



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

Website: dmedl.in

Date: 18.12.2025

To

National Stock Exchange of India Ltd.
Exchange Plaza, Jeevan Vihar Building,
4th Floor, Road Area, 3, Sansad Marg,
Janpath, Connaught Place,
Delhi 110001

BSE Limited
Floor 25, Pheroze Jeejeebhoy Towers,
Dalal Street,
Mumbai -400001

Sub: Notice for Annual General Meeting along with Annual Report for the FY 2024-25

Dear Sir / Madam,

Please note that the Fifth Annual General Meeting (“AGM”) of the Company is scheduled to be held at shorter notice on Monday, December 22, 2025 at 11:00 A.M. at registered office of the Company situated at G -5 & 6, Sector-10, Dwarka, Delhi-110075.

Pursuant to Regulation 50(2) and 53(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report along with Notice of the AGM FY2024-25, being sent to the Members, Debenture Trustee and other stakeholders, through electronic mode.

The said Notice and the Annual Report are also available on the website of the Company i.e. www.dmedl.in. This is for your information and records.

For DME Development Limited

Prachi Mittal
Company Secretary and Compliance Officer

CC: SBICAP Trustee Company Limited
Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai - 400 020
Tel: 022-43025555/43025500
Email: dt@sbicaptrustee.com



DME

DEVELOPMENT LIMITED
(100 % SPV OF NHAI)



5TH
ANNUAL REPORT
2024-25

CORPORATE INFORMATION:**BOARD OF DIRECTORS:**

Sh. NRVVMK Rajendrakumar, Member (Fin), NHAI – Chairman
 Sh. Vinay Kumar, AS (Highways), MoRTH
 Sh. Alok Deepankar, Member (T), NHAI
 Sh. Ananta Manohar Meduri Chakravartula, GM(F), NHAI
 Smt. Sudha Damodar, Independent Director
 Sh. Rajesh Ranjan, Independent Director

BOARD COMMITTEES:**Audit Committee:**

Sh. Rajesh Ranjan – Chairman
 Smt. Sudha Damodar
 Sh. Ananta Manohar Meduri Chakravartula

Nomination & Remuneration Committee:

Smt. Sudha Damodar – Chairperson
 Sh. Rajesh Ranjan
 Sh. NRVVMK Rajendrakumar

Risk Management Committee:

Smt. Sudha Damodar – Chairperson
 Sh. Ananta Manohar Meduri Chakravartula
 Sh. Gautam Vishal Charan Pahari

Stakeholders Relationship Committee

Sh. Rajesh Ranjan – Chairperson
 Smt. Sudha Damodar
 Sh. Ananta Manohar Meduri Chakravartula

Corporate Social Responsibility**Committee:**

Sh. Rajesh Ranjan – Chairperson
 Sh. NRVVMK Rajendrakumar
 Sh. Ananta Manohar Meduri Chakravartula

Chief Financial Officer:

Sh. Ananta Manohar Meduri Chakravartula

Company Secretary & Compliance Officer:

Ms. Prachi Mittal

Chief Executive Officer:

Sh. Rupesh Kumar Srivastava
 (w.e.f 16.12.2025)

STOCK EXCHANGES/LISTING – Debt

National Stock Exchange of India Limited
 Bombay Stock Exchange Limited (Debt)

Statutory Auditors:

M/s. AAAG & Co. LLP,
 Chartered Accountants
 E – 10A, Kailash Colony, Greater
 Kailash – 1, New Delhi – 110048

Secretarial Auditors:

M/s. Jalaj Srivastava & Associates
 Company Secretaries
 Gem Business Centre, 104, First Floor,
 86, Nehru Place, New Delhi-110019

Registrar & Share Transfer Agent:

M/s Bigshare Services Private Limited
 302, Kushal Bazar, 32-33, Nehru Place,
 New Delhi – 110019

Depositories

National Securities Depository Limited
 Central Depository Services (India) Limited

BANKERS:

UCO Bank
 Punjab National Bank
 Axis Bank
 Yes Bank

Bank of Baroda
 Bank of India
 Canara Bank
 NaBFID

Debenture Trustee Details:

SBICAP Trustee Company Limited
 202, Maker Tower, 'E', Cuffe Parade,
 Colaba, Mumbai, Maharashtra – 400 005

Registered Office:

NHAI Corporate Office, Plot No. G-5 & 6,
 Sector-10, Dwarka, New Delhi-110 075
 Tel.: 011- 25074100/25074200
 Email: dmedl@nhai.org; Website: www.dmedl.in

Corporate Identification Number (CIN):

U45202DL2020GOI368878

NOTICE

NOTICE is hereby given that the 5th Annual General Meeting of the Members of “**DME DEVELOPMENT LIMITED**” will be held on Monday, **the 22nd day of December 2025 at 11:00 A.M.** **at a shorter notice** at the registered office of the Company situated at Plot No. G-5 & 6, Sector-10, Dwarka, New Delhi-110 075, to transact the following businesses:

ORDINARY BUSINESS:**Item No. 1:**

To receive, consider and adopt the Audited Financial Statement as defined u/s 2(40) of the Companies Act, 2013 consisting of Audited Balance Sheet as at 31st March 2025, Statement of Profit and Loss, Cash Flow Statement for the period ended on that date and along with the Reports of the Board of Directors and the Statutory Auditors and the comments of C&AG and management replies thereto.

Item No. 2:

To appoint Directors in place of Shri Neti Ravi Vijay Venkat Murali Krishna Rajendrakumar (DIN: 09494456) and Sh. Vinay Kumar (DIN: 02174687) who retires by rotation and being eligible offers themselves for re-appointment.

Item No. 3:

To ratify and fix the remuneration of the Statutory Auditors appointed by the Comptroller & Auditor General of India (C&AG) for the Financial Year 2025-26.

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 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 A A G & Co. LLP, Chartered Accountants (ICAI Firm Registration No. FRN 004924N), who have been appointed as Statutory Auditors by the Comptroller and Auditor General of India (CAG) for the financial year 2025-26 and from whom written consent to act as Statutory Auditors along with the certificate pursuant to Section 141(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 and ratified as the Statutory Auditors of the Company upto the conclusion of the 6th Annual General Meeting of the Company to be held in the year 2025 at a fees of Rs. 1,21,000/- (Rs One Lakh Twenty One Thousand only) (excluding GST).

SPECIAL BUSINESS:**Item No. 4:****Appointment of Secretarial Auditor**

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

“RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”), other applicable laws/statutory provisions, if any, as amended from time to time, and based on the recommendation of the Audit Committee and as approved by the Board of Directors of the Company, M/s Nityanand Singh & Co., Practising Company Secretaries (Peer Review Number: 1188/21) be and are hereby appointed as Secretarial Auditors of the Company for term of five consecutive years commencing from financial year 2025-26 till financial year 2029-30, to conduct the Secretarial Audit of the Company and to furnish the Secretarial Audit Report, at such fees, plus applicable taxes and other out-of-pocket expenses as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditors.”

Item No. 5:**Re-appointment of Smt. Sudha Damodar (DIN: 07755170) as an Independent Director of the Company**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Smt. Sudha Damodar (DIN: 07755170), who was appointed as an Independent Director of the Company for a term of 3 (three) consecutive years commencing from December 23, 2022 upto December 22, 2025 (both days inclusive) and who being eligible for re-appointment as an Independent Director has given her consent along with a declaration that she meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director and based on the recommendation of the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 1 (One) year on the Board of the Company commencing from December 23, 2025 upto December 22, 2026 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

Item No. 6:**Re-appointment of Sh. Rajesh Ranjan (DIN: 10094828) as an Independent Director of the Company**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Sh. Rajesh Ranjan (DIN: 10094828), who was appointed as an Independent Director of the Company for a term of 3 (three) consecutive years commencing from April 15, 2023 upto April 14, 2026 (both days inclusive) and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and based on the recommendation of the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 1 (One) year on the Board of the Company commencing from April 15, 2026 upto April 14, 2027 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

**By Order of the Board of Directors
For DME Development Limited**

Sd/-

**(Prachi Mittal)
Company Secretary
ACS: 40236**

Place: New Delhi

Date: 16.12.2025

NOTE:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business, as set out above is annexed hereto.
2. Generally, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself/ herself and such proxy need not be a Member of the Company. The Proxy Form and Attendance Slip including the Route Map of the venue of the AGM are annexed to this Notice.
3. Proxies, in order to be effective, must be received at the Company's Registered Office. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy so appointed shall not have any right to speak at the meeting.
4. Pursuant to Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members may be appointed for the purpose of participation in the 5th AGM who can cast their vote during the AGM.
5. In compliance with MCA and SEBI Circulars, owing to the difficulties involved in dispatching of physical copies of the Annual Report, the Annual Report and Notice of AGM are being sent in electronic mode only to Members whose e-mail address is registered with the Company or the Depository Participant(s).
6. Annual listing fee for the year 2025-26 has been paid to all Stock Exchanges. Also, the Annual Custodian Fee for the year 2025-26 was paid to both Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited
7. Inspection of documents by Members: Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.
8. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding, maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the Meeting.

Members desirous of obtaining any relevant information with regard to the accounts of the Company or any other matter placed at the Meeting are requested to send their requests in writing to the Company before the date of the Meeting, so as to enable the Company to keep the information ready.

Information of Directors pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015 and Secretarial Standard – 2 on General Meeting: At the 5th AGM of the Company, Shri Neti Ravi Vijay Venkat Murali Krishna Rajendrakumar (DIN: 09494456) and Sh. Vinay Kumar (DIN: 02174687) Directors, retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 (“Act”), read with Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible, seeks re-appointment. Further, the re-appointment of Smt. Sudha Damodar and Sh. Rajesh Ranjan, the Independent Directors for their second term has also been proposed at the 5th AGM of the Company.

EXPLANATORY STATEMENT
(Pursuant to section 102 of the Companies Act, 2013)

The following Explanatory Statement sets out all the material facts relating to the Special Business mentioned in the Notice and should be taken as forming part of the Notice:

Item No. 4: Appointment of Secretarial Auditor

The Board at its meeting held on 16th December, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s Nityanand Singh & Co, Practicing Company Secretaries, a peer reviewed firm as the Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the Members.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. M/s Nityanand Singh & Co. has been Peer Reviewed and Quality Reviewed by the Institute of Company Secretaries of India (ICSI), ensuring the highest standards in professional practices.

M/s Nityanand Singh & Co., has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI Listing Regulations. The services to be rendered by M/s Nityanand Singh & Co. as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/ HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The proposed fees in connection with the secretarial audit shall be Rs. 1,65,000/- (Rupees One Lakh Sixty Five thousand only) plus applicable taxes and other out-of-pocket expenses for 5 years payable on yearly basis as per the quoted amount for FY 2025-26 to 2029-30.

The Board recommends the Ordinary Resolution as set out in Item No. 4 of this Notice for approval of the Members. None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in Item No. 4 of this Notice.

Item No. 5: Re-appointment of Smt. Sudha Damodar (DIN: 07755170) as an Independent Director of the Company

Smt. Sudha Damodar (DIN: 07755170) is currently an Independent Director of the Company, Chairperson of the Risk Management Committee and Nomination & Remuneration Committee. She is also the Member of Stakeholders Relationship Committee and Audit Committee.

Smt. Sudha Damodar was appointed as an Independent Director of the Company by the Board at their meeting held on 23.12.2022 and subsequently regularized at the 2nd Annual General Meeting of the Company held on December 26, 2022 for a period of 3 (three) consecutive years commencing from December 23, 2022 upto December 22, 2025 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Board of Directors at its meeting held on December 16, 2025, proposed the re-appointment of Smt. Sudha Damodar as an Independent Director of the Company

for a second term of 1 (One) year commencing from December 23, 2025 upto December 22, 2026 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

The Board taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended that Smt. Sudha Damodar's qualifications and the rich experience of over three decades in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Smt. Sudha Damodar continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in her role as an Independent Director of the Company and her continued association would be of immense benefit to the Company.

The Company has in terms of Section 160(1) of the Companies Act, 2013 ('the Act') received a notice from a Member proposing her candidature for the office of Director. The Company has received a declaration from Smt. Sudha Damodar confirming that she continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Smt. Sudha Damodar has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties.

Further, Smt. Sudha Damodar has confirmed that she is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Smt. Sudha Damodar has also confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA'). Smt. Sudha Damodar is exempt from the requirement to undertake online proficiency self-assessment test conducted by IICA.

In the opinion of the Board, Smt. Sudha Damodar fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that she is independent of the Management.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Smt. Sudha Damodar as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board commends the Special Resolution set out in Item No. 5 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Smt. Sudha Damodar and her relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

Item No. 6: Re-appointment of Sh. Rajesh Ranjan (DIN: 10094828) as an Independent Director of the Company

Sh. Rajesh Ranjan (DIN: 10094828) is currently an Independent Director of the Company, Chairperson of the Audit Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. He is also a Member of the Nomination & Remuneration Committee.

Sh. Rajesh Ranjan was appointed as an Independent Director of the Company, w.e.f., 15.04.2023, by the Board at their meeting held on 13.04.2023 and subsequently regularized at the 3rd Annual General Meeting of the Company held on December 27, 2023 for a period of 3 (three) consecutive years commencing from April 15, 2023 upto April 14, 2026 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Board of Directors at its meeting held on December 16, 2025, proposed the re-appointment of Sh. Rajesh Ranjan as an Independent Director of the Company for a second term of 1 (One) year commencing from April 15, 2026 upto April 14, 2027 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

The Board taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended that Sh. Rajesh Ranjan's qualifications and the rich experience of over 20 years in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Sh. Rajesh Ranjan continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

The Company has in terms of Section 160(1) of the Companies Act, 2013 ('the Act') received a notice from a Member proposing his candidature for the office of Director. The Company has received a declaration from Sh. Rajesh Ranjan confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Sh. Rajesh Ranjan has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Further, Sh. Rajesh Ranjan has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Sh. Rajesh Ranjan has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, Sh. Rajesh Ranjan fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations,

the re-appointment of Sh. Rajesh Ranjan as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board commends the Special Resolution set out in Item No. 6 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Sh. Rajesh Ranjan and his relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

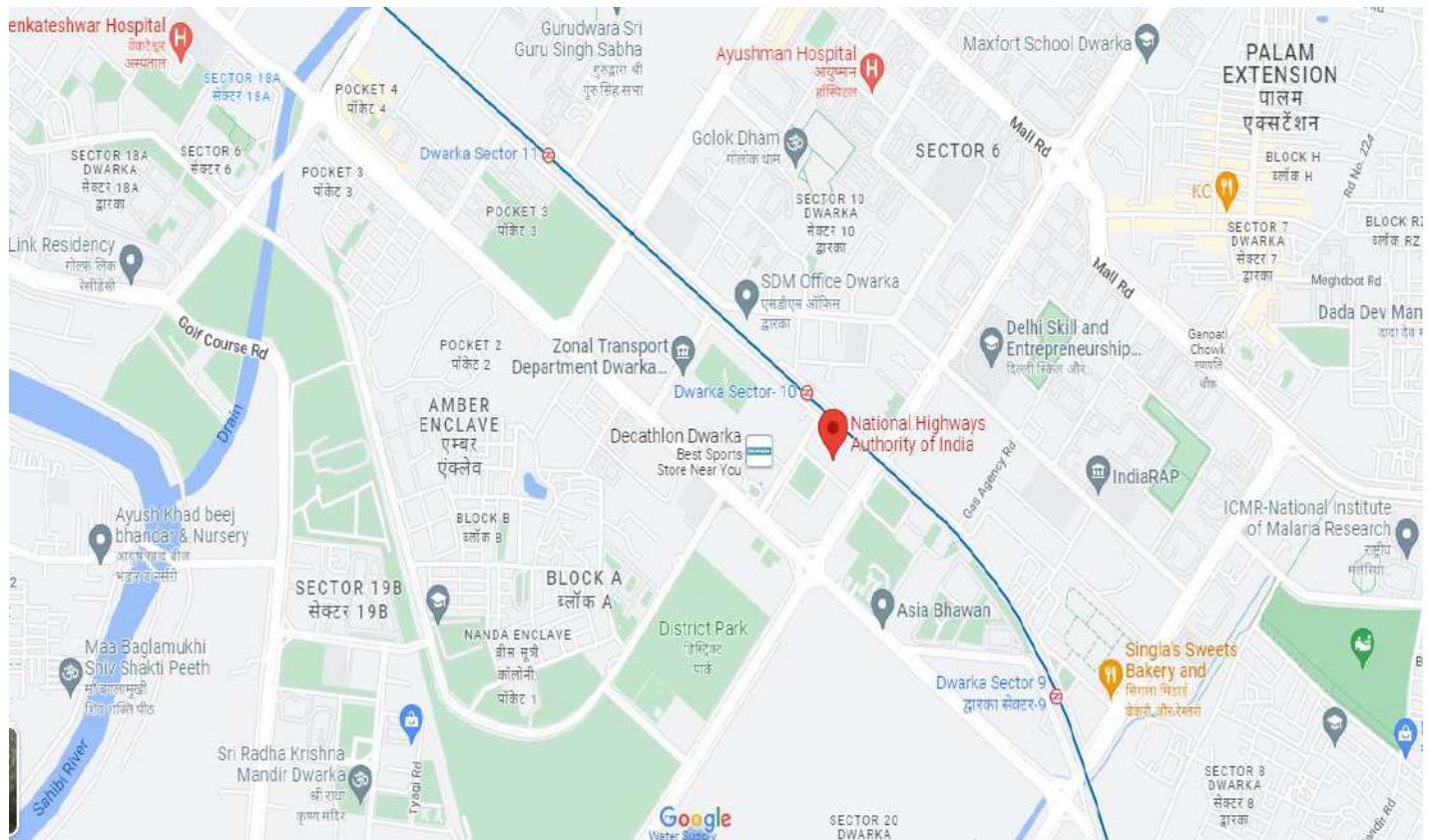
**By Order of the Board of Directors
For DME Development Limited**

Sd/-

**(Prachi Mittal)
Company Secretary
ACS: 40236**

**Place: New Delhi
Date: 16.12.2025**

ROUTE MAP FOR AGM VENUE



PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | | |
|----------------------------|---|--|
| CIN | : | U45202DL2020GOI368878 |
| Name of the Company | : | DME DEVELOPMENT LIMITED |
| Registered Office | : | G-5 & 6, Sector-10, Dwarka Delhi – 110075 |

| | | |
|-----------------------------|---|--|
| Name of the Member | : | |
| Residential Address | : | |
| Email Id | : | |
| Folio No / Client ID | : | |
| DP ID : | | |

I/We, being the member (s) of _____ shares of the above named Company, hereby appoint

| | | | |
|----|-----------------------|---|--|
| 1. | Name | : | |
| | Address | : | |
| | Email Id | : | |
| | Signature | : | |
| | or failing him | | |

| | | | |
|----|-----------------------|---|--|
| 2. | Name | : | |
| | Address | : | |
| | Email Id | : | |
| | Signature | : | |
| | or failing him | | |

| | | | |
|----|-----------------------|---|--|
| 3. | Name | : | |
| | Address | : | |
| | Email Id | : | |
| | Signature | : | |
| | or failing him | | |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, the 22nd day of December 2025 at 11:00 A.M. at shorter notice at the registered office of the Company situated at Plot No. G-5 & 6, Sector-10, Dwarka, New Delhi-110 075, and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Particulars | Ordinary/Special Resolution |
|-----------------------|--|------------------------------------|
| 1 | To receive, consider and adopt the Audited Financial Statement as defined u/s 2(40) of the Companies Act, 2013 consisting of Audited Balance Sheet as at 31st March 2025, Statement of Profit and Loss, Cash Flow Statement for the period ended on that date and along with the Reports of the Board of Directors and the Statutory Auditors and the comments of C&AG and management replies thereto. | Ordinary |
| 2 | To appoint Director in place of Shri Neti Ravi Vijay Venkat Murali Krishna Rajendrakumar (DIN: 09494456) and Sh. Vinay Kumar (DIN: 02174687) who retires by rotation and being eligible offers themselves for re-appointment. | Ordinary |

| | | |
|----|--|----------|
| 3 | To fix the remuneration of the Statutory Auditors appointed by the Comptroller & Auditor General of India (C&AG) for the Financial Year 2025-26. | Ordinary |
| 4. | Appointment of Secretarial Auditor | Ordinary |
| 5. | Re-appointment of Smt. Sudha Damodar (DIN: 07755170) as an Independent Director of the Company | Special |
| 6. | Re-appointment of Sh. Rajesh Ranjan (DIN: 10094828) as an Independent Director of the Company | Special |

Signed this _____ day of _____, 2025

Signature of the Shareholder _____

Signature of Proxy holder _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed, stamped signed and deposited at the registered office of the Company, well before the commencement of the Annual General Meeting.

ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

| DP Id | | Client Id | |
|-----------------|--|---------------|--|
| Regd. Folio No. | | No. of Shares | |

Name(s) and address of the shareholder in full _____.

I/we hereby record my/our presence at the 5th Annual General Meeting of the Company being held on Monday, the 22nd day of December, 2025 at the registered office of the Company situated at Plot No. G-5 & 6, Sector-10, Dwarka, New Delhi-110 075 at 11.00 a.m.

Please (✓) in the box

MEMBER PROXY

Signature of Shareholder / Proxy

Annexure – I

Details of Directors seeking appointment/re-appointment of the appointment as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India:

| Name of the Director | Sh. NRVVMK Rajendrakumar | Sh. Vinay Kumar, IAS | Smt. Sudha Damodar | Sh. Rajesh Ranjan |
|--|---|--|--|--|
| Directors Identification Number (DIN) | 09494456 | 02174687 | 07755170 | 10094828 |
| Date of Birth | 01-04-1970 | 03-10-1971 | 17-01-1956 | 15-11-1960 |
| Date of Appointment | 16-02-2022 | 22-05-2024 | 23-12-2022 | 15-04-2023 |
| Qualification | Ph. D. in Economics, Master's degree in Business Administration and Public Management | Post Graduate in Physics | Post Graduate in Political Science, Certified Associate of Indian Institute of Bankers, Diploma in Investment, Risk and Treasury Management. | Masters in English |
| Experience & Expertise in specific functional areas | Experience in the field of Finance, Public Debt Management, Payment Systems, Currency Management, Bank Supervision, Foreign Exchange Reserve Management, and Financial Markets Policy. Public Financial Management. | Experience in the field of Planning, Financing, Construction, Operation and Land Acquisition. He held multiple senior roles in the Bihar state government—serving as Secretary across several departments, Mission Director in the Cabinet Secretariat, and District Magistrate in multiple districts. | Experience of more than 33 years in the field of Public Sector Bank Restructuring, Anti Money Laundering, Banking policy Regulation etc. | More than 20 years' experience in the area of Finance, Law, Management, Sales, Marketing, Administration, Research, Corporate Governance and Technical Operations. |
| Terms and conditions for appointment / re-appointment | As per the Appointment letter | As per the Appointment letter | As per the Appointment letter | As per the Appointment letter |
| Remuneration last drawn | Nil | Nil | A sitting fee of Rs. 50,000/- per meeting for the Board and Committee meeting as well. | A sitting fee of Rs. 50,000/- per meeting for the Board and Committee meeting as well. |

| | | | | |
|--|---|--|------|--|
| Shareholding in the company as on 31.03.2025 (in individual capacity of on beneficial basis for any other person) | Nil | 1 Equity Share as a Nominee of NHAI | Nil | Nil |
| Relationship with other Directors and KMPs of the Company | None | None | None | None |
| Number of Board meetings attended during the year | 6 | 3 | 6 | 6 |
| List of Companies in which outside directorships in Indian Companies held as on 31.03.2025 | 1. National Highways Infra Investment Managers Private Limited 2. NHIT Western Projects Private Limited 3. National Highways Logistics Management Limited | 1. National Highways Infra Investment Managers Private Limited 2. New Mangalore Port Road Company Limited 3. Vishakhapatnam Port Road Company Limited 4. Mumbai-JNPT Port Road Company Limited 5. Chennai-Ennore Port Road Company Limited. 6. Calcutta-Haldia Port Road Company Limited. 7. Mormugao Port Road Company Limited 8. National Highways Logistics Management Limited 9. Tuticorin Port Road Company Limited | NIL | 1. Iffco-Tokio General Insurance Company Limited |

| | | | | |
|---|--|---|---|---|
| | | 10. Paradip Port Road Company Limited | | |
| Membership/ Chairmanship of Committees of other Board | <p>National Highways Infra Investment Managers Private Limited</p> <p>1. Member: Audit Committee</p> | <p>National Highways Infra Investment Managers Private Limited</p> <p>1. Member : Stakeholders Relationship Committee</p> | NIL | <p>IFFCO-Tokio General Insurance Co. Ltd.</p> <p>Chairman:</p> <p>1. Audit Committee &</p> <p>2. Policyholders' Protection and Grievance Redressal and Claim Monitoring Committee</p> <p>Member:</p> <p>1. Nomination & Remuneration Committee</p> |
| Justification for choosing the candidate as Independent director | - | - | <p>Mrs. Sudha Damodar, is a person of integrity and possesses relevant expertise and is eligible for the position of an Independent Director of the Company and fulfils the conditions specified by the Companies Act, 2013 including Rules framed thereunder and he is independent of the management of the Company.</p> <p>33 years in the areas relating to weak public sector bank restructuring, Anti Money Laundering, Banking policy/regulation pertaining to Private Sector Banks, Licensing of Payment Banks</p> | <p>Sh. Rajesh Ranjan, is a person of integrity and possesses relevant expertise and is eligible for the position of an Independent Director of the Company and fulfils the conditions specified by the Companies Act, 2013 including Rules framed thereunder and he is independent of the management of the Company.</p> <p>Sh. Rajesh Ranjan is a retired Indian Police Services (IPS) Officer and was working as Director General of Central Industrial Security Force (CISF), Ministry</p> |

| | | | |
|--|--|--|---|
| | | <p>and Small Finance Banks, Regulation of RRBs, etc., and she being independent director on the Board of reputed Companies, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint her as an Independent Director</p> | <p>of Home Affairs, GOI. During his tenure, he has worked with Border Security Force (BSF), Ministry of Home Affairs, GOI. He has been associated as an Assistant Director, Financial High Tech Crime with Interpol General Secretariat, France and was also associated with Central Bureau of Investigation (CBI).</p> |
|--|--|--|---|

DIRECTORS REPORT

Dear Members,

Your directors are pleased to present the 5th Annual Report on the performance of your Company along with audited financial statements, Auditors' Report, Report of Secretarial Auditor and review of financial statements by the Comptroller and Auditor General of India for the Financial Year ended 31st March 2025.

ECONOMIC OVERVIEW

India's road network, spanning over 63 lakh kilometers, with National Highways (NH) comprising 146,204 km, is critical to its economic development, connecting rural areas to urban centers, facilitating trade and commerce, and promoting regional development. The network has seen significant growth since 2014, reaching the second-largest in the world, and focuses on projects like expressways under the Bharatmala Pariyojana to improve efficiency, reduce travel times, and enhance economic growth.

With the rapid development and expansion of road networks across the country, investment opportunities in logistics parks, industrial clusters, and special corridors are rising at an exponential rate. India is continuing to invest in expanding and upgrading its road infrastructure to meet the growing demands of transportation and economic activities. The expanding road network is a key engine for economic progress, improving access to markets, jobs, and healthcare, thereby boosting social inclusion and economic productivity.

Road transport indeed plays a pivotal role in the economic development of a country, influencing various aspects such as trade, employment, industrial growth, and overall mobility. Efficient road infrastructure enables the swift movement of goods and people, which directly impacts sectors like agriculture, manufacturing, and services, thus enhancing productivity and fostering economic growth.

Background & Operations:

DME Development Limited (DMEDL) was registered on 29th 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 Delhi-Mumbai Expressway is a landmark project that will drastically reduce travel time between two of India's largest cities and improve overall connectivity in the country. As a part of the broader Bharatmala Pariyojana (National Highways Development Project), it will not only provide a faster route for vehicles but also stimulate economic growth, improve logistics, and contribute to regional development in multiple states. With its advanced design and expected impact, the expressway is poised to be a game-changer for transportation in India.

Progress and Status of Project

The Delhi–Mumbai Expressway is one of India's most ambitious infrastructure projects, spanning approximately 1,386 kilometers and aiming to significantly reduce the travel time between the

national capital, Delhi, and the financial capital, Mumbai. The expressway traverses six states—Delhi, Haryana, Rajasthan, Madhya Pradesh, Gujarat, and Maharashtra—and is designed as an eight-lane access-controlled greenfield expressway, with provisions to expand to 12 lanes in the future. Once fully operational, the expressway is expected to cut travel time between Delhi and Mumbai from the current 24 hours to just 12 hours, reducing the overall distance by about 180 kilometers through a straighter, high-speed alignment.

As of October 2025, approximately 82% of the physical construction of the expressway has been completed, amounting to over 1,130 kilometers of built road. Of this, around 756 kilometers are already operational and open to vehicular traffic. Key stretches currently in use include the corridor from Sohna in Haryana to Sawai Madhopur via Dausa in Rajasthan, along with significant sections in Madhya Pradesh and Gujarat. The Vadodara–Bharuch section in Gujarat is also operational. These operational segments have already started to ease regional connectivity and have brought significant time and cost savings to both passenger and freight traffic in those regions.

The expressway remains a cornerstone of India's infrastructure modernization agenda. Once fully completed, the Delhi–Mumbai Expressway is expected to drastically improve inter-state logistics, reduce vehicular emissions through more efficient travel, and stimulate economic development along its corridor. Authorities continue to monitor and push progress on the lagging sections, with the goal of achieving phased completion through 2026.

Financial Highlights:

| Particulars | Amount (In Lakhs) 2024-25 | Amount (In Lakhs) 2023-24 |
|---|---------------------------------|---------------------------------|
| Revenue from Operations | 2,21,012.77 | - |
| Other Income | 59.91 | 0.05 |
| Total Revenue | | 10.00 |
| Employee Benefits Expense | 20.25 | 10.30 |
| Financial Costs | 2,27,899.45 | - |
| Administrative Expenses | 103.41 | 84.77 |
| Total expenses excluding depreciation | 2,28,023.11 | 95.07 |
| Profit/(Loss) before Depreciation & Tax | (6,950.43) | (95.02) |
| Less-Depreciation | - | - |
| Profit /(Loss) after depreciation | (6,950.43) | (95.02) |
| Less- Prior Period adjustments | - | - |
| Profit/(Loss) after Prior Period adjustments | (6,950.43) | (95.02) |
| Less: Current Tax | - | - |
| Less: Deferred tax | 1,807.11 | 24.71 |
| Less: Tax for earlier years | - | - |
| Profit/(Loss) after tax | (5,143.32) | (70.31) |

During the year under review, your Company incurred a loss of Rs. 5,143.32 lakhs as against a loss of Rs. 70.31 lakhs for the previous year.

Key Financial Ratios in terms of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

| S. No. | Particulars | FY 2024-25 | FY 2023-24 |
|--------|-------------------|------------|------------|
| a. | Current Ratio | 0.02 | 0.03 |
| b. | Debt-Equity Ratio | 8.35 | 7.76 |

| | | | |
|----|---------------------------------|--------|------|
| c. | Net Profit Ratio | (0.02) | Nil |
| d. | Return on Equity | (0.01) | Nil |
| e. | Total Debts to Total Assets | 0.82 | 0.86 |
| f. | Debt Service Coverage Ratio | N/A | N/A |
| g. | Inventory Turnover Ratio | N/A | N/A |
| h. | Trade Receivable Turnover Ratio | N/A | N/A |
| i. | Trade Payables Turnover Ratio | N/A | N/A |
| j. | Net Capital Turnover Ratio | N/A | N/A |
| k. | Return on Capital Employed | Nil | Nil |

Note: Reasons for variance of more than 25% in above ratios: Change is on account of increase in current liabilities mainly on account of increase of balance payable to NHAI towards reimbursement of expenditure for DME project.

Reserves:

No amount has been proposed to be transferred to reserves during the year. The Company has incurred a loss of Rs. (5,143.32) lakhs during the F.Y. 2024-25.

Capital & Debt Structure:

The Company was incorporated on 29th August, 2020. The Authorised Share Capital of the Company is Rs. 30,000/- crore and the Paid-up share capital of the Company as on 31.03.2025 is Rs. 5,385/- crore.

A. Issue of shares

During the year under review following changes took place in capital structure of the Company:

| Name of Allottee | Date of Allotment | Number of shares Allotted | Total Amount Paid (in Rs.) (including Premium) | Nominal Amount per share (in Rs.) |
|--------------------------------------|-------------------|---------------------------|--|-----------------------------------|
| National Highways Authority of India | 21.06.2024 | 1,51,00,000 | 1,51,00,00,000 | 100 |

At the end of the financial year the paid-up share capital of the Company stands at Rs. 53,85,00,00,000/-.

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 issued any Equity shares with Differential Rights.

Debt**Rupee Term Loans from Banks:**

As on March 31, 2025, the Company's total outstanding Rupee Term Loans from banks stood at Rs. 26,32,916.72 lakhs.

However, as on the date of this report, the Company has fully repaid all its Rupee Term Loan obligations, and there are no outstanding balances in this regard.

Non-Convertible Debentures ("NCDs")**Listed NCDs of face value ₹ 1,00,000 each**

During the period under review the Company issued Secured, Non-Convertible, Non-Cumulative, Taxable Bonds (Debentures) on a private placement basis, details of which is as follows:

| S. No. | No. of Bonds/ Debentures | Face Value (in Rs.) | Total Amount (in Rs.) | Coupon Rate | Date of Issuance | Date of Listing on NSE & BSE |
|--------|--------------------------|---------------------|-----------------------|-------------|------------------|------------------------------|
| 1. | 77,500* | 1,00,000 | 7,75,00,00,000 | 7.23% | 11.12.2024 | 12.12.2024 |

The above Listed, Senior, Taxable Secured Redeemable Non-Convertible Green Bonds in the nature of Debentures ("Green Bonds" Series- I) are the first of its kind issue of 'Green Bonds' in roads and highways sector and are listed on the Debt Segment of National Stock Exchange of India Limited and BSE Limited.

The details of the listed NCDs of the Company as on March 31, 2025, are detailed below:

| S. No. | ISIN | Coupon Rate | Issuance Date | Maturity Date | Amount Issued (in Cr.) | Amount Outstanding (in Cr.) | Interest Frequency |
|--------|--------------|-------------|---------------|---------------|------------------------|-----------------------------|--------------------|
| 1. | INE0J7Q07025 | 9.58%* | 14-Mar-2022 | 16-Mar-2028 | 500 | 500 | Quarterly |
| 2. | INE0J7Q07033 | 9.58%* | 14-Mar-2022 | 16-Mar-2029 | 500 | 500 | Quarterly |
| 3. | INE0J7Q07041 | 9.58%* | 14-Mar-2022 | 18-Mar-2030 | 500 | 500 | Quarterly |
| 4. | INE0J7Q07058 | 9.58%* | 14-Mar-2022 | 17-Mar-2031 | 500 | 500 | Quarterly |
| 5. | INE0J7Q07066 | 9.58%* | 14-Mar-2022 | 16-Mar-2032 | 500 | 500 | Quarterly |
| 6. | INE0J7Q07074 | 9.58%* | 14-Mar-2022 | 16-Mar-2033 | 500 | 500 | Quarterly |
| 7. | INE0J7Q07082 | 9.58%* | 14-Mar-2022 | 16-Mar-2034 | 500 | 500 | Quarterly |
| 8. | INE0J7Q07090 | 9.58%* | 14-Mar-2022 | 16-Mar-2035 | 500 | 500 | Quarterly |
| 9. | INE0J7Q07108 | 9.58%* | 14-Mar-2022 | 17-Mar-2036 | 500 | 500 | Quarterly |
| 10. | INE0J7Q07017 | 9.58%* | 14-Mar-2022 | 16-Mar-2037 | 500 | 500 | Quarterly |

| | | | | | | | |
|-----|--------------|-------|-------------|-------------|------|------|-------------|
| 11. | INE0J7Q07215 | 7.82% | 24-Feb-2023 | 24-Feb-2033 | 3684 | 3684 | Half Yearly |
| 12. | INE0J7Q07223 | 7.89% | 14-Mar-2023 | 14-Mar-2033 | 2355 | 2355 | Half Yearly |
| 13. | INE0J7Q07231 | 7.74% | 4-Dec-2023 | 4-Dec-2038 | 3000 | 3000 | Half Yearly |
| 14. | INE0J7Q07249 | 7.55% | 1-Mar-2024 | 1-Mar-2029 | 2896 | 2896 | Half Yearly |
| 15. | INE0J7Q07256 | 7.23% | 11-Dec-2024 | 11-Dec-2034 | 775 | 775 | Half Yearly |

***Note:** 9.58% p.a. is the coupon rate as on 31st March, 2025. The rate is linked to Benchmark to be reset on a quarterly basis + Spread which will remain constant during the Tenor of the Instrument.

Credit Ratings

Rating Action:

- **Long-Term Borrowing Programme Aggregating Rs. 49000 Crore - CRISIL AAA/Stable**
- **Long-Term Borrowing Programme Aggregating Rs. 49000 Crore - CARE AAA/Stable (Reaffirmed)**

| Facilities/Instruments | Amount (Rs. in crore) | Rating | Rating Action |
|--------------------------|-----------------------|--|---------------|
| Long-term Instruments | 20,000.00 | CARE AAA; Stable (Triple A; Outlook: Stable) | Reaffirmed |
| Long-term Instruments | 29,000.00 | CARE AAA; Stable (Triple A; Outlook: Stable) | Reaffirmed |
| Total Instruments | 49,000.00 | | |

India Ratings and Research (Ind-Ra) has affirmed DME Development Limited's (DME) long-term debt ratings as follows:

| Instrument Type | Maturity Date | Size of Issue (billion) | Rating/Outlook | Rating Action |
|---------------------|-------------------|-------------------------|----------------|---------------|
| Long-term bank loan | 30 September 2038 | INR 290 | IND AAA/Stable | Affirmed |
| Long-term debt*~&^ | - | INR 200 | IND AAA/Stable | Affirmed |

*details in annexure

~includes taxable bonds

&includes issuance of green bond of INR7.75 billion

^unutilised amount of INR22.90 billion (in combination of bonds and bank loans)

\$Ind-Ra has disclosed the unsupported rating in compliance with the Securities Exchange Board of India's Master circular dated 3 July 2023. Securities backed by specified support considerations, as mentioned in the circular, rated with or without a CE-suffix would require to disclose unsupported ratings without factoring in the explicit credit enhancement (CE) from the specified support consideration and supported rating after factoring in the explicit the specified support consideration.

Source: <https://www.indiaratings.co.in/pressrelease/74189>

Debenture Trustee Details

SBICAP Trustee Company Limited
202, Maker Tower, 'E', Cuffe Parade, Colaba, Mumbai, Maharashtra – 400 005

Listing on Stock Exchanges

The Non-Convertible Debentures of the Company are listed on the National Stock Exchange of India Limited and BSE Limited.

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. Since no dividend has been declared by the Company in past, it was not required to transfer any amount to the Investor Education and Protection Fund ("IEPF") and accordingly, no disclosures were required to be made during the F.Y. 2024-25.

