exclusive Basis	Carrying Value/ book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg Bank Balance, DSRA market value is not applicable)	Market Value for Pari Pasu charge Assets	Carrying Value/ book value for Pari-pasu charge assets where market value is not ascertainable or applicable (For Eg Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value							Relating to Column F	
Assets				Yes										
Property, Plant and Equipment														
Capital Work-In-progress														
Other Financial Asset	4,724,853.46				4,724,853.46				4,724,853.46				4,724,853.46	4,724,853.46
Right of Use Assets														
Goodwill														
Intangible Assets														
Intangible Assets under development														
Investments														
Loan(Refer No. )														
Trade Receivables (Refer Note-)														
Inventories														
Cash and Cash equivalents	4,043.96				4,043.96				4,043.96				4,043.96	4,043.96
Bank balance other than cash & cash equivalents														
Others	523.09				523.09				523.09				523.09	523.09
Total	4,729,420.51				4,729,420.51				4,729,420.51				4,729,420.51	4,729,420.51
Liabilities														
Debt security to which Certificate pertains	1,693,500.00													
Other debt sharing pari-pasu charge with above debt	2,363,067.40													
Other Debt														
Subordinate Debt														
Borrowings														
Bank														
Debt Securities														
Others	15613.05													
Trade Payables														
Lease Liability														
Provisions														
Others (Refer Note-10)	134,261.94													
Total	4,206,442.39													
Cover on Book Value	1.12													
Cover on Market Value	N/A													