Board of Directors:

As on 31st March, 2025, the Board comprises of the following Directors:

| Name of the Directors | DIN | Date of Appointment | Designation |
|---|----------|---------------------|----------------------|
| Sh. Neti Ravi Vijay Venkat Murali Krishna RajendraKumar | 09494456 | 16.02.2022 | Nominee Director |
| Sh. Vinay Kumar | 02174687 | 22.05.2024 | Nominee Director |
| Sh. Alok Deepankar | 07317490 | 09.11.2023 | Nominee Director |
| Smt. Sudha Damodar | 07755170 | 23.12.2022 | Independent Director |
| Sh. Rajesh Ranjan | 10094828 | 15.04.2023 | Independent Director |
| Sh. Ananta Manohar Meduri Chakravartula | 09822685 | 23.12.2022 | Nominee Director |

Sh. Neti Ravi Vijay Venkat Murali Krishna Rajendrakumar and Sh. Vinay Kumar shall be liable to retire by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013, and being eligible offers themselves for re-appointment.

Key Managerial Personnel:

As per the provisions of Section 203 of the Companies Act, 2013, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the following Director / Executives of your Company are the Key Managerial Personnel as on 31st March, 2025 and as on the date of this Report.

| Name of the KMP | Designation |
|---|-------------------------------|
| Ms. Prachi Mittal | Company Secretary (CS) |
| Sh. Ananta Manohar Meduri Chakravartula | Chief Financial Officer (CFO) |
| Sh. Gautam Vishal Charan Pahari | Chief Executive Officer (CEO) |

Changes in the Board of Directors:

During the Financial Year under review following changes took place in the structure of the Board:

| Name of Director | Designation | Date of Change | Nature of Change |
|--------------------------------|------------------|----------------|------------------|
| Sh. Vinay Kumar (DIN-02174687) | Nominee Director | 22.05.2024 | Appointment |

Meetings of the Board of Directors and Members:

The Board of Directors meets at regular intervals to discuss and decide on policies and strategies, along with other business matters. However, in the event of urgent and special business needs, the Board's approval is obtained by passing resolutions through circulation, as permitted by law, which

are subsequently recorded at the following Board meeting. During the Financial Year ended 31st March, 2025, the Board met Six (6) times, on the following dates:

22nd May, 2024, 13th August, 2024, 25th September, 2024, 14th November, 2024, 19th December, 2024 and 13th February, 2025.

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days.

During the year under review 4th Annual General Meeting of the members of the Company was held on 20th December, 2024. During the financial year under review One (1) Extra-ordinary General Meetings was held on 14th February, 2025.

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

| Name of the Directors | Date of Board Meetings | | | | | |
|---|------------------------|------------|------------|------------|------------|------------|
| | 22.05.2024 | 13.08.2024 | 25.09.2024 | 14.11.2024 | 19.12.2024 | 13.02.2025 |
| Sh. NRVVMK Rajendrakumar | P | P | P | P | P | P |
| Sh. Vinay Kumar* | - | LOA | LOA | P | P | P |
| Sh. Alok Deepankar | P | LOA | P | P | LOA | LOA |
| Smt. Sudha Damodar | P | P | P | P | P | P |
| Sh. Rajesh Ranjan | P | P | P | P | P | P |
| Sh. Ananta Manohar Meduri Chakravartula | P | P | P | P | P | P |

P: Present

LOA: Leave of Absence

*Appointed w.e.f. 22.05.2024

Annual Return

As required under the provisions of Sections 92(3) and 134(3)(a) of the Act and read with the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return of the Company for F.Y. 2023-24 is uploaded on the website of the Company i.e., <http://www.dmedl.in/>.

Further, Annual Return of the Company for F.Y. 2024-25 will be filed with the Ministry of Corporate Affairs in due course within the prescribed timelines and a copy of the same shall be uploaded on the website of the Company i.e., <https://dmedl.in/annual-return.html>

Committees of the Board

As of March 31, 2025, the Board of Directors had established five committees to assist in the effective governance and management of the Company viz:

- Audit Committee;
- Nomination & Remuneration Committee;
- Risk Management Committee;
- Stakeholders' Relationship Committee; and

- Corporate Social Responsibility Committee.

Each committee is composed of a balanced mix of Executive, Non-executive, and Independent Directors, ensuring a diversity of perspectives and expertise. In line with best corporate governance practices, Independent Directors have been appointed as the Chairperson of each of these committees, thereby enhancing their objectivity and impartiality.

A comprehensive overview of the composition of the Board and its committees, along with their respective roles and responsibilities, is provided in the Corporate Governance Report, which forms an integral part of this Integrated Annual Report.

Statement regarding declaration given by Independent Director(s) u/s 149(7) of the Companies Act, 2013 and Board opinion with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year

The Company has received necessary declaration from each independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6), Code for independent directors of the Companies Act, 2013 and of the Listing Regulations.

Meeting of Independent Directors

The Independent Directors of the Company convened a meeting on 6th August, 2025, without the presence of Non-Independent Directors and members of management, in compliance with the requirements of Section 149(8) read with Schedule IV of the Companies Act, 2013, and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Familiarization Program for Independent Directors

All new Independent Directors inducted into the Board attend an orientation program. The details of the training and familiarization program have been provided on the website of the Company i.e., www.dmedl.in. Further, at the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities.

Statutory Auditors:

M/s A A A G & Co. LLP, Chartered Accountants (ICAI Firm Registration No. FRN 004924N) were appointed as the Statutory Auditors of the Company for the financial year 2024-25 by the office of the Comptroller and Auditor General of India to conduct audit of the Company for the Financial Year 2024-25.

Further, the ratification of the appointment of M/s A A A G & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 004924N), who have been appointed as the Statutory Auditors of the Company for the financial year 2025-26 by the office of the Comptroller and Auditor General of India and fixation of their remuneration, is proposed at the ensuing Annual General Meeting, to hold office till the conclusion of the Sixth Annual General Meeting of the Company.

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

The report of the Statutory Auditor is enclosed.

Management Comments on the Statutory Auditors Report:

The Company's responses to the observations made by the Statutory Auditors in their report on the standalone financial statements have been appropriately addressed and are enclosed as part of the Board's Report.

C& AG Comments/Report:

The comments/report of the Comptroller and Auditor General of India (C&AG) under Section 143(6)(b) of the Companies Act, 2013, on the accounts of the Company for the financial year ended March 31, 2025, issued as a supplement to the Statutory Auditors' Report are enclosed.

Secretarial Audit Report:

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, the Secretarial Audit for the financial year 2024–25 was conducted by M/s Jalaj Srivastava & Associates, Practicing Company Secretaries. The Secretarial Audit Report, in the prescribed Form MR-3, is annexed herewith as **Annexure I** to this Report.

Further, in compliance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted the Annual Secretarial Compliance Report for the financial year 2024–25 to the Stock Exchanges within the prescribed timelines.

Secretarial Auditors' observation(s) in Secretarial Audit Report and Management's responses thereto:

| Management Replies to the observations provided in Secretarial Audit Report: | | |
|---|---|---|
| S. No. | Observations | Reply by Management |
| 1. | Statement as prescribed under Rule 8(5)(X) of Companies (Accounts) Rules, 2014 in respect of Prevention of Sexual Harassment of Women at Workplace Act,2013 has not been made in the Directors Report for financial year 2023-24. | <p>The Company has addressed this matter in the Directors' Report for financial year 2023–24 by stating that the said Act is not applicable to the Company, as the number of employees during the year was below the threshold of 10, as specified under the Act. Since the Act was not applicable due to employee count being below the prescribed limit, the same was appropriately explained in the Report.</p> <p>Also, as the Company is a wholly owned subsidiary of the National Highways Authority of India (NHAI), which has a duly constituted authority and mechanisms in place to address complaints of sexual harassment in line with the Act, any aggrieved person can approach NHAI's Internal Complaints Committee for redressal, if required.</p> <p>However, the Company acknowledges the importance of clear and explicit compliance statements and will ensure the language used in future disclosures is aligned more directly</p> |

| | | |
|----|--|---|
| | | with the requirements of the Rule to avoid any ambiguity. |
| 2. | Non-disclosure of information as prescribed in Regulation 7 (1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 at the time of appointment of Director during the period under audit. | It may please be noted that none of the Directors and Key Managerial Personnel hold any shares in the Company at the time of appointment, nor was there any trading in the Company's securities or access to unpublished price sensitive information (UPSI) involved. |

Directors Appointment & Remuneration:

In accordance with the Articles of Association of the Company, the National Highways Authority of India (NHAI) and the Ministry of Road Transport and Highways (MoRTH) have the right to appoint Directors to the Board of the Company. The Directors are nominated by NHAI from among its officers, who are employees of NHAI/MoRTH, and their salaries are paid by NHAI.

In addition to NHAI, MoRTH also appoints Directors to the Board. These Directors, being employees or officers of the respective appointing bodies, are governed by the applicable service rules of their parent organizations. The Company does not pay any salary or remuneration to its Directors.

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:

Your Company is engaged in Infrastructure Sector, as stated in the Schedule VI to the Companies Act, 2013. By virtue of the provisions of Section 186(11), the provisions of Section 186, read with the Companies (Meeting of the Board and its Powers) Rules, 2014, as amended from time to time, relating to loan made, guarantee given or security provided, do not apply to your Company.

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

A Related Party Transactions Policy has been devised by your Company for, inter alia determining the materiality of transactions with related parties and dealings with them in line with the requirements of the SEBI Listing Regulations and it intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

The said Policy is available on your Company's website, www.dmedl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

During the year under review, all related party transactions entered into by the Company, were approved/ratified by the Audit Committee and were at arm's length and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Further, during the year under review, there are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of the Company at large. Members may refer to the Notes to the Financial Statements for details of Related Party Transactions. All

transactions entered into with Related Parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Act and hence there is no requirement of attaching AOC 2.

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:

As of the date of the Board Report, there have been no material changes or commitments that have occurred between the end of the Financial Year on March 31, 2025, and the date of the report, which would have a significant impact on the financial position of the Company. However, as on the date of this report, the Company has fully repaid all its Rupee Term Loan obligations, and there are no outstanding balances in this regard.

Also, the Company has partially redeemed its Bonds (NCDs) after the closure of Financial Year. The details of outstanding Bonds as on 11.12.2025 are as under:

| Series | Issue Size (Rs. in Lakhs) | No. of NCDs redeemed | Amount Redeemed (Rs. in Lakhs) | Outstanding NCDs | Outstanding Amount (Rs. in Lakhs) |
|--------------|---------------------------|----------------------|--------------------------------|------------------|-----------------------------------|
| I | 500000 | 50000 | 500000 | NIL | NIL |
| II | 368400 | 203350 | 203350 | 165050 | 165050 |
| III | 235500 | 147618 | 147618 | 87882 | 87882 |
| IV | 300000 | 97500 | 97500 | 202500 | 202500 |
| V | 289600 | 187100 | 187100 | 102500 | 102500 |
| SR I-GB | 77500 | - | - | 77500 | 77500 |
| Total | | | | 635432 | 6,35,432 |

Development & Implementation of Corporate Social Responsibility:

As per the provisions of Section 135 of the Companies Act, 2013 and rules made there under, Company having net worth of Rupees Five Hundred Crores or more or turnover of Rupees One Thousand Crore or more or a net profit of Rupees Five Crore or more during any financial year shall constitute CSR committee. Since the Company's net worth crosses the prescribed threshold limit the provisions relating to Corporate Social Responsibility (CSR) are applicable to the Company. The Company was incorporated in the financial year 2020-21 and also the Company does not have any profit during the last three financial years and hence the Company was not required to make expenditure towards the Corporate Social Responsibility.

Composition of CSR Committee:

| S. No. | Name of Committee members | Designation |
|--------|---|-------------|
| 1. | Sh. Rajesh Ranjan | Chairperson |
| 2. | Sh. NRVVMK Rajendrakumar | Member |
| 3. | Sh. Ananta Manohar Meduri Chakravartula | Member |

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 2025, 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 laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. 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.

Board Policies

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, mandates the formulation of certain policies for all listed entities. The following policies have been adopted by the Company:

| Name of the policy/codes | Brief description |
|--|---|
| Related Party Transaction Policy | The policy regulates all related party transactions of the Group. |
| Preservation of Documents and Archival Policy | This policy provides the guidelines adopted by the DMEDL for preservation of documents and also includes archival policy adopted by the DMEDL. |
| Risk Management policy | The Risk Management Policy forms part of DME's governance and control arrangements. |
| Vigil Mechanism and Whistle blower Policy | The Company has adopted a whistleblower mechanism to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. The policy was adopted and effective w.e.f 29.03.2023 |
| Corporate Governance-Code of Conduct for Board Members and Senior Management Personnel | The purpose of this Code is to codify the accepted practices of integrity, ethics & transparency in governance of DME Development Limited |
| Familiarization Programme for Independent Directors | The Company familiarizes the Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company through various programmes by way of presentations/ interaction |
| Terms and Conditions of Appointment of Independent Director | The Terms and Conditions of Appointment of an Independent Director outline the rules and expectations for their role |

| | |
|---|--|
| Succession Policy | The objective of this Succession Policy is to ensure the orderly identification and selection of new Directors or Senior Management in the event of any vacancy, whether such vacancy exists by reason of an anticipated retirement, an unanticipated departure, the expansion of the size of the Company, or otherwise. |
| Stakeholders' Relationship & Share Transfer Policy (SR-ST Policy) | This policy outlines the framework for ensuring effective communication, timely redressal of grievances, and smooth processing of share-related transactions for shareholders and other stakeholders. |
| Policy on Board Diversity | The objectives of this Policy are to ensure a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board, Enhance the quality of decisions making and ensure better business performance, Encourage diversity of perspectives thereby fuel creativity and innovation, Complement and expand the skills, knowledge and experience of the Board as a whole and Provide better Corporate Governance. |
| Performance Evaluation Policy | This Policy aims to: <ul style="list-style-type: none"> a. Ensure compliance of the applicable provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (as amended or re-enacted from time to time) relating to the evaluation of performance of the Directors and the Board. b. adopt best practices to manage the affairs of the Company in seamless manner. c. achieve good corporate governance as well as sustained long-term value creation for stakeholders |
| Nomination and Remuneration Policy | The purpose of this policy is to enhance integrity, ethics & transparency in governance of DME Development Limited ("the Company" or "DME") thereby reinforcing the trust and confidence reposed in the Company by their Unitholders and shareholders respectively along with other stakeholders. |
| Code of Practices and Procedures for Fair Disclosure | This Code is required for the Company to prevent the misuse and ensure timely and adequate disclosure of UPSI and to maintain the uniformity, transparency and fairness in dealing with all the stakeholders and in ensuring adherence to applicable laws and regulations. |
| COC Regulate and Monitor Trading by DP | This Code of Conduct is framed as per SEBI's Insider Trading Regulations to prevent insider trading and ensure fair trading practices by employees and connected persons who have access to Unpublished Price Sensitive Information (UPSI). |
| Leak of UPSI Policy | This policy is framed in accordance with Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015 to prevent, detect, and address any leak or suspected leak of Unpublished Price Sensitive Information (UPSI). |
| Corporate Social Responsibility Policy | A CSR Policy outlines a company's commitment to contribute to sustainable development by delivering economic, social, and environmental benefits to society. |

Web Link of the Board Policies/Codes

| Name of the policy | Web Link |
|--|--|
| Related Party Transaction Policy | Related Party Transaction Policy.pdf |
| Preservation of Documents and Archival Policy | Microsoft Word - Preservation of Documents and Archival Policy CGCEL |
| Risk Management policy | Risk Management policy.pdf |
| Vigil-Mechanism-and-Whistleblower-Policy | Vigil-Mechanism-and-Whistleblower-Policy.pdf |
| Corporate Governance-Code of Conduct for Board Members and Senior Management Personnel | Code of Conduct for Board Members and Senior Management Personnelrev.pdf |
| Familiarization Programme for Independent Directors | Familiarisation Programme for Independent Directors1.pdf |
| Terms and Conditions of Appointment of Independent Director | Terms and Conditions of Appointment of Independent Director.pdf |
| Succession Policy | Succession Policy.pdf |
| Stakeholders' Relationship & Share Transfer Policy (SR-ST Policy) | Stakeholders Relationship and Share Transfer Policy.pdf |
| Policy on Board Diversity | Policy on Board Diversity.pdf |
| Performance Evaluation Policy | Policy for evaluation.pdf |
| Nomination and Remuneration Policy | NRC Policy.pdf |
| Code of Practices and Procedures for Fair Disclosure | Code Of Practices And Procedures For Fair Disclosure.pdf |
| COC Regulate and Monitor Trading by DP | COC Regulate and Monitor Trading by DP.pdf |
| Leak of UPSI Policy | Policy for dealing with leak of UPSI |
| Corporate Social Responsibility Policy | https://dmedl.in/CSR_Policy.pdf |

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 | Not applicable |
| ii. Steps taken for utilizing alternate sources of energy | Not applicable |
| iii. Capital investment on energy conservation equipments | Not applicable |
| B- Technology Absorption | |
| i. Efforts made towards technology absorption | Not applicable |
| 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 has adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

The Statutory Auditor of the Company i.e. M/s AAAG & Co., Chartered Accountants have in their report stated that the Company has in all material respects, an adequate internal financial control with reference to financial statements.

Risk Management

In alignment with its commitment to sound corporate governance and regulatory compliance, the Company has established a comprehensive Risk Management Policy designed to provide a structured and consistent approach to the identification, evaluation, mitigation, and monitoring of risks that may impact the achievement of its strategic and operational objectives.

To ensure effective implementation and oversight, the Company has constituted a Risk Management Committee comprising members of senior management with relevant functional and domain expertise. This Committee is entrusted with the responsibility of overseeing the enterprise-wide risk management framework, periodically reviewing the risk register, monitoring key risk indicators, and ensuring that material risks are addressed through timely and appropriate mitigation measures. The Committee also plays a critical role in advising the Board of Directors on risk exposure and tolerance levels, thereby ensuring that the Company operates within its defined risk appetite. This integrated and proactive approach strengthens organizational resilience, enhances decision-making, and safeguards stakeholder interests in a dynamic and complex risk environment.

Human Resources and Industrial Relations

Your Company remains committed towards the overall growth and development of Human Capital and continues to adhere to the widely recognized human resource practices for collective growth of the team members' alongwith the organizational development.

Deposits:

Your Company has not invited or accepted any deposits covered under Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, during the year under review.

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.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year alongwith their status as at the end of the financial year

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

As on 31.03.2025, there was no instance of one-time settlement with any Banks or Financial Institution.

However, as on the date of this report, the Company has fully repaid all its Rupee Term Loan obligations, and there are no outstanding balances in this regard.

Also, the Company has partially redeemed its Bonds (NCDs) after the closure of Financial Year. The details of outstanding Bonds as on 11.12.2025 are as under:

| Series | Issue Size (Rs. in Lakhs) | No. of NCDs redeemed | Amount Redeemed (Rs. in Lakhs) | Outstanding NCDs | Outstanding Amount (Rs. in Lakhs) |
|--------------|---------------------------|----------------------|--------------------------------|------------------|-----------------------------------|
| I | 500000 | 50000 | 500000 | NIL | NIL |
| II | 368400 | 203350 | 203350 | 165050 | 165050 |
| III | 235500 | 147618 | 147618 | 87882 | 87882 |
| IV | 300000 | 97500 | 97500 | 202500 | 202500 |
| V | 289600 | 187100 | 187100 | 102500 | 102500 |
| SR I-GB | 77500 | - | - | 77500 | 77500 |
| Total | | | | 635432 | 6,35,432 |

Vigil Mechanism:

The Company has implemented a Whistle Blower Policy in accordance with the provisions of the Vigil Mechanism under Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations. This policy is designed to encourage Directors and employees to report any concerns or issues that may impact or compromise the interests of the Company and its stakeholders, escalating such matters to the Audit Committee. No personnel has been denied access to the Audit Committee.

The Company is committed to upholding the highest standards of ethical, moral, and legal business conduct, fostering open communication and ensuring the protection of employees who raise concerns in good faith. Necessary safeguards are in place to protect employees from retaliation, reprisals or victimization for whistleblowing actions taken in good faith.

The said Policy is available on your Company's website www.dmedl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

No complaints were reported under the Whistle blower Policy during the year under review.

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

During the reporting period, the Company does not have the number of employees as per the threshold prescribed under the Act, however, the Company is committed to providing a work environment that ensures every employee is treated with dignity and respect and has zero tolerance towards any form of harassment.

During the reporting period, the following is the summary of complaints received and disposed of:

- Number of complaints filed during the year: Zero
- Number of complaints disposed of during the year: Zero
- Number of complaints pending as at the end of the financial year: Zero

Also, as the Company is a wholly owned subsidiary of the National Highways Authority of India (NHAI), which has a duly constituted authority and mechanisms in place to address complaints of sexual harassment in line with the Act, any aggrieved person can approach NHAI's Internal Complaints Committee for redressal, if required.

Particulars of employees pursuant to Rule 5(1) and 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Not Applicable

Statement with respect to the compliance of the provisions relating to the Maternity Benefit Act 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, as amended, and extends all applicable benefits to eligible female employees.

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 Company's Operations in Future.

However, an appeal has been filed against the order issued by the Registrar of Companies under Section 149(1) of the Companies Act, 2013. This matter has since been settled and disposed of by paying the prescribed fee to the Registrar of Companies, in compliance with the order of the Hon'ble Regional Director, Northern Region.

Cost Records:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 is not applicable for the business activities carried out by the Company.

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.

Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review, wherever applicable, forms an integral part of this Report. The Report provides an overview of the industry structure, economic environment, operational performance, opportunities and threats, and outlook for the future. The same is annexed to this Board's Report as **Annexure-II**.

Corporate Governance

Your Company strives to achieve highest standards of Corporate Governance and to take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance. Accordingly, the compliance certificate from the practicing company secretaries regarding compliance of conditions of corporate governance as applicable, pursuant to requirement of Part D of Schedule V of the SEBI Listing Regulations, forms part of the 'Corporate Governance Report' forming part of the annual report as Annexure - III.

Business Responsibility and Sustainability Reporting (BRSR)

During the year, the Company successfully issued Green Bonds in accordance with the SEBI Circular on Disclosure Requirements for Issuance and Listing of Green Debt Securities and the requirements specified under Chapter VI-A of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021. The proceeds from the issuance have been earmarked exclusively for eligible green projects as defined under the SEBI framework, including initiatives relating to Delhi-Mumbai Expressway.

In compliance with the SEBI Circular, a third-party review of the Green Bond framework and the utilization of proceeds have been obtained. The Company has also undertaken impact reporting for the Green Bonds issued during the year. The impact report provides a quantitative and qualitative assessment of the environmental and social benefits generated from the eligible green projects funded through the Green Bond proceeds. The reporting covers both project-wise allocation and the resulting sustainability outcomes, ensuring transparency for investors. A third-party review of the impact assessment has been obtained, and the independent assurance report has been enclosed as part of this Annual Report as Annexure - IV.

Acknowledgements:

The Directors would like to express their sincere appreciation for the exceptional support and cooperation extended by Financial Institutions, Bankers, the National Highways Authority of India (NHAI), the Ministry of Corporate Affairs (MCA), the Registrar of Companies (ROC), Government Authorities, Debenture Holders, Contractors, Members and other stakeholders throughout the year under review.

The Directors also wish to place on record their profound gratitude for the valuable contributions made by the Company's employees. Their dedication and hard work are vital to the Company's

success and look forward to their continued cooperation in achieving the Company's goals and fulfilling its mission in the years ahead.

**By Order of the Board
For DME Development Limited**

**Place: New Delhi
Date: 16.12.2025**

| Sd/- | Sd/- |
|-----------------------------------|--|
| (NRVVMK RAJENDRAKUMAR) | (ANANTA MANOHAR MEDURI CHAKRAVARTULA) |
| Chairman | Director & CFO |
| DIN: 09494456 | DIN: 09822685 |

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, 2025

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, 2025 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, 2025 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; -
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; 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'): -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- f. 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;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable
- i. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

(Company not being a listed company within the meaning of Section 2(52) of the Act read with Rule 2A of Companies (Specification of Definitions Details) Rules, 2014, Acts, rules and regulations mentioned at para ii, iii and v are applicable to the company to the extent the said Acts, rules and regulations apply to a company which has issued Listed Non-convertible debt securities on private placement basis)

(vi) No laws specifically applicable to the company (As informed by the management) We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. -
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if Applicable;

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:

- 1. Statement as prescribed under Rule 8(5)(X) of Companies (Accounts) Rules, 2014 in respect of Prevention of Sexual Harassment of Women at Workplace Act, 2013 has not been made in the Directors Report for financial year 2023-24.
- 2. Non-disclosure of information as prescribed in Regulation 7 (1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 at the time of appointment of Director during the period under audit.

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. 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. The Company received a notice from the National Stock Exchange of India Limited (NSE) vide letter no. NSE/LIST-SOP/DEBT/FINES/0218 dated July 01, 2024, regarding non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and a fine was levied on the Company. Subsequently, the Company submitted an application to NSE seeking waiver of the said fine, and the NSE has granted the waiver vide its letter no. NSE/LIST/SOP/1311 dated November 28, 2024
- 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.
- III. It is recommended that the the Board of Directors should take on record in Board Meeting that the meeting of Independent Directors was duly held in compliance with Schedule IV of the Companies Act, 2013. Further, the Independent Directors may suitably and to the extent necessary, apprise the Board of the discussions held during their meeting.
- IV. It is further recommended that the as good corporate governance practice and to strengthen the Board process, t at least one Board Meeting should be conducted in physical mode during the financial year.

Place: New Delhi

**For Jalaj Srivastava & Associates
Company Secretaries**

Date: 09.10.2025

Sd/-
Pinky Singh
Proprietor
FCS 13753
C P No.:9356
UDIN: F013753G001509698
Peer Review certificate no.: 2459/2022

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

**For Jalaj Srivastava & Associates
Company Secretaries**

Date: 09.10.2025

**Sd/-
Pinky Singh
Proprietor
FCS 13753
C P No.:9356
UDIN: F013753G001509698
Peer Review certificate no.: 2459/2022**

MANAGEMENT DISCUSSION AND ANALYSIS

I. ECONOMY OUTLOOK

Global Economy

Global economic activity is expected to maintain modest but uneven momentum over the next two years. According to World Economic Outlook-IMF, July 2025, global real GDP growth is projected to decelerate to 3.0% in 2025 and recover marginally to 3.1% in 2026, following a 3.3% expansion in 2024. This slowdown reflects rising trade frictions, geopolitical tensions, policy uncertainty, and inflation divergence. Growth is increasingly fragmented, with developed economies showing signs of fatigue while emerging markets display varied resilience.

In advanced economies, real GDP growth is expected to moderate to 1.5% in 2025 and 1.6% in 2026, compared to 1.8% in 2024. The US, in particular, is expected to decelerate from 2.8% in 2024 to 1.9% and 2.0% in the following two years. Elevated tariffs, softening labor markets, subdued private investment, and weakening consumer demand are contributing to this moderation.

Source: World Economic Outlook-IMF, July 2025

Geopolitical risks continue to cast a shadow over the global outlook. Ongoing conflicts such as the Russia-Ukraine and Israel-Hamas wars have disrupted energy and food markets, fueling inflation and supply chain instability. Meanwhile, the US-China trade relationship remains a key risk factor, with potential shifts in sourcing patterns and tariff regimes.

Structural headwinds are expected to weigh on growth, even as the Asia-Pacific region emerges as a long-term driver of global expansion. The possibility of a weakening US dollar, driven by narrowing interest rate differentials, is counterbalanced by its continued dominance as a reserve currency.

Adding to the uncertainty is the political transition in the United States, with the return of President Donald Trump in January 2025. The evolving trade and economic policies of the new administration are expected to shape the trajectory of global markets in the near term.

Sources: EY, SP Global, IMF World Economic Outlook

Domestic Economy & Outlook

India's economy continues to show impressive growth and resilience. From ranking 11th in global GDP in 2009, it is projected to rise to 4th by the end of 2025. This progress is driven by strong domestic demand, a young digital workforce, and effective policy measures.

Despite global challenges like high interest rates and geopolitical tensions, India's GDP grew by 6.5% for the full year, with 7.4% growth in Q4. Private consumption remained strong, rising 7.2% annually, while investments also rebounded, with gross fixed capital formation up 9.4% in Q4.

Exports slowed in Q4 due to global trade risks but still grew 6.3% for the year, mainly due to robust services exports. This helped narrow the current account deficit to -0.6% of GDP, the lowest since FY2016-17.

Government spending was restrained, rising just 2.3% for the year, helping to reduce the fiscal deficit to 4.8% of GDP. Early FY2025–26 data shows continued fiscal discipline.

Inflation dropped to 2.1% by June 2025, enabling a 100 basis point cut in policy rates between February and June.

These strong macroeconomic indicators lay a solid foundation for the future, with FY2025–26 GDP growth projected at 6.4% to 6.7%.

Deloitte forecasts India's GDP growth to range between 6.4% and 6.7% in FY2025–26, supported by easing inflation, resilient domestic demand, and proactive policy measures. Key drivers include the revival in private capital expenditure, a digitally skilled workforce, and the expansion of global trade corridors.

While higher US tariffs under the Trump administration may pose challenges for Indian exporters and consumers, strategic trade agreements and stronger intellectual property frameworks are expected to open new markets and attract investments.

Despite ongoing global uncertainties, India's structural strengths continue to position it as a major engine of global economic growth in the years ahead.

Source: Ministry of Statistics and Programme Implementation (MOSPI), Trading Economics

Source: Deloitte Global Economic Research Center

II. INDUSTRY SECTOR AND OUTLOOK

Industry Overview

The construction sector holds immense significance in India, contributing significantly to the country's economic activity and serving as a major source of employment across rural and urban areas. It has emerged as a vital pillar of India's economic development, demonstrating robust growth and considerable potential. The Indian construction industry is the second largest employment generator in India, next to agriculture, according to various reports. As the sector is expected to continue its expansion, employment opportunities are anticipated to increase, supporting the livelihood of significant portion of the workforce.

According to the provisional estimates of NSO, the construction industry accounted for approximately 9% of the overall Gross Value Added (GVA) for FY 2023-24, experiencing a real growth rate of 9.9% compared to the previous year. Notably, the construction industry was the fastest growing sector in the GVA in the last fiscal.

The construction sector's robust performance underscores its vital role in driving economic growth, creating employment opportunities, and fostering socio-economic development across the country. As India embarks on ambitious infrastructure projects and urbanization initiatives, the construction industry is poised to play an even more significant role in shaping the nation's future landscape. Continued investments in infrastructure development, coupled with supportive policies and innovation, will further strengthen the domestic construction sector.

Sector Outlook

India has the second-largest road network in the world, spanning approximately 6.7 million kilometers. This network handles 64.5% of the country's freight and 90% of passenger traffic. Over the past decade, India's road infrastructure has expanded by 59%, significantly improving connectivity across cities, towns, and villages.

As of December 2024, the country has 146,195 kilometers of National Highways and 2,474 national high-speed corridors. In FY24, around 12,349 kilometers of National Highways were constructed. For FY25, the government has set a provisional target of building 10,421 kilometers of highways, reflecting a 15% decrease from the previous year due to delays in state clearances during the extended election period. Highway construction in India has grown at a compound annual growth rate (CAGR) of 9.3% between FY2016 and FY2024.

There are currently 202 national highway projects under implementation, covering a total length of 6,270 kilometers and valued at ₹79,789 crore (US\$ 9.59 billion). Up to December FY25, the Ministry of Road Transport and Highways has awarded 3,100 kilometers of highway projects. As of February 2025, India had 1,825 road projects, out of which 826 were under public-private partnership (PPP) models.

Under the Union Budget 2024–25, the Government of India allocated ₹2.72 lakh crore (US\$ 32.68 billion) to the Ministry of Road Transport and Highways, reinforcing its commitment to further infrastructure development.

Source: Ministry of Road Transport & Highways (MoRTH)

Overall, the road construction sector in India is poised for sustained growth, driven by government initiatives, technological advancements, and a focus on sustainability and digitalisation. DMEDL is well-positioned to capitalise on these opportunities and contribute to the country's infrastructure development, enhancing connectivity and economic growth.

III. BUSINESS & OPERATIONS

COMPANY OVERVIEW

DME Development Limited (DMEDL) was registered on 29th 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 **Delhi-Mumbai Expressway** is a landmark project that will drastically reduce travel time between two of India's largest cities and improve overall connectivity in the country. As a part of the broader **Bharatmala Pariyojana** (National Highways Development Project), it will not only provide a faster route for vehicles but also stimulate economic growth, improve logistics, and contribute to regional development in multiple states. With its advanced design and expected impact, the expressway is poised to be a game-changer for transportation in India.

IV. OUTLOOK

The outlook for the construction sector in India as well as in key international markets remains highly optimistic, with the industry positioned for strong and sustained growth over the coming years. In India, this momentum is being driven by a combination of structural and policy-based factors. Chief among these is the government's continued commitment to infrastructure development, evident in large-scale investments under initiatives such as the National Infrastructure Pipeline (NIP), Smart

Cities Mission and Gati Shakti Master Plan. These programs aim to modernize urban infrastructure, improve connectivity and create a robust foundation for future economic growth.

Rapid urbanization is also playing a pivotal role, with growing population density in cities increasing demand for residential, commercial, and public infrastructure. Alongside this, the broader economic expansion particularly in sectors like manufacturing, logistics, energy, and transportation is fueling the need for advanced industrial and civil infrastructure. The government's emphasis on "Make in India" and Production Linked Incentive (PLI) schemes is further boosting industrial activity, which, in turn, contributes to construction demand.

Additionally, the development of logistics and warehousing infrastructure, driven by the growth of e-commerce and global supply chain shifts, is opening new avenues for construction across Tier 1, 2, and even Tier 3 cities. The shift toward sustainable construction practices and adoption of advanced technologies such as digital engineering, prefabrication and green building solutions are also reshaping the industry and increasing its long-term resilience.

On the international front, targeted overseas geographies especially in regions like the Middle East, Southeast Asia, and parts of Africa present promising opportunities for Indian construction and infrastructure companies. These markets are witnessing increased infrastructure spending, urban development and demand for expertise in areas such as roads, metro systems, power transmission, and water management, aligning well with the capabilities and experience of Indian firms.

Overall, the combination of strong domestic fundamentals, supportive government policies, industrial growth and global expansion opportunities positions the Indian construction sector on a robust trajectory for the foreseeable future.

V. RISK MANAGEMENT

Risk management is a cornerstone of your Company's growth strategy, equipping it to navigate challenges and seize opportunities with confidence and agility. The Company's approach is founded on a thorough understanding of the multifaceted risks it faces, underpinned by meticulously crafted policies and procedures that align with industry best practices. With the implementation of robust systems and sound risk management practices, the Company effectively identifies, measures, and mitigates risks. By managing risks within carefully defined appetite levels, the Company ensures operational resilience and adaptability, supporting the achievement of its long-term objectives. This proactive and strategic approach not only safeguards assets but also drives innovation, fostering sustainable progress across all facets of the business.

VI. INTERNAL CONTROL AND AUDIT

Your Board places the highest priority on establishing and continually enhancing the Internal Control Framework, recognizing its critical role in navigating the complexities of the business environment and increasing regulatory oversight for sustainable growth. The Company adopts a well-calibrated and strategic framework, built on the pillars of administrative and financial controls.

On the administrative control front, the Company has implemented a clear reporting structure, established several oversight committees, and defined roles and responsibilities at all levels to ensure effective checks and balances. In terms of financial controls, the management, with a deep understanding of the business, its operations, and processes, has instituted robust controls, including segregation of duties and a comprehensive reporting mechanism. These measures are designed to prevent and detect any misstatements in financial reporting, safeguarding the integrity of financial operations.

Your Company has implemented an Internal Financial Control (IFC) system that is aligned with the nature of its business and the scale and complexity of its operations. The company's internal control framework is designed to provide reasonable assurance over critical business activities, ensuring the orderly and efficient conduct of operations, compliance with policies and procedures, and safeguarding against fraud and errors. It also ensures effective management of critical procurements, compliance with regulations, and the timeliness and reliability of financial reporting. The company's IFC system undergoes regular reviews, and corrective actions are taken as necessary to enhance controls and strengthen the overall risk management framework.

The Audit Committee of the Board evaluates and reviews the adequacy and effectiveness of the Internal Control Systems and suggests improvements to strengthen them. Based on the report of Internal Auditor and the response thereto, necessary corrective actions are undertaken to strengthen the controls. Overall, the Board and the Audit Committee maintain a proactive approach in ensuring that the control and governance framework is regularly reviewed and timely corrective actions are taken to minimise risk of disruption.

During the year under review, your Company appointed M/s Manish Brij Garg & Co., a firm of Chartered Accountants, having requisite academic and professional qualifications, work experience, skill and other suitable capabilities, as the Internal Auditor of the Company for the Financial Year ended March 31, 2025.

There was no change in the Internal Auditor during the year under review.

VII. HUMAN RESOURCES DEVELOPMENT

The Company's commitment to Human Capital management sets a benchmark within the infrastructure industry, with a strong focus on employee engagement and development. By prioritizing training and development initiatives across all organizational levels, the Company fosters a culture of continuous improvement. Trend analysis reveals the Company's success in sustaining high productivity, maintaining a stable workforce and achieving low attrition rates, outperforming industry competitors. This dedication to nurturing talent and fostering a positive work environment contributes to the company's long-term success and resilience.

CAUTIONARY STATEMENT

The statement in Management Discussions and Analysis describing the Company's operations and expectations are "forward looking statements". Actual results may differ owing to environmental dynamics.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of an organization. Good Corporate Governance leads to long term shareholders value and enhances interest of other stakeholders.

DME Development Limited (DMEDL) believes that any meaningful policy on Corporate Governance must empower the Executive Management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the Executive Management are used with care and responsibility to meet stakeholders' aspirations and societal expectations. The Company is committed to achieve the good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate cultures which aim at a true Corporate Governance.

DMEDL understands and respects its fiduciary and trusteeship role and responsibility to its stakeholders and strives hard to meet their expectations. DMEDL believes that Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

Your Company has issued Secured, Non-Convertible, Non-Cumulative, Taxable Bonds (Debentures) listed on National Stock Exchange of India Limited. Your Company strives to achieve highest standards of Corporate Governance and take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance. With this belief, your Company has complied with the Corporate Governance requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015).

In accordance with the SEBI Listing Regulations, 2015, requisite details are as under:

Mandatory Requirements

Company's philosophy on Code of Governance

The philosophy of your Company in relation to Corporate Governance is to endeavor to maintain the highest standard of Corporate Governance through achievement of the following objectives:

1. To protect and facilitate the shareholders to exercise their rights;
2. To provide adequate and timely information to all the stakeholders;
3. To ensure equitable treatment to all shareholders;
4. To enhance the stakeholders' value with strong emphasis on transparency, accountability and integrity optimum utilisation of the resources and ethical behavior of the enterprise; and
5. To ensure timely and accurate disclosure on all matters including financial situation, performance, ownership and governance of the Company.

There is a clear demarcation of duties and responsibilities among the Management and other Senior Managerial Personnel, to ensure best corporate performance and socio-economic value creation.

Board of Directors:

- **Composition & Size**

The Board has a strength of 6 (Six) Directors as on 31.03.2025. The Board comprises of optimum combination of Executive, Non-Executive and Independent Directors, including a

Woman Director. Detailed profile of the Board of Directors of your Company is available on the website of the Company i.e. www.dmedl.in. The Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company.

The Board of Directors of your Company comprises six members, including one Executive Director and five Non-Executive Directors, of whom two are Independent Directors. The Board also includes one Woman Director, reflecting the Company's commitment to diversity and good corporate governance.

- **Board Meeting:**

The Board meets at regular intervals and at least once in a quarter to review and discuss and decide on strategies, policies and reviews the financial performance of the Company apart from other Business. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed by circulation, as permitted by law, which are noted at the subsequent Board Meeting. Meetings are governed by structured agenda and all major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. During the Financial Year ended on 31st March, 2025, the Board met Six (6) times, on the following dates:

22nd May, 2024, 13th August, 2024, 25th September, 2024, 14th November, 2024, 19th December, 2024 and 13th February, 2025.

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days.

The requisite quorum was present in all the Meetings. The intervening gap between the meetings was in accordance with the provisions of the Act, the SEBI Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India.

As a system, the agenda papers, along with the explanatory notes, for Board Meetings, in terms of the Act and the SEBI Regulations are circulated in advance to the Directors. Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. Every Board Member is free to suggest items for inclusion in the agenda.

In compliance with the Secretarial Standard 1 on 'Meetings of the Board of Directors' (SS-1), the Company Secretary of the Company records minutes of proceedings of each Board and Committee Meeting. Draft minutes are circulated to the Board/Committee members within 15 (fifteen) days from the date of conclusion of the Meeting for their comments and the Minutes are entered in the Minutes Book within 30 (thirty) days from the date of conclusion of the Meeting. Action Taken Report on the decisions of the previous Meeting(s) is placed at the immediately succeeding Meeting of the Board/Committee(s) for information and review by the Board/Committee(s).

Further, 4th Annual General Meeting ("AGM") of the Company was held on December 20, 2024 in line with the applicable provisions of the Act and relevant circulars issued by the MCA.

Attendance of each Director at the Board Meetings held in financial year 2024-25 and at the last Annual General Meeting of the Company:

| Name of the Director | No. of Board Meetings held during the year | No. of Board Meetings attended | Attendance at the last AGM held on December 20, 2024 |
|---|--|--------------------------------|--|
| Sh. Neti Ravi Vijay Venkat Murali Krishna Rajendrakumar | 6 | 6 | Yes |
| Sh. Vinay Kumar | 5 | 3 | No |
| Sh. Alok Deepankar | 6 | 3 | No |
| Smt. Sudha Damodar | 6 | 6 | No |
| Sh. Rajesh Ranjan | 6 | 6 | Yes |
| Sh. Ananta Manohar Meduri Chakravartula | 6 | 6 | Yes |

The composition of the Board of Directors, the number of other Directorships and Committee positions held by each Director as on March 31, 2025 is as under:

| Name of Director | Category of Directorship | Total Number of Directorship | Number of other Directorship | Number of Chairmanship/ Membership in committees of other companies | |
|---|--------------------------|------------------------------|------------------------------|---|--------|
| | | | Public Listed Companies | Chairman | Member |
| Sh. Neti Ravi Vijay Venkat Murali Krishna Rajendrakumar | Nominee Director | 4 | Nil | Nil | 1 |
| Sh. Vinay Kumar | Nominee Director | 11 | Nil | Nil | 1 |
| Sh. Alok Deepankar | Nominee Director | 1 | Nil | Nil | Nil |
| Smt. Sudha Damodar | Independent Director | 1 | Nil | Nil | Nil |
| Sh. Rajesh Ranjan | Independent Director | 2 | Nil | 2 | 1 |
| Sh. Ananta Manohar Meduri Chakravartula | Nominee Director | 1 | Nil | Nil | Nil |

Names of the Listed entities where the person is a Director and the category of Directorship:-
Nil

Change in Composition:

During the Financial Year under review following changes took place in the structure of the Board:

| Name of Director | Designation | Date of Change | Nature of Change |
|--------------------------------|------------------|----------------|------------------|
| Sh. Vinay Kumar (DIN-02174687) | Nominee Director | 22.05.2024 | Appointment |

Note:

- a. None of the Directors of the Company were members of more than 10 committees or acted as Chairperson of more than 5 committees across all public limited Companies in which they were Directors in terms of Regulation 26 of the SEBI Listing Regulations.
- b. None of the Directors held directorship in more than 7 listed entities.

Further, based on the disclosures received from the Directors as on March 31, 2025 and as on the date of this Report, it is confirmed that none of the Directors:

- 1. have any inter–se relationship with each other;
- 2. hold directorships/memberships/ chairpersonships more than the limit prescribed under the Act and the SEBI Listing Regulations;
- 3. hold any shares or convertible instruments issued by the Company.

Familiarization Programs for Independent Directors (IDs)

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015, the Company is required to conduct Familiarization Program for its IDs to familiarize them about the Company, including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant to Regulation 62 of SEBI Listing Regulations, 2015, the Company is required to disseminate on its website, details of familiarization program imparted to IDs, including the details of:

- (i) number of programs attended by IDs (during the year and on a cumulative basis till date),
- (ii) number of hours spent by IDs in such programs (during the year and on a cumulative basis till date), and
- (iii) other relevant details.

The familiarization programs conducted for the IDs are in line with the Policy adopted by the Board of Directors in connection thereof. Members of the Board have complete access to the information within the Company and IDs gets an opportunity to interact with officials of the Management. The Management provides information as detailed in the Familiarization Policy for the IDs either at the Board Meeting(s) or Committee Meeting(s) or otherwise. IDs have the freedom to interact with the Company's Management. They are given all documents sought by them for enabling a good understanding of the Company, its various operations and industry segments of which it is a part.

Further, the Management of your Company makes various presentations to the IDs on an ongoing basis which, *inter alia*, includes Company overview, latest key business highlights, latest regulatory developments, financial statements as part of the familiarization program.

The Board has open channels of communication with executive management which allows free flow of communication among Directors in terms of raising query, seeking clarifications and other related information.

The Company Secretary of the Company also regularly apprises the Board Members about their roles, rights and responsibilities in your Company, from time to time, as per the requirements of the SEBI Listing Regulations, 2015, Companies Act, 2013, read together with the Rules and Schedules thereunder and other relevant laws.

The link to the details of familiarization programs imparted to IDs, as required under the SEBI Listing Regulations, 2015 has been provided elsewhere in this Annual Report.

Skills/Expertise/ Competence of the Board of Directors of the Company:

The Board of Directors of the Company comprises qualified members who bring in the required skills, expertise, and competence to allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensuring that the Board is in well compliance with the highest standards of corporate governance.

In terms of SEBI Listing Regulations, 2015, the Company identified the following list of core skills/expertise/competencies required in the context of the Company's business(es) and sector(s) for it to function effectively and those which are actually available with the Board:

| | |
|---|--|
| Management and leadership experience | Management and leadership experience in the areas of business development, strategic planning, merger and acquisition, investments / divestments, guiding and leading the management teams to make informed decisions. |
| Industry Experience | Deep domain knowledge and expertise in Roads and Highways Sector, in-depth understanding of sectorial policies and Regulatory Affairs, quantitative and qualitative analysis of contractual obligations, understanding of key geographies. |
| Diversity | Diversity of thought, experience, knowledge, perspective, gender and culture. |
| Functional and managerial experience | Knowledge and skills in accounting and finance, tax, business judgment, general management practices and processes, legal, crisis response and management, macro-economic perspectives, human resources, labor laws and risk management. |
| Corporate Governance | Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates. |

The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

Board Committees

The Board has constituted various Committees consisting of Executive and Non-Executive Directors to focus on the critical functions of the Company. The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas/activities which concern the Company and need a closer review. They are set up under the formal approval of the Board, to carry out the clearly defined role which is considered to be performed by Members of the Board, as a part of good Corporate Governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval, as the case may be. Further, minutes of proceedings of the Committees are circulated to the Members thereof and are placed before the Board, at its Meetings, for noting thereat.

The Company has the following Board level committees as on 31st March, 2025:

- Risk Management Committee;
- Stakeholders Relationship Committee;
- Audit Committee;
- Nomination & Remuneration Committee; and
- Corporate Social Responsibility Committee.

The Terms of Reference for the various Committees, including their roles and powers, is in accordance with the relevant provisions of Companies Act, 2013, the SEBI Listing Regulations, 2015 and other applicable Rules and Regulations issued by the concerned Regulators, from time to time.

Risk Management Committee

The Risk Management Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and other rules made thereunder, as amended from time to time, read with Regulation 62I of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March 2025, the Committee comprised of the following members:

1. Smt. Sudha Damodar, Independent Director (Chairperson);
2. Sh. Gautam Vishal Charan Pahari, CEO (Member);
3. Sh. Ananta Manohar Meduri Chakravartula, Executive, Non-Independent Director (Member).

The scope and function of Risk Management Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The committee has formulated the Risk Management Policy which broadly lays down the various principles and roles and responsibilities of the members.

The Risk Management Policy has been hosted on the website of the Company, www.dmedl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

During the year under review, no changes were made in the Nomination and Remuneration Policy of the Company.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 62H of the SEBI Listing Regulations, 2015.

As on 31st March 2025, the Committee comprised of the following members:

1. Sh. Rajesh Ranjan, Non-Executive Independent Director (Chairperson)
2. Smt. Sudha Damodar, Non-Executive Independent Director (Member)
3. Sh. Ananta Manohar Meduri Chakravartula, Executive Non-Independent Director (Member)

The Committee oversees and reviews redressal of shareholder and investor grievances, transfer & transmission of shares, issue of duplicate share certificates, dematerialisation and rematerialisation of shares, the measures taken for effective exercise of voting rights by the shareholders, the service standards adopted by the Company in respect of the services rendered by the Registrar & Transfer Agent.

During the Financial Year 2024-25, no complaint has been received from the equity shareholders of the Company.

Audit Committee

The Audit Committee has been constituted, in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 62F of the SEBI Listing Regulations, 2015, by passing the resolution through circulation.

As on 31st March 2025, the Committee comprised of the following members:

1. Sh. Rajesh Ranjan, Non-Executive Independent Director (Chairperson)
2. Smt. Sudha Damodar, Non-Executive Independent Director (Member)
3. Sh. Ananta Manohar, Executive Non-Independent Director (Member)

The representatives of Internal Auditors and the Chief Financial Officer (CFO) of the Company attend the meetings of the Audit Committee as invitees.

Members of the Audit Committee are financially literate and have accounting or related financial management expertise. The terms of reference of this Committee inter alia includes oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible, recommending remuneration of auditors, reviewing/examining quarterly and annual Financial Statements and Auditor's Report(s) thereon, before submission to the Board for approval, evaluate Company's internal financial controls and risk management systems, reviewing performance of statutory and internal auditors and adequacy of internal control systems, reviewing the functioning of the Whistle Blower Mechanism and other matters specified for Audit Committee in its terms of reference drawn as per Section 177 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 62F of the SEBI Listing Regulations, 2015, read with Schedule II thereto.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted, in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 62G of the SEBI Listing Regulations, 2015, by passing the resolution through circulation.

As on 31st March 2025, the Committee comprised of the following members:

1. Smt. Sudha Damodar, Non-Executive Independent Director (Chairperson)
2. Sh. Rajesh Ranjan, Non-Executive Independent Director (Member)
3. Sh. Ananta Manohar meduri chakravartula, Executive Non-Independent Director (Member)

The Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable Statutes, Rules and Regulations, which the Committee deems relevant, makes recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company, identifies the persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommends to the Board their appointment and removal and other matters specified for Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013 and Regulation 62G of the SEBI Listing Regulations, 2015, read with Schedule II thereto.

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for Performance Evaluation and has adopted a formal mechanism for evaluating the performance and effectiveness of the Board (including Committees) and every Director (including

Managing Director, Independent Directors and Chairman of the Board) covering, inter alia, the following parameters:

- i. Board Evaluation - degree of fulfilment of key responsibilities; Board culture and dynamics, amongst others;
- ii. Board Committee Evaluation - effectiveness of meetings; Committee dynamics amongst others; and
- iii. Individual Director Evaluation (including Independent Directors) - contribution at Board Meetings, fulfillment of criteria of independence for independence director, amongst others.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted, in line with the provisions of Section 135 of the Companies Act, 2013.

The Corporate Social Responsibility Committee of your Company comprised of the following Members as 31st March 2025:

1. Sh. Rajesh Ranjan, Non-Executive Independent Director (Chairperson)
2. Sh. NRVVMK Rajendrakumar, Non-Executive Non-Independent Director (Member)
3. Sh. Ananta Manohar Meduri Chakravartula, Executive Non-Independent Director (Member)

The CSR Committee is responsible for formulating and recommending the CSR Policy to the Board, recommending the amount of expenditure on CSR activities and monitoring their implementation. It ensures that the Company's CSR initiatives are aligned with the provisions of the Companies Act, 2013 and contribute meaningfully to social and environmental development. The Committee also ensures compliance with applicable reporting and disclosure requirements. However, as the Company has not recorded any profits in the last three financial years, it is not required to incur any expenditure towards Corporate Social Responsibility as per the provisions of the Act.

Total fees for all services paid by the Company on a consolidated basis, to the joint statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

| Payment to Statutory Auditors FY 2024-25 | Amount in Rs. |
|--|----------------------|
| Statutory Audit fees (Including Limited Review Fees) (Half Year Audit + Annual Audit) | 2,61,000.00 |
| Other audit fees (Towards Certificates, Tax Audit and out of pocket expenses) | 42,000.00 |
| Total | 3,03,000.00 |

RELATED PARTY TRANSACTIONS

A Related Party Transactions Policy has been devised by your Company for, inter alia determining the materiality of transactions with related parties and dealings with them in line with the requirements of the SEBI Listing Regulations and it intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

The said Policy is available on your Company's website, www.dmedl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

During the year under review, all related party transactions entered into by the Company, were approved/ratified by the Audit Committee and were at arm's length and in the ordinary course of

business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Further, there are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons, during the year under review, which may have a potential conflict with the interest of the Company at large. Members may refer to the Notes to the Financial Statements for details of Related Party Transactions. All transactions entered into with Related Parties as defined under the Act and Regulation 62K of the SEBI Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Act.

Code of Conduct for Directors and Senior Management

The Company has adopted a Code of Conduct for its employees, Non-Executive Directors and Independent Directors. A Code of Conduct as approved by the Board, has been displayed on the Company's website www.dmedl.in.

Remuneration of Directors

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 except sitting fees to the Independent Directors.

| Name of Director | Sitting Fees | Salary & Perquisites | Commission | Total |
|---|---------------------|---------------------------------|-------------------|--------------|
| Sh. Neti Ravi Vijay Venkat Murali Krishna Rajendrakumar | - | - | - | - |
| Sh. Alok Deepankar | - | - | - | - |
| Smt. Sudha Damodar | Rs. 7,50,000/- | - | - | - |
| Sh. Rajesh Ranjan | Rs. 7,00,000/- | - | - | - |
| Sh. Ananta Manohar Meduri Chakravartula | - | - | - | - |

GENERAL BODY MEETINGS:

Corporate Identity Number (CIN): U45202DL2020GOI368878

The Company is registered at Delhi, India.

Annual General Meeting:

The details of the last three Annual General Meetings held:

| Financial Year | AGM | Date | Time | Location of the AGM | Special Resolution(s) Passed |
|-----------------------|-----------------|---------------------------------|-------------|--|-------------------------------------|
| F.Y. 2023-24 | 4 th | 20 th December, 2024 | 11.30 A.M. | At the registered office of the Company situated at Plot No. G-5 & 6, Sector-10, Dwarka, New Delhi-110 075 | Nil |

| | | | | | |
|-----------------|-----------------|---------------------------------------|---------------|--|--|
| F.Y. 2022-23 | 3 rd | 27 th December, 2023 | 4.00 P.M. | At the registered office of the Company situated at Plot No. G-5 & 6, Sector-10, Dwarka, New Delhi-110 075 | Appointment of Sh. Rajesh Ranjan (DIN: 10094828) as Director (Independent Director) of the Company |
| F.Y. 2021-22 | 2 nd | 26 th December, 2022 | 12.00 Noon | At the registered office of the Company situated at Plot No. G-5 & 6, Sector-10, Dwarka, New Delhi-110 075 | Nil |

Details of Extra-ordinary General Meeting (“EGM”) and Postal Ballot during the year under review:

During the year under review or as on the date of this Report, no resolution was passed through Postal Ballot and no special resolution is being proposed to be passed through Postal Ballot.

Further, during the financial year under review One (1) Extra-ordinary General Meeting was held on 14th February, 2025.

MEANS OF COMMUNICATION:

Website: The Company's website i.e. www.dmedl.in, contains a separate dedicated section 'Investor Relations' where information for investors is available. Also, any official news release is updated on the website of the Company.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements, Board's Report, Auditors' Report and other important information, is circulated to the Members of the Company and other stakeholders' entitled thereto. The Annual Report is also available in downloadable form on the website of the Company.

NEAPS Portal/BSE Listing Center: The NEAPS Portal (for NSE) and the BSE Listing Centre are secure, web-based electronic platforms developed by the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), respectively, to facilitate seamless compliance by listed entities. These platforms serve as the centralised systems for the submission of all periodical reports, corporate disclosures, and other statutory filings in accordance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant regulatory frameworks.

The Company ensures timely and accurate electronic submission of its disclosures and compliance documents through these portals, thereby maintaining transparency, regulatory compliance, and easy accessibility for stakeholders. All such filings made by the Company can be publicly accessed on the respective websites of the stock exchanges.

SEBI Complaints Redress System (SCORES): Investor complaints are processed at SEBI in a centralized web-based complaints redress system.

GENERAL SHAREHOLDER INFORMATION:

Financial Year – 1st April to 31st March

Annual General Meeting for the F.Y. 2024-25:

| | |
|-----------------------|--|
| Date & Time | 22 nd day of December, 2025 at 11.00 A.M. |
| Venue | At the registered office of the Company situated at Plot No. G-5 & 6, Sector-10, Dwarka, New Delhi-110 075 |
| Financial Year | April 1, 2024 to March 31, 2025 |
| Date of Book closure | Not Applicable |
| Dividend Payment Date | No dividend is recommended by Directors of the Company on Equity Shares for the current Financial Year |

Listing on Stock Exchanges:

The Non-Convertible Debentures of the Company are listed on the NSE & BSE*. Annual Listing Fees for FY 2024-25 and FY 2025-26 have been paid to the exchanges and there is no outstanding payment as on date.

**(w.e.f. 05.12.2023)*

Securities Code:

NSE Limited – INE0J7Q07025, INE0J7Q07033, INE0J7Q07041, INE0J7Q07058, INE0J7Q07066, INE0J7Q07074, INE0J7Q07082, INE0J7Q07090, INE0J7Q07108, INE0J7Q07017, INE0J7Q07223, INE0J7Q07215, INE0J7Q07231, INE0J7Q07249, INE0J7Q07256

BSE Limited – INE0J7Q07231, INE0J7Q07249, INE0J7Q07256

MARKET PRICE DATA:

NCDs listed on NSE and BSE have been issued on private placement basis and are not regularly traded on-market.

Hence, market price data such as high/ low/ closing prices and trading volumes etc. during the year under review, is not available on the Exchange. Further, equity shares issued by the Company are not listed on any of the Exchanges. Distribution of Shareholding as on March 31, 2025 of Equity Shares is as follows:

| S. No. | Name of Shareholders | No. of Equity Share of Rs.100/- | Total (Rs.) | Percentage (%) |
|--------|---|---------------------------------|--------------------------|----------------|
| 1. | National Highways Authority of India | 53,84,99,994 | 53,84,99,994/- | 100% |
| 2. | Sh. Alok Deepankar (Nominee of NHAI) | 1 | 100/- | - |
| 3. | Sh. Gautam Vishal Charan Pahari (Nominee of NHAI) | 1 | 100/- | - |
| 4. | Sh. Dhanesh Kumar (Nominee of NHAI) | 1 | 100/- | - |
| 5. | Sh. Virender Sambiyal (Nominee of NHAI) | 1 | 100/- | - |
| 6. | Sh. Mohan Lal (Nominee of NHAI) | 1 | 100/- | - |
| 7. | Sh. Vinay Kumar (Nominee of NHAI) | 1 | 100/- | - |
| | TOTAL | 53,85,00,000 | 53,85,00,00,000/- | 100 |

Category-wise Shareholding as on March 31, 2025 of Equity Shares:

| Promoter & Promoter Group | | |
|--------------------------------------|-------------------------|------------|
| | Number of Shares | % |
| Indian | | |
| Individuals | - | - |
| Bodies Corporate (NHAI) | 538500000* | 100 |
| Person Acting in Concert | - | - |
| Total (A) | 538500000 | 100 |
| Public Shareholdings | | |
| Institutions | Number of Shares | |
| Mutual Funds/UTI | - | - |
| Alternate Investment Funds | - | - |
| Foreign Portfolio Investors | - | - |
| Insurance Companies | - | - |
| Total (B) | - | - |
| Non Institutions | | |
| Other Bodies Corporate | - | - |
| NRI & Foreign National | - | - |
| Clearing Members | - | - |
| Public & Others | - | - |
| Total (C) | - | - |
| Total (A + B+ C) | 538500000 | 100 |

*including nominee share holders

Disclosure of information on pledged shares:

The details of shares pledged by promoter: Nil

Details showing Shareholding of more than 1% of the Capital as on March 31, 2025:

| Name of Shareholder | Number of Shares | % of Capital |
|--------------------------------------|-------------------------|---------------------|
| National Highways Authority of India | 53,84,99,994 | 99.99 |

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

Dematerialisation Information:

As on March 31, 2025, except 6 nominee shares all the equity shares of the Company are held in the demat form.

Credit Rating(s):

Details of the credit ratings obtained by the Company are provided in the 'Board Report' forming part of the Annual Report.

Whistle Blower Policy/Vigil Mechanism:

Details in this regard have been provided in the Board's Report', forming part of the Annual Report.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Not Applicable

Share Transfer System & Redressal of Investor Grievances

The Company has a Board-level Stakeholders' Relationship Committee to examine and redress investors' complaints. However, no complaints have been received so far.

Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

There are no loans and advances given by the Company to firms/companies in which Directors are interested.

Disclosure of Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (a) to (i) of Regulation 62(1A) of the SEBI Listing Regulations, 2015:

Pursuant to Schedule V to the SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (a) to (i) of Regulation 62(1A), inter alia, covering the following subject matter/heads:

- i) Board of Directors
- ii) Maximum number of Directorship
- iii) Audit Committee
- iv) Nomination and Remuneration Committee
- v) Stakeholders; Relationship Committee
- vi) Risk Management Committee
- vii) Vigil Mechanism
- viii) Related Party Transactions
- ix) Corporate Governance requirements with respect to Subsidiary of the Company – N.A.
- x) Secretarial Audit of material unlisted subsidiaries – N.A.
- xi) Obligations with respect to Independent Directors
- xii) Obligations with respect to Employees including Senior Management, Key Managerial Persons, Directors and Promoters
- xiii) Dissemination of various information on the website of the Company, w.r.t clauses (a) to (i) of Regulation 62(1A) of the aforesaid Regulations.

The Company has obtained the requisite certificate from M/s Puneet & Associates, a firm Practicing Company Secretaries confirming compliance with the conditions of corporate governance, as applicable, annexed hereto marked as "**Annexure A**".

CEO and CFO Certification

The CEO and CFO of the Company have given the certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations, is annexed hereto marked as "**Annexure B**" and forms part of this Report.

Certification from Company Secretary in Practice:

M/s Puneet & Associates, a firm Practicing Company Secretaries, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/MCA or any such statutory authority. The certificate is enclosed with this report as “Annexure C”.

Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account:

There are no shares lying unclaimed in the Demat Suspense Account/ Unclaimed Suspense Account as on the date of this Report.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the Board (SEBI) or any statutory authority, on any matter related to capital markets, during the last three years

The Company has in general complied with various Rules and Regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed by them on the Company during the last three years except the following:

| Show cause Notice No./ Date | Received from | Default alleged | | Reply/ Waiver status |
|--|---------------|-----------------|-----------------------|----------------------|
| NSE/LIST-SOP/ DEBT/ FINES/ 0218 dated 1 st July, 2024 | NSE | Non-compliance | Reg 50(1), March-2022 | Waived off by NSE |
| Fines as per SEBI circular dated July 29, 2022- Regulation 50(1), 52(1), 52(4), 52(7)/(7A) & 54(2) for Quarter ended March 2024 vide mail dated 1 st July, 2024 | BSE | Non-compliance | Reg 50(1), March-2024 | Waived off by BSE |

However, an appeal was filed against the order issued by the Registrar of Companies under Section 149(1) of the Companies Act, 2013. This matter has since been settled and disposed of by paying the prescribed fee to the Registrar of Companies, in compliance with the order of the Hon'ble Regional Director, Northern Region.

Registrar & Share Transfer Agent:

Bigshare Services Private Limited
302, Kushal Bazar, 32-33, Nehru Place,
New Delhi – 110019

Address for correspondence:

Shareholders may address their communication to Company's Secretarial Department of the Company at the following address:

Company Secretary and Compliance Officer
Ms. Prachi Mittal
Company Secretary
DME Development Limited
G-5 & 6, Sector-10, Dwarka Delhi – 110075

Business Responsibility and Sustainability Reporting (BRSR)

In compliance with SEBI regulations and in alignment with the Company's commitment to Environmental, Social, and Governance (ESG) principles, the Business Responsibility and Sustainability Report (BRSR) has been prepared through an independent third-party expert to ensure accuracy, transparency and adherence to best practices. The report provides a detailed overview of the Company's sustainability performance across key ESG parameters.

The BRSR, prepared in the prescribed format, is annexed to this report for reference and forms an integral part of the Company's annual disclosures.

Annexure – A

**CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS
UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS,
2015**

To,
The Members of
DME Development Limited
(CIN – U45202DL2020GOI368878)

We have examined the compliance of applicable conditions of Corporate Governance by DME Development Limited (“the Company”) for the financial year ended 31st March 2025, as stipulated in Regulations 17 to 27, clauses (a) to (i) of sub-regulation (1A) of Regulation 62 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) applicable on a ‘comply or explain’ basis to the Company until 31st March 2025, being a ‘high value debt listed entity, on the basis of examination of documents produced to us by the Company.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”) for the year ended 31st March, 2025.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**For PUNEET AND ASSOCIATES
Company Secretaries**

Sd/-

PUNEET

(Proprietor)

FCS No. 9056; COP. No. – 10597

Peer Review Cert. No. 1525/2021

UDIN: F009056G002129999

Place: New Delhi
Date: 01.12.2025

Annexure – B

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)
CERTIFICATION**

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Gautam Vishal Charan Pahari, Chief Executive Officer and Ananta Manohar Meduri Chakravartula, Chief Financial Officer of DME Development Limited, both certify to the Board that we have reviewed the Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended 31st March, 2025 and to the best of our knowledge and belief, we certify that

1. These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, there are no fraudulent or illegal transactions and transactions violative of the Company's Code of Conduct.
4. For the purposes of financial reporting, we accept the responsibility for establishing and maintaining the internal controls which are monitored by the Company's Internal Audit Team and have evaluated based on feedbacks received from the Company's Internal Audit Team, the effectiveness of the internal control systems of the Company pertaining to financial reporting and have reported to the Auditors and the Audit Committee, the deficiencies, if any, in the operation and design of such internal controls and the steps taken or proposed to be taken to rectify the deficiencies;
5. We have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in the internal controls over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) that there have been no instances of significant fraud, of which we have become aware and consequently no involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For DME Development Limited

Sd/-

Gautam Vishal Charan Pahari
Chief Executive Officer

Sd/-

Ananta Manohar Meduri Chakravartula
Director & Chief Financial Officer

Place: Delhi

Date: 21.11.2025

Annexure – C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
DME Development Limited (CIN - U45202DL2020GOI368878)
Plot No. G-5 & 6, Sector-10, Dwarka,
New Delhi-110 075

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors and management of DME Development Limited having CIN U45202DL2020GOI368878 and having registered office at, G-5 & 6, Sector-10, Dwarka, Delhi – 110075 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 53 read with sub-clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the Financial Year ending on 31st March, 2025.

| S. No. | Name of the Director | DIN | Date of Appointment | Status on MCA Portal |
|---------------|---|------------|----------------------------|-----------------------------|
| 1. | Sh. Neti Ravi Vijay Venkat Murali Krishna Rajendrakumar | 09494456 | 16.02.2022 | Active |
| 2. | Sh. Alok Deepankar | 07317490 | 09.11.2023 | Active |
| 3. | Smt. Sudha Damodar | 07755170 | 23.12.2022 | Active |
| 4. | Sh. Rajesh Ranjan | 10094828 | 15.04.2023 | Active |
| 5. | Sh. Ananta Manohar Meduri Chakravartula | 09822685 | 23.12.2022 | Active |
| 6. | Sh. Vinay Kumar | 02174687 | 22.05.2025 | Active |

Ensuring the eligibility for the appointment or continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the same based on the verification conducted. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **PUNEET AND ASSOCIATES**
Company Secretaries

Sd/-
PUNEET
(Proprietor)

FCS No. 9056; COP. No. – 10597
Peer Review Cert. No. 1525/2021
UDIN: F009056G002130131

Place: New Delhi
Date: 01.12.2025

Date: October 17, 2025

The Director cum Chief Financial Officer,
DME Development Limited
NHAI Building, G5 & 6, Sector-10, Dwarka,
New Delhi - 110 075, INDIA
Phone: +91-011-25074100 / 25074200

Sub: Post-Issuance Review of Green Bond Proceeds issued by M/s DME Development Ltd. (DMEDL)

[A] Introduction:

CARE Analytics and Advisory Pvt. Ltd. (hereinafter mentioned as 'CareEdge Advisory') has undertaken the **Third-Party Post-Issuance Review of Green Bond issued by M/s DME Development Ltd. (DMEDL)**.

DMEDL has raised Rs. 775 Cr. Green Bond in December 2024 @ 7.23% coupon rate. Between December 11, 2024 and March 31, 2025, DMEDL has allocated entire Rs. 775 Cr., towards reimbursement of expenses to its parent entity National Highway Authority of India (NHAI).

The attached '**Third Party Post-Issuance Review of Green Bonds**' report (**Annexure 1**) is a testament to the fact that DMEDL is compliant with SEBI's Revised Disclosure Requirements for Issuance and Listing of Green Debt Securities (Circular No.: SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023) dated February 06, 2023.

[B] CareEdge Advisory's Responsibility and Scope of Work:

CareEdge Advisory's responsibility is to provide Independent Third Party Review of DMEDL's post-issuance green bond review based on procedure described in **Sec E** below. CareEdge Advisory's Scope of Work is defined in Purchase Order No: No FINDIV-17027/1/2024-O/o GM (Finance-I)/E-252141 Dt, Issue Date: 19 July 2024 issued by DMEDL.

[C] Management's Responsibilities:

DMEDL' Management is responsible for:

- Development of DMEDL's Green Bond Framework (dt. 12 November 2024) and manage it in letter and spirit
- Conduct Second Party Opinion (SPO) on the Green Finance Framework
- Ensure that the fund raised is utilized as per the designated Use of Proceeds (SEBI Non-Convertible Security (NCS) Regulation, International Capital Market Association (ICMA) Green Bond Principles and Framework for Sovereign Green Bonds

CARE Analytics and Advisory Private Limited
(previously known as CARE Risk Solutions Private Limited)

CARE Analytics and Advisory Private Limited
Unit 303B, 3rd floor, B Wing, Times Square,
Andheri Kurla Road, Marol, Andheri East,
Mumbai 400 059
Phone: +91-22-6837 4400

CIN- U74210MH1999PTC118349

Registered Office: Office No. 602, 6th Floor,
Rustomjee Aspiree, Off Eastern Express Highway,
Sion East,
Mumbai - 400 022
Phone: +91-22-6174 8900
Email: care@careedge.in • www.careedge.in

- Ensure clear Management of Proceeds with proper ringfencing of assets
- Report (a) Annual allocation (through statutory auditor report), (b) Environmental Impacts and (c) Major elements of Business Responsibility and Sustainability Report (as per rule 2.5 of SEBI Green Debt Security (GDS) Regulation dt. 6 February 2023) through an independent third-party reviewer; and publish this in their annual report.

[D] Procedures:

CareEdge Advisory has performed the procedures listed below:

The procedure has encompassed the review of the following aspects included in the Framework:

- Overall alignment of the DMEDL's Green Finance Framework with SEBI's Revised Disclosure Requirements for Issuance and Listing of Green Debt Securities (SEBI GDS Regulation Circular No.: SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dt. February 6, 2023)
- Process of Identification of Use of Proceeds (as per DMEDL's Green Finance Framework, SEBI Non-convertible Securities, 2021 / ICMA Green Debt Securities, 2025 / Framework for Sovereign Green Bonds, 2022 (as amended to date)
- Projects financed through Green Bond Proceeds by ensuring clear management of proceeds with proper ringfencing of assets
- Process of external verification of Green Bond proceeds
- Process of (i) allocation, (ii) impact and (iii) BRSR reporting to DMEDL's Board / pertinent parties.

[E] Exclusions:

CareEdge Advisory's DMEDL's Third-Party Post-Issuance review should be constructed to be: (a) bound by the Scope of Work defined in PO No. FINDIV-17027/1/2024-O/o GM (Finance-I)/E-252141 dt. 19 July 2024, (b) as on 31 March 2025 and not surveilled from time-to-time.

The scope of post-issuance of green bond excluded the following and therefore CareEdge Advisory does not express a conclusion on the same:

- Credit rating or testament of underlying credit quality of either Bank or its Borrower(s)
- Developing of sector specific KPIs (if any),
- Review / provide opinion on DMEDL's Environmental & Social Policies & related issues.
- Aspects either implicitly/explicitly excluded from CareEdge Advisory's scope of management

CARE Analytics and Advisory Private Limited
(previously known as CARE Risk Solutions Private Limited)

CARE Analytics and Advisory Private Limited
Unit 303B, 3rd floor, B Wing, Times Square,
Andheri Kurla Road, Marol, Andheri East,
Mumbai 400 059
Phone: +91-22-6837 4400

CIN- U74210MH1999PTC118349

Registered Office: Office No. 602, 6th Floor,
Rustomjee Aspree, Off Eastern Express Highway,
Sion East,
Mumbai - 400 022
Phone: +91-22-6174 8900
Email: care@careedge.in • www.careedge.in

[F] Conclusion:

The post-issuance was carried out by a group of professionals with multiple years of experience in areas like ESG, Infrastructure, Banking and Finance.

CareEdge Advisory believes it has received sufficient information in the form of: (i) Allocation Reporting and (ii) Impact Reporting (As per Rule 3.1 and 3.2 of SEBI GDS Regulation Circular No.: SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dt. 6 February 2023) to form a basis of its conclusion.

Based on the Procedures performed (see sec. [D] above) and the evidenced obtained, nothing has come to CareEdge Advisory's attention that causes it to believe that the DMEDL's post-issuance for FY2024-2025 not aligned, in all material respects, with Rule 2 to Rule 4.4 of SEBI GDS Regulation Circular No.: SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dt. 6 February 2023. The same has been established in the attached report.

The said report is attached herewith as **Annexure 1**.

[G] Restriction of Use

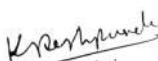
CareEdge Advisory's Independent Third-Party Post-Issuance Review of Green Bonds including the conclusion has been prepared and addressed to the DMEDL's management at the request of the Company solely to assist the Company in post-issuance review.

Accordingly, CareEdge Advisory accepts no liability to anyone, other than the DMEDL. CareEdge Advisory's report(s) should not be used for any other purpose, other than those specified in the CareEdge Advisory's scope of work defined by the DMEDL.

CareEdge Advisory neither accepts nor assumes any duty of care or liability arising from any form of damage(s) arising from any third party.

Regards.

For CARE Analytics and Advisory Pvt. Ltd.



Kedar Deshpande

Director, ESG – Advisory

CARE Analytics and Advisory Private Limited
(previously known as CARE Risk Solutions Private Limited)

CARE Analytics and Advisory Private Limited
Unit 303B, 3rd floor, B Wing, Times Square,
Andheri Kurla Road, Marol, Andheri East,
Mumbai 400 059
Phone: +91-22-6837 4400

CIN- U74210MH1999PTC118349

Registered Office: Office No. 602, 6th Floor,
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Sion East,
Mumbai - 400 022
Phone: +91-22-6174 8900
Email: care@careedge.in • www.careedge.in



**Annexure 1
Third Party
Post-Issuance Review of Green Bond**



DME Development Limited (DMEDL)

A 100% owned SPV of National Highways Authority of India (NHAI)

Third Party Post-Issuance Review of Green Bond

October 17, 2025

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| <u>Regulatory Requirement and Alignment with Frameworks</u> Pg. 7 | <u>Allocation Reporting</u> Pg. 10 |
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1. Executive Summary

Introduction:

DME Development Limited (DMEDL) a 100% owned Special Purpose Vehicle (SPV) of National Highways Authority of India (NHAI) was incorporated on August 29, 2020 under Companies Act, 2013 for Financing, Construction and Operation of Delhi-Mumbai Greenfield Expressway.

The Ministry of Road Transport & Highways (MoRTH) conveyed the approval for formation for SPV, wholly owned by NHAI, to implement Delhi Mumbai Expressway and also authorized NHAI to enter into a “Concession Agreement” and an “Implementation Agreement” with the SPV for development of Delhi-Mumbai Expressway.

DMEDL envisages through green finance, an opportunity to align its funding and sustainability strategy. To realize this opportunity, DMEDL has prepared Green Bond Framework to document how its green funding process will be developed in alignment with the **SEBI's Non-Convertible Securities (NCS) Regulations, 2021¹**; **International Capital Market Association's (ICMA) Green Bond Principles (GBP), 2021²**; and the **Framework for Sovereign Green Bond (SGrB) issued by Department of Economic Affairs (DEA), 2022³**.

DMEDL, between December 11, 2024 and March 31, 2025, has deployed Rs. 775 crores of the green bond proceeds towards activities specified in green finance framework. These activities are part of the construction of a ‘Delhi – Mumbai Expressway’ project, approx. 1,312 km long, 8-lane wide (expandable to 12-lane) access-controlled expressway connecting India's national capital New Delhi to its financial capital Mumbai. The entire approx. 1,312 km long Delhi–Mumbai Expressway has been divided into 4 sections with a total of 51 construction packages/tenders, where the length of each package is between 8 km to 46 km.

¹ https://www.sebi.gov.in/legal/regulations/aug-2021/securities-and-exchange-board-of-india-issue-and-listing-of-non-convertible-securities-regulations-2021_51764.html

² <https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Green-Bond-Principles-June-2021-100621.pdf>

³ <https://dea.gov.in/sites/default/files/Framework%20for%20Sovereign%20Green%20Bonds.pdf>



Scope of Engagement:

DMEDL has engaged M/s CARE Analytics and Advisory Private Limited (CAAPL) to conduct the 'Third Party Post-Issuance Review of Green Bonds' for green bonds allocated towards building a 'Delhi – Mumbai Expressway' project. The report covers the period from December 11, 2024, to March 31, 2025.

Table 1: Alignment with Green Categories

| Alignment with Green Categories | | |
|--|---|--|
| SEBI's Green Debt Securities (GDS), 2023 | ICMA's Green Bond Principles (GBP), 2021 | DEA's Framework for Sovereign Green Bond, 2022 |
| (i) Biodiversity conservation | i) Terrestrial & Aquatic biodiversity conservation | i) Terrestrial & Aquatic biodiversity conservation |
| (ii) Renewable and Sustainable energy including wind, bioenergy, other sources of energy which use clean technology | (ii) Renewable energy | (ii) Renewable energy |
| (iii) Climate change adaptation including efforts to make infrastructure more resilient to impacts of climate change and information support systems such as climate observation and early warning systems | (iii) Environmentally sustainable management of living natural resources and land use | (iii) Climate change adaptation |
| (iv) Sustainable water management | (iv) Sustainable water and waste water management | (iv) Sustainable water and waste water management |
| (v) Sustainable waste management including recycling, waste to energy, efficient disposal of wastage | (v) Pollution prevention and control projects | (v) Pollution prevention and control projects |

Key Aspects of the Circular on Green Debt Securities, 2023:

The SEBI introduced the circular on Green Debt Securities (GDS), effective from April 1, 2023, encourages all the issuers of green debt securities to mobilise funds for green activities, requiring board-approved policies, continuous disclosure requirements in annual report, mandating third-party verification and impact assessments.

Table 2: Key Aspects of Green Debt Securities, 2023 Circular

| Key Features | Description |
|--------------------------|--|
| Purpose | To mobilise the funds towards green activities and projects, including renewable energy, green transport, and green buildings etc. |
| Effective Date | April 1, 2023 |
| Applicability | All Issuers who have listed / propose to list green debt securities on recognised stock exchanges. |
| Interest | Interest-bearing green debt securities are earmarked for allocation towards green finance. |
| Disclosures | Continuous disclosure of allocation details, impact reporting and major elements of BRSR in annual reports. |
| Third-Party Verification | The use of green debt securities must be verified by an independent third party reviewer. |



2. Opinion

Based on the evidence obtained and procedures performed (covering period from December 11, 2024, to March 31, 2025), nothing has come to CareEdge Advisory's attention that causes to believe that the DMEDL's Green Bond is not, in all material respects, in conformity with:

- SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023, Rules 2 to Rule 4.4
- SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, Chapter IX
- ICMA Green Bond Principles, 2021
- Framework for Sovereign Green Bond, 2022

DMEDL raised ₹775 Crores on December 9, 2024. As of March 31, 2025, the entire proceeds have been fully deployed. The utilization has been independently verified by M/s AAAG & Co. LLP (Registration No. 004924N). Allocation reporting and Impact reporting were found adequate and effective.

3. Documents Examined

As part of the post-issuance verification process, the key documents listed in Table 3 were reviewed to evaluate compliance with applicable green bond standards and requirements.

Table 3: Documents Examined

| Category | Key Documents | Date |
|--|--|------------------------------------|
| Bond documentation | Key Information Document (KID), Escrow Account Details | December 2024 |
| Allocation evidence | Statutory Auditors Report | December 11, 2024 – March 31, 2025 |
| Impact data | Impact data (Performance against the KPIs) for 7 packages | December 11, 2024 – March 31, 2025 |
| Governance | DMEDL BRSR | December 11, 2024 – March 31, 2025 |
| Regulatory Requirements & Alignment with Frameworks | <ul style="list-style-type: none"> ▪ SEBI NCS, 2021 ▪ DEA Framework for Sovereign Green Bond, 2022 ▪ SEBI GDS, 2023 ▪ ICMA Green Bond Principles, 2021 | – |

4. Stakeholder Consultations

The following stakeholder consultations (either through virtual meetings or telephonic conversations), detailed in Table 4, were conducted to support the verification of green bond compliance through review of reporting, performance metrics, and project-level documentation.

Table 4: Meetings / Telephonic Conversations

| Date | Stakeholder | Focus |
|-----------------|-------------|----------------------|
| June 24, 2025 | Team DMEDL | Allocation Reporting |
| July 15, 2025 | Team DMEDL | BRSR |
| July 29, 2025 | Team DMEDL | BRSR |
| August 07, 2025 | Team DMEDL | Impact Reporting |
| August 18, 2025 | Team DMEDL | Impact Reporting |



5. Regulatory Requirements and Alignment with Frameworks

The Table 5 and Table 6 below presents a comprehensive compliance review of DMEDL's green debt issuance against the requirements outlined in SEBI's Green Debt Securities, 2023 framework, ICMA GBP, 2021 and DEA's Framework for Sovereign Green Bond, 2022. Each relevant clause has been assessed for adherence to regulatory expectations, with corresponding evidence provided to demonstrate DMEDL's commitment to transparency, effective fund utilisation, environmental impact reporting, and governance.

Table 5: Regulatory Compliance Mapping (SEBI GDS, 2023)

| SEBI Green Debt Securities, 2023 | | | |
|----------------------------------|--|---|--|
| Clause | Requirement | DMEDL Status | Evidence |
| Rule 2 | Definition of eligible green project "Green debt security" defined as debt raised for eligible green projects | DMEDL is dedicated to advancing sustainable infrastructure, with eligible green activities aligned under its Green Bond Framework. | DMEDL's Green Bonds Framework dated November 12, 2024. |
| Rule 2.1 | Utilisation of the proceeds of the issue, as per the tracking done by the issuer using the internal process as disclosed in offer document. Utilisation of the proceeds shall be verified by the report of an external auditor, to verify the internal tracking method and the allocation of funds towards the project(s) and / or asset(s), from the proceeds of green debt securities. | Rs. 775 Crores were utilised as on March 31, 2025. The said funds have been duly spent by NHAI. | Independent Auditor's Certificate on the Utilisation of proceeds of issue of Green Debt Securities certified by AAAG & CO. LLP (Registration No. 004924N) (UDIN: 25522308BMJFGH7087) as on March 31, 2025. Refer Annexure 2 |
| Rule 2.2 | Details of unutilised proceeds including the temporary placement / utilisation of unallocated and Unutilised proceeds from each ISIN of green debt security issued by the issuer | Not Applicable as 100% of the proceeds were utilised as on March 31, 2025. | Independent Auditor's Certificate on the Utilisation of proceeds of issue of Green Debt Securities certified by AAAG & CO. LLP (Registration No. 004924N) (UDIN: 25522308BMJFGH7087) as on March 31, 2025. Refer Annexure 2 |
| Rule 2.3 (a) | List of project(s) and/or asset(s) to which proceeds of the Green Debt Securities have been allocated/invested including a brief description of such project(s) and/or asset(s) and the amounts disbursed. | Green Bond issued by DMEDL is for construction of Delhi-Mumbai Expressway which is approx. 1,312 km long, 8-lane wide (expandable to 12-lane) under construction (at present) access-controlled expressway connecting India's national capital New Delhi to its financial capital Mumbai. The entire approx. 1,312 km long Delhi-Mumbai Expressway has been divided into 4 sections with a total of 51 construction packages/tenders, where the | DMEDL's Green Bonds Framework dated November 12, 2024. |

| | | | |
|---------------------|--|---|--|
| | | length of each package is between 8 km to 46 km. | |
| Rule 2.3 (b) | Qualitative performance indicators and, where feasible, quantitative performance measures of the environmental impact of the project(s) and/or asset(s). If the quantitative benefits/impact cannot be ascertained, then the said fact may be appropriately disclosed along with the reasons for non-ascertainment of the benefits/impact on the environment | Quantitative Performance Indicators have been decided and performance against these indicators as on March 31, 2025 is disclosed in Annexure 3 | DMEDL's Green Bonds Framework dated November 12, 2024. |
| Rule 2.3 (c) | Methods and the key underlying assumptions used in preparation of the performance indicators and metrics | DMEDL's KPIs are derived from measurable project outputs such as number of animal crossings, trees planted, solar poles installed, drains constructed, waste reused, and rainwater harvested etc. Methods rely on physical counts, construction records, and cost tracking. Key assumptions include: Use of standard grid emission factors to estimate energy savings; average rainfall data for rainwater harvesting potential; and recognized conversion factors for waste reuse. These KPIs are aligned with industry standards and validated through regulatory compliance and external review. | DMEDL's Green Bonds Framework dated November 12, 2024. |
| Rule 3.1 (a) | External review pre-issue | SPO conducted dated November, 2024 | SPO Document |
| Rule 3.1 (b) | Segregated account | Dedicated escrow account maintained | Offer Document & Bank Account details provided by DMEDL |
| Rule 3.1 (c) | Annual allocation report | Disclosed as of March 31, 2025, covering the reporting period from December 11, 2024 to March 31, 2025. | Independent Auditor's Certificate on the Utilisation of proceeds of issue of Green Debt Securities certified by AAAG & CO. LLP (Registration No. 004924N) (UDIN: 25522308BMJFGH7087) as on March 31, 2025. Refer Annexure 2 |



| | | | |
|-----------------|--|--|--|
| Rule 3.2 | Verification of the internal tracking and impact reporting | <p>The Finance Department of DMEDL is responsible for: (i) monitoring the fund inflow and; (ii) provide relevant information to the external auditors.</p> <p>Key performance indicators have been identified, and performance will be monitored annually in line with the SEBI GDS requirement.</p> | DMEDL's Green Bonds Framework dated November 12, 2024. |
| Rule 4.1 | Decision-making process which it uses to determine the continuing eligibility of the project | <p>The project evaluation and selection process involve an initial screening to assess alignment with the framework's eligibility criteria, followed by review and approval by DMEDL's Chairman to ensure compliance with all eligibility requirements.</p> | <ul style="list-style-type: none"> • DMEDL's Green Bonds Framework dated November 12, 2024. • Discussions with DMEDL personnel |
| Rule 4.2 | Ensuring alignment of funded green projects with their documented green objectives. | <p>The Board of Directors have delegated powers to Chairman, DMEDL to evaluate the Eligible Green Activities in-line with DMEDL's strategy based on criteria to assess the project as an "Eligible Green Activities".</p> | DMEDL's Green Bonds Framework dated November 12, 2024. |
| Rule 4.3 | Utilise the proceeds only for the stated purpose, as disclosed in the offer document | <p>DMEDL will use 100% of the proceeds from the green bond to reimburse (cost already incurred) the green activities expenditure aligned with green principles. A detailed list of eligible green activities is provided in Table 3 as a part of DMEDL's Green Bonds Framework.</p> | DMEDL's Green Bonds Framework dated November 12, 2024. |
| Rule 4.4 | Compliance with "Dos and don'ts relating to green debt securities to avoid occurrences of greenwashing". | <p>DMEDL has adopted SEBI's February 2023 "Dos and Don'ts" checklist; board-level oversight (NHAI supervision on project-level), and quantified negative externalities disclosure.</p> | DMEDL's Green Bonds Framework dated November 12, 2024. |



Table 6: Regulatory Compliance Mapping (Framework for Sovereign Green Bond, 2022 and ICMA GBP, 2021)

| Framework for Sovereign Green Bond, 2022 and ICMA Green Bond Principles, 2021 | | |
|---|---|--|
| Component | DMEDL Status | Evidence |
| Use of proceeds | DMEDL is committed to developing sustainable infrastructure. The Framework outlines how DMEDL intends to utilize the proceeds from the Green Bond for 'Eligible Green Activities' in alignment with its sustainability goals and values. It also ensures transparency and disclosure to investors, supporting them in making informed investment decisions. | <ul style="list-style-type: none"> • DMEDL's Green Bonds Framework dated November 12, 2024. • Refer Table 1 for alignment of Green Categories with the industry standards |
| Process for evaluation and selection | The project evaluation and selection process involve an initial screening to assess alignment with the framework's eligibility criteria, followed by review and approval by DMEDL's Chairman to ensure compliance with all eligibility requirements. | <ul style="list-style-type: none"> • DMEDL's Green Bonds Framework dated November 12, 2024. • Discussions with DMEDL personnel |
| Management of proceeds | The Finance Department of DMEDL is responsible for: (i) monitoring the fund inflow and; (ii) provide relevant information to the external auditors. | DMEDL's Green Bonds Framework dated November 12, 2024. |
| Reporting | DMEDL resorts to transparent (a) allocation of proceeds reporting and (b) impact report towards the construction of DME Project (Delhi – Mumbai Expressway). Refer to Sec. 6 and Refer to Sec. 7 for further details. | <ul style="list-style-type: none"> • DMEDL's Green Bonds Framework dated November 12, 2024. • Independent Auditor's Certificate on the Utilisation of proceeds of issue of Green Debt Securities certified by AAAG & CO. LLP (Registration No. 004924N) (UDIN: 25522308BMJFGH7087) as on March 31, 2025. Refer Annexure 2 |

6. Allocation Reporting

The Table 7 summarizes use-of-proceeds details of DMEDL's green bond, including the allocation of net proceeds, project eligibility, and funding status. As of March 31, 2025, Rs. 775 crores has been utilised, refer to **Annexure 2** for Statutory Auditor's Certificate. The funded projects fully comply with SEBI's green debt criteria, with no refinancing involved.

Table 7: Use-of-Proceeds Assessment

| Component | DMEDL Status | Remarks |
|--|----------------|---|
| Net proceeds | Rs. 775 Crore | - |
| Allocated as at March 31, 2025 (December 11, 2024 - March 31, 2025) | Rs. 775 Crores | 100% of proceeds have been utilised towards reimbursement of NHAI (parent entity of DMEDL). Please refer to Pg. of 2 and 5 DMEDL's Green Bond Framework. |
| Unallocated Proceeds | Not Applicable | DMEDL has used 100% of the proceeds from the green bond to |



| | | |
|------------------------|--|---|
| | | reimburse (cost already incurred) the green activities expenditure incurred by NHAI. Unallocated fund is monitored by trustee. |
| Projects funded | Projects funded for green activities specified in DMEDL's green finance framework for the construction of 'Delhi - Mumbai Expressway' project such as Median Lane Plantation, Streetlights on renewable energy, Natural Stormwater drainage, Rainwater harvesting etc. Please refer Annexure 3 for the detailed breakup of funding these green activities. | DMEDL has raised Rs. 775 Crores as on December 11, 2024 through Green Bonds. It has been utilised in selected packages. Refer Annexure 3 . This amount has been utilised towards reimbursement to its parent entity NHAI's expenses. |
| Eligibility | Meets SEBI NCS and GDS Regulations along with ICMA's GBP and DEA's Framework for Sovereign Green Bonds | Yes. Refer to Table 5 and Table 6 |

7. Impact Assessment

Reporting Metrics (KPIs Selected):

Impact assessment to be conducted on annual basis, and report to be published. Core indicators are considered as per DMEDL's Green Bond Framework. Refer **Annexure 3** for Impact data (Performance against selected KPIs) as on March 31, 2025:

Table 8: Identified KPIs under framework

| Sr. No. | KPI (weighted average) |
|---------|---|
| 1 | Animal underpasses / animal overpasses |
| 2 | Median Lane Plantation |
| 3 | Avenue plantation / Arboriculture |
| 4 | Street lights on renewable energy (solar) |
| 5 | Natural stormwater drainage (including Lined and Unlined Drains) |
| 6 | Amrit Sarovar (Ponds) Construction |
| 7 | Waste Recycling – Fly Ash Utilization |
| 8 | Waste Recycling – Construction and Demolition waste (incl. inert / alternate material used) |
| 9 | Rainwater Harvesting |

8. Management of Proceeds

- CareEdge Advisory has obtained evidences towards the presence of a separate escrow bank account for the proceeds received from the issue of Green Bonds. The account has been maintained with Canara Bank, New Delhi.
- The Finance Department of DMEDL is responsible for: (i) monitoring the fund inflow and; (ii) provide relevant information to the external auditors.



- Between December 11, 2024 and March 31, 2025, DMEDL has deployed Rs. 775 crores of the proceeds towards construction of the 'Delhi – Mumbai Expressway' project. Unallocated fund is monitored by trustee. The Debenture Trustee for this bond is '**SBICAP Trustee Company Limited**'.

9. BRSR Reporting

DMEDL's BRSR for the reporting period (December 11, 2024 – March 31, 2025) is aligned with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023. The report includes disclosures on all relevant major essential indicators as specified by SEBI, covering environmental performance data, intensity metrics, and related initiatives. The BRSR is included as part of **Annexure 4**.

10. Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe DMEDL's Green Bond fails to meet the requirements of SEBI's GDS, 2023 Rule 2 to Rule 4.4 or diverges from the ICMA's GBP, 2021 and DEA's Framework of Sovereign Green Bonds, 2022:

- **Allocation Reporting** – Use-of-Proceeds allocations have been reviewed and confirmed to align accurately with the audited financial statements, ensuring consistency and transparency.
- **Impact Reporting** – Based on data provided by DMEDL, the project's impacts have been analysed, demonstrating positive outcomes against the identified KPIs.
- **BRSR** – DMEDL's BRSR for reporting period (December 11, 2024 – March 31, 2025) covers information on all the relevant major essential parameters as mandated by SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023, including data on environmental performance (including waste, water and electricity etc.), intensity ratios, and associated initiatives.

CareEdge Advisory is of the opinion that DMEDL's (i) Allocation Reporting, (ii) Impact Reporting, and (iii) BRSR, as a part of their Annual Report are in line with extant market practices.



Annexure 2

Allocation Reporting



Independent Auditor's certificate on utilization of proceeds of bonds in terms of Regulation 56(1)(a) of Securities and Exchange Board of India (Listing obligation and Disclosure requirement) Regulations, 2015, as amended

SBICAP Trustee Company Limited
Mistry Bhavan, 122, Dinshaw Vachha Road
Church Gate, Mumbai-400 020

This certificate is issued at the request of M/s DME Development Limited, having its registered office at G-5 & 6, Sector-10, Dwarka, New Delhi-110075 (hereinafter referred to as 'the company') in terms of Regulation 56(1) (a) of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

We, M/s AAAG & CO. LLP, Chartered Accountants, AAA house, 64, Okhla Estate Phase III (Near Modi Mill), New Delhi, 110020 have examined the books of accounts and other relevant records and documents of the company as produced for our verification in relation to utilization of funds raised by issuance of Listed, Senior, Taxable Secured Redeemable Non-Convertible Green Bonds in the nature of Debentures ("Bonds"/Green Bonds") Series -1 of Rs. 775 crore and in terms of Private Placement through EBP platform dated 11.12.2024.

Management's Responsibility

The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the management of the Company. This responsibility includes 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.



The Management is also responsible for ensuring that the Company complies with the LODR Regulations and DT Regulations. Further the Company is also responsible to comply with the requirements of Debenture Trust deed executed with respective Debenture Trustee.

Auditor's Responsibility

Pursuant to the requirement, our responsibility is to express reasonable assurance in the form of an opinion based on our examination of books and records as to whether the proceeds of bonds issued on private placement basis has been utilized for the purpose for which these funds were raised during the financial year 2024-25.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for ethical that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

On the basis of the verification conducted by us, we hereby confirm and certify that the company has utilized the fund of Rs. 775 crores raised through the issuance of Listed, Senior, Taxable Secured Redeemable Non-Convertible Green Bonds in the nature of Debentures ("Bonds"/Green Bonds") Series -1, by way of Private Placement through EBP platform dated 11.12.2024, towards the construction of Delhi-Mumbai Expressway (DME) by National Highway Authority of India (NHAI), within the financial year 2024-2025. The utilization is in accordance with the sole object of the above-said issue as mentioned.

Further, as per the ledger account statement provided to us by the management, it is confirmed that the said funds have been duly spent by NHAI.



The above certificate has been given on the basis of information provided by the Management and the records produced before us for verification.

Restriction on Use

This certificate has been issued to the management of DME Development Limited to comply with requirements of LODR Regulations. Our certificate should not be used for any other purpose or by any person other than the Company and its Debenture Trustee(s). Accordingly, we do not accept or assume any liability or duty of care to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For AAAG & CO. LLP

Chartered Accountants

Firm Registration Number: 004924N



(Ankit Goel)

Designated Partner

Membership Number. 522308

Place: Delhi

Date: 07.05.2025

UDIN: 25522308BMJFGH7087





Annexure 3

Impact Reporting

| Sl. No. | Green Activities | KPI | PK11 (as on 31/03/2025) | | PK 12 (as on 31/03/2025) | | PK13 (as on 31/03/2025) | | PK 14 (as on 31/03/2025) | | PK15 (as on 31/03/2025) | | PK 16 (as on 31/03/2025) | | Surat (as on 30/03/2025) | |
|---------|--|---|--|---------------------|--------------------------|---------------------|-------------------------|---------------------|---|---------------------|-------------------------|---------------------|---|---------------------|--------------------------|---------------------|
| | | | KPI | Amount (in Rs. Cr.) | KPI | Amount (in Rs. Cr.) | Number | Amount (in Rs. Cr.) | Number | Amount (in Rs. Cr.) | Number | Amount (in Rs. Cr.) | Number | Amount (in Rs. Cr.) | Number | Amount (in Rs. Cr.) |
| 1 | Animal Under/Overpass | 1. Nos. of animal underpass/overpass build - AOP (#) / AUP (#) 2. Nos. of sound barriers constructed (if any) (running m) 3. Nos. of roadkill incidents on y-o-y basis (#) | 5 Overpass 1 Underpass | 596.92 | 1 | 42.70 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19 | 65 | |
| 2 (a) | Median Lane Plantation | 1. Nos. of tree planted in FY (#) 2. Cumulative numbers of trees planted till date (#) | 21227 | 0.40 | 92900 | 2.05 | 94025 | 88536 | 1.20 | 0 | 0 | 88536 | 1.20 | 46518 | 10.10 | |
| 2 (b) | Avenue Plantation/Arboriculture | 3. Nos. of species of trees planted (#) 4. Percentage of native species of trees planted | 7726 | 0.21 | 26500 | 1.85 | 21654 | 23696 | 0.33 | 0 | 0 | 23696 | 0.33 | 52456 | 16.94 | |
| 3 | Streetlights on renewable energy (solar) | 1. Total nos. of poles installed (#) 2. Total amount of grid energy saved (lakh kWh/yr.) 3. Total amount spent on renewable energy installation (in Rs. Cr.) | Poles: 273 Fixtures: 2070 | 1.51 | 39 | 2.45 | 3 | 6.28 | 1.4 KM at IC (RE Wall) & 0.7 KM at Toll | 3.80 | 0 | 0 | 1.4 KM at IC (RE Wall) & 0.7 KM at Toll | 3.80 | 335 | 18 |
| 4 | Natural Stormwater Drainage | 1. Length of storm lined drain (km) 2. Total expenses incurred on drainage construction (INR) | Lined Drain: 2.30 km Unlined Drain: 11.37 km | 10.38 | 41 | 29.51 | 28 | 16.35 | L. Kerb with chute drain 25.125 (BHS) | 7.73 | 0 | 0 | L. Kerb with chute drain 25.125 (BHS) | 7.73 | 163 | 154 |
| 5 (a) | Waste Recycling - Fly Ash Utilisation | Fly ash utilized in road construction (in MT) | 0 | 0 | 0 | 0 | 52250 | 0 | Fly Ash- 2.70 MT (At IC RE wall) | 10.88 | 1653 MT | 0.13 | Fly Ash- 2.70 MT (At IC RE wall) | 10.88 | 147777 | 20.09 |
| 5 (b) | Waste Recycling - Use of Construction and Demolition Waste | Use of construction& demolition waste (including inert / alternate material used) (in MT) | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | Rainwater Harvesting | 1. Number of RWH structures constructed (#) 2. Total cost of RWH structures (Rs. Cr.) 3. Quantity of rainwater harvested (in KL) | 28 | 0.35 | 57 | 0.35 | 59 | 1.04 | 50 | 0.86 | 0 | 0 | 50 | 0.86 | 143 | 0.72 |
| 7 | Fastag Installation | 1. Number of fastag issued 2. Sites where fastag was installed and cost incurred thereon 3. Energy savings (tentative) and travel time reduced (hrs.) | 0 | 0 | 8 | 0.40 | 12 | 0.60 | 0 | 0 | 0 | 0 | 0 | 0 | 62 Lanes | 0 |
| 8 | Amrit Sarovar (Ponds) | 1. Total number of Amrit sarovar constructed (#) 2. Cost of constructing Amrit sarovar (in Rs. Cr.) 3. Debris excavated and pondage created (kilo litre) | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10 | 0.15 |
| 9 | EV Charging Station | 1. Absolute nos. of charging stations installed in FY (#) 2. Total cost of installing charging stations (in Rs. Cr.) 3. Total cumulative capacity of EV charging stations installed (in MW _p) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



Annexure 4

BRSR

| Essential Indicators | | |
|----------------------|---|--|
| 1 | Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: | |
| | Parameter | FY 2024-25 (Current Financial Year) (Giga Joules) |
| | Total electricity consumption (A) | 35.27* |
| | Total fuel consumption (B) | - |
| | Energy consumption through other sources (C) | - |
| | Total energy consumption (A+B+C) | 35.27 |
| | Energy intensity per rupee of turnover (Total energy consumed/ Turnover in ₹ crores) | 0.016 |
| | Energy intensity (optional) - the relevant metric may be selected by the entity | - |
| | Note: * The reported electricity consumption is limited to usage within office premises. | |
| | Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | NA |
| 2 | Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. | NA |
| 3 | Provide details of the following disclosures related to water, in the following format: | |
| | Parameter | FY 2024-25 (Current Financial Year) |
| | FY 2023-24 (Previous Financial Year) | |
| | Water withdrawal by source (in kilolitres) | |
| | (i) Surface water | - |
| | (ii) Groundwater | - |
| | (iii) Third party water | 29.16* |
| | (iv) Seawater / desalinated water | - |
| | (v) Others | - |
| | Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 29.16 |
| | Total volume of water consumption (in kilolitres) | 29.16 |
| | Water intensity per rupee of turnover (Total water consumption / Turnover in ₹ crores) | 0.013 |

| | | | | |
|---|---|----------------------------|---|---|
| | Water intensity (optional) – the relevant metric may be selected by the entity | - | - | |
| | Note: *The Company's water usage is limited to drinking and other routine office needs. | | | |
| | Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | No | | |
| 4 | Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. | NA | | |
| 5 | Please provide details of air emissions (other than GHG emissions) by the entity, in the following format: | | | |
| | Parameter | Please specify unit | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
| | NOx | $\mu\text{g}/\text{m}^3$ | Not applicable as the Company do not own any DG Sets. | |
| | SOx | | | |
| | Particulate matter (PM) | | | |
| | Persistent organic pollutants (POP) | | | |
| | Volatile organic compounds (VOC) | | | |
| | Hazardous air pollutants (HAP) | | | |
| | Others – please specify | | | |
| | Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | | | No |
| 6 | Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: | | | |
| | Parameter | Unit | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
| | Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric Tons of Co2 | Nil [#] | - |
| | Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric Tons of Co2 | 7.12 [^] | - |
| | Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Turnover in ₹ crores) | Co2/ turnover (Cr.) | 0.0032 | - |
| | Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity | - | - | - |
| | Note: #Company does not have any DG Set or owned vehicles, hence Scope 1 Emissions are nil. ^Scope 2 emissions account for electricity consumption within office premises. | | | |
| | Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. | | | No |
| 7 | Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. | No | | |
| 8 | Provide details related to waste management by the entity, in the following format: | | | |

| | Parameter | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|--|--|--|---|
| Total Waste generated (in metric tonnes) | | | |
| Plastic waste (A) | - | - | |
| E-waste (B) | - | - | |
| Bio-medical waste (C) | - | - | |
| Construction and demolition waste (D) | - | - | |
| Battery waste (E) | - | - | |
| Radioactive waste (F) | - | - | |
| Other Hazardous waste (Oil-soaked cotton waste, DG filters, paint cans, chemical cans, paint residue, oil sludge, DG chimney soot, coolant oil and used oil). Please specify, if any. (G) | - | - | |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 0.0432 | - | |
| Total (A+B + C + D + E + F + G + H) | 0.0432 | - | |
| Waste intensity per rupee of turnover (Total waste generated / Turnover in ₹ crores) | 0.000019 | - | |
| Note: Waste generation is evaluated as per the National Building Code of India (2016) guidelines, using per capita waste generation norms for commercial refuse. | | | |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | | |
| Category of waste | | | |
| (i) Recycled | - | - | |
| (ii) Re-used | - | - | |
| (iii) Other recovery operations | - | - | |
| Total | - | - | |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | | |
| Category of waste | | | |
| (i) Incineration | - | - | |
| (ii) Landfilling | - | - | |
| (iii) Other disposal operations | - | - | |
| Total | - | - | |
| Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | | No | |
| 9 | Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. | As an SPV entity, the company has no manufacturing facilities or any large office set-up. Consequently, waste generation is minimal and limited to office premises owned by NHAI. Hence, this issue is not material to the Company's operations. | |

| | | | | | | |
|----|---|---|--------------------------------------|--|--|--|
| 10 | If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: | | | | | |
| | S. No | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any | | |
| | NA | | | | | |
| 11 | Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: | | | | | |
| | Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | |
| NA | | | | | | |
| 12 | Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: | | | | | |
| | S. No | Specify the law / regulation / guidelines which was not complied with | Provide details of the noncompliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any | |
| | | - | | | | |



Disclaimer of Independent Third Party Reviewer:

1. Reliance on Issuer Information

The Verifier has relied exclusively on data, documentation and representations supplied by DME Development Ltd. (DMEDL) on an “as-is” basis and has not independently audited or otherwise sought to establish the accuracy or completeness of such information.

2. Scope of Review

The assurance engagement is strictly limited to evaluating the alignment of the reported allocation and environmental impact metrics with (i) SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, (ii) the SEBI Master Circular on Green Debt Securities, (iii) the ICMA Green Bond Principles 2021 (with 2022 Appendix) and (iv) DMEDL’s Green Bond Framework. No opinion is expressed on any other aspect of the issuer’s operations, governance or strategy.

3. No Independent Verification of Financial Records

The Verifier’s procedures do not constitute an audit, review or examination of financial statements in accordance with any generally accepted auditing or assurance standard. Accordingly, no assurance is provided on the issuer’s financial statements, solvency or liquidity position.

4. No Investment Advice or Offer

Nothing in this report shall be construed as, or relied upon as, investment advice, a recommendation to transact in any security or an invitation to effect any transaction

5. No Credit Rating or Guarantee of Performance

The Verifier’s opinion does not constitute a credit rating, nor does it provide any guarantee or assurance regarding the future environmental or financial performance of the bond or the underlying projects.

6. Limited Assurance; No Duty of Care to Third Parties

The conclusions herein are expressed on a limited-assurance basis and are intended solely for the use of DMEDL and the bondholders. The Verifier accepts no duty of care and disclaims all liability to any other party that may access or rely upon this report, whether directly or indirectly.

7. Indemnification

DMEDL, its trustees and any person acting on its behalf shall indemnify and hold harmless the Verifier from and against all claims, losses, damages, costs and expenses (including reasonable legal fees) arising out of or in connection with any inaccuracy, omission or non-compliance by DMEDL with applicable law or with the terms of its Green Bond Framework.

8. No Obligation to Update

The Verifier undertakes no responsibility to update, amend or supplement this report to reflect events or circumstances occurring after the date of issuance, including changes in methodology, regulation or market practice.

9. Governing Law and Jurisdiction

This report, and any dispute or claim arising out of or in connection with it (whether contractual, tortious or otherwise), shall be governed by and construed in accordance with Indian law and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

Contact

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About us

CareEdge is a knowledge-based analytical group offering services in Credit Ratings, Analytics, Consulting and Sustainability. Established in 1993, the parent company CARE Ratings Ltd (CareEdge Ratings) is India's second-largest rating agency, with a credible track record of rating companies across diverse sectors and holding leadership positions in high-growth sectors such as BFSI and Infra. The wholly-owned subsidiaries of CareEdge Ratings are (I) CARE Analytics & Advisory Private Ltd previously known as CARE Risk Solutions Pvt Ltd, and (II) CARE ESG Ratings Ltd, previously known as CARE Advisory Research and Training Ltd. CareEdge Ratings' other international subsidiary entities include CARE Ratings Africa (Private) Limited in Mauritius, CARE Ratings South Africa (Pvt) Ltd, and CARE Ratings Nepal Limited.

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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 31st March, 2025, 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, 2025, 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

1. Amortization of Financial Assets

In accordance with the principles laid down under Ind AS 115 *Revenue from Contracts with Customers* and Ind AS 109 *Financial Instruments*, the Company is required to recognize a financial asset to the extent it has an unconditional contractual right to receive cash or another financial asset from, or at the direction of, the grantor in exchange for construction under a service concession arrangement. Such financial asset shall be initially recognized at its fair value and subsequently measured at amortized cost using the effective interest rate (EIR) method, as prescribed under Ind AS 109.

However, it has been noted that the Company has not applied the EIR method for subsequent measurement and amortization of the said financial asset over its contractual term. As informed by the management, the amortization methodology and related accounting policy are yet to be finalized.



In the absence of this information, we are unable to quantify the amount of amortization required or assess its potential impact on the Statement of Profit and Loss.

2. 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.

However, the Company has capitalized borrowing costs amounting to Rs. 6,94,075.17 lakhs incurred up to August 2024 as part of the carrying amount of the financial asset recognized under the DME project. The capitalization of such borrowing costs is not in compliance with the above-stated accounting standards, as the Company does not have a right to charge users but instead receives annuity payments from NHAI. We further note that annuity payments commenced from September 2024, and borrowing costs incurred thereafter have been appropriately expensed to the Statement of Profit and Loss.

The management is of the view that the capitalization of borrowing costs is consistent with the Company's contractual rights and obligations under the DME project and in compliance with applicable Ind AS. However, in our opinion, the capitalization of borrowing costs up to August 2024 is not in accordance with the requirements of Ind AS 115 and Ind AS 23. Had the Company expensed such borrowing costs, the financial asset and retained earnings as at March 31, 2025, would have been lower by Rs. 6,94,075.17 lakhs, and loss for the year would have been higher by the corresponding amount.



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, 2025. 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

Revenue recognition

As per Ind AS 115, revenue is to be recognized 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.

The company has an agreement with its sole shareholder, where it has the right to receive annuity in consideration of the rights transferred to the sole shareholder with respect to the management and operations of the Delhi Mumbai Expressway. The agreement stipulates that the Annuity be paid such as to service the debt service obligations of the company but is silent on determining event when performance obligations are fulfilled for recognition of revenue as per Ind AS 115. The management of the company has decided to recognize the revenue in line with the payments towards the debt service obligations.



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 31st March, 2025 is Rs 47,25,945.73 Lakhs.

We have been informed by the management that the expenditure incurred on the project by NHAI is subject to audit by the Comptroller and Auditor General of India (CAG), and the same is being examined by them.

Further, the total amount of expenditure and the corresponding financial asset balance have been confirmed by NHAI and we have relied upon the said confirmation for the purpose of our audit w.r.t. the amount of expenditure incurred and financial asset balance as at 31st March, 2025.

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, except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow 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.



(e) Based on the written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of sub-section (2) of Section 164 of the Companies Act, 2013. However, it is further clarified that the provisions of Section 164(2) are not applicable to DMEDL, being a Government company, in view of the exemption granted vide Notification No. G.S.R. 463(E) dated 05.06.2015.

(f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

(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 which 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, as disclosed in the Note 49 to the financial statements, 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, as disclosed in the Note 49 to the financial statements, 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, as on the date of this audit report, 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, which included test checks, the Company has used an accounting software for maintaining its books of account 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 examination, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous year as explained in Note 50 to the financial statements.

3. In our opinion, and according to the information and explanations provided, the provisions of Section 197 of the Companies Act, 2013 are not applicable to the Company, as no remuneration has been paid to its directors during the year. Additionally, DMEDL, being a Government company, is exempt from the applicability of Section 197 as per Notification No. G.S.R. 463(E) dated 05.06.2015. Accordingly, the question of compliance with Section 197 does not arise.
4. 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 AAAG & CO. LLP

Chartered Accountants

Firm's Registration No. 004924N



PARTNER

Membership No. :522308

DATE: 06.08.2025

Place: New Delhi

UDIN: 25522308BMJFHQ9418

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 31st March 2025, we report that:

- (i) (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) According to the information and explanation given to us and based on our examination of records, the company does not own any inventory and therefore the provisions stated under clause 3(ii)(a) of the order are not applicable to the company.



(b) During the year no working capital limit is sanctioned to the company from any bank, financial institution and therefore clause 3(ii)(b) is not applicable.

(iii) The Company has not made any investment 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 185 or 186 is applicable. Thus, paragraph 3(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 information and explanation given to us and basis of our verification of records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, duty of Customs, Value added tax, Cess and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us and verification performed by us, no undisputed amounts payable in respect of the aforesaid dues were outstanding



as at March 31, 2025 for a period of more than six months from the date of becoming payable.

(b) According to our verification of 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 wilful 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 during the year. 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. 15,100 Lakhs on 30.05.2024 during the year. 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 are 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 of the company for the period under audit.

(xv) As per the information obtained the company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(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 and accordingly, the requirements to report under clause 3(xvi) (a) of the Order is not applicable to the Company.

(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) The company has incurred cash loss of Rs 6,950.43 lakhs during the year under report on account of normal expenses incurred and Rs 95.02 lakhs in immediately preceding financial year. Based on our audit procedures and management representations, we have no material doubt on the Company's ability to continue as a going concern.

(xviii) There is no resignation of the statutory auditor of the company during the year under report, hence comment under this clause is not applicable.

(xix) On the basis of the financial ratios (as disclosed in note 18 to the financial statements), 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) Based on the records and information provided, the provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 are applicable to the company for the financial year 2024-25 as it meets the prescribed criteria. However, since the company has incurred losses in the three immediately preceding financial years, the requirement to spend the prescribed amount is not applicable to the company. Accordingly, the reporting under clauses 3(xx)(a) and 3(xx)(b) is not applicable.

(xxi) The Company does not have any subsidiaries, associates, or joint ventures as on the reporting date and accordingly, the requirements under clause 3(xxii) are not applicable.

For AAAG & CO. LLP

Chartered Accountants

Firm's Registration No. 004924N



(CA. ANKIT GOEL)



PARTNER

Membership No. :522308

DATE: 06.08.2025

Place: New Delhi

UDIN: 25522308BMJFHQ9418

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, 2025 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 statement



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.

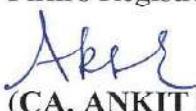
Opinion

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 2025, 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 AAAG & CO. LLP

Chartered Accountants

Firm's Registration No.004924N


(CA. ANKIT GOEL)



PARTNER

Membership No. :522308

DATE: 06.08.2025

Place: New Delhi

UDIN: 25522308BMJFHQ9418

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 2025.

| 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. Whether such cases are properly accounted for? (In case, lender is a Government Company, then | 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 |



| | | | |
|---|---|---|-----|
| | this direction is also applicable for statutory auditor of Lender Company) | | |
| 3 | Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/State or its 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 | Compliance, under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on accounting software/audit trail matters w.e.f. 2024-25 in view of applicability of Rule 3(1) of Companies (Accounts) Rules, 2014 for companies on issue w.e.f. 2024-25, have been reviewed and qualified in the Audit Report, whether applicable. | We confirm that the Company has used an accounting software “Tally Prime” for maintaining its books of account for the year ended 31 st March, 2025 which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year, has been preserved by the Company as per the statutory requirements for | NIL |



| | | | |
|--|--|--|--|
| | | record retention to the extent it was enabled and recorded in previous year as explained in Note 50 to the financial statements. | |
|--|--|--|--|

For AAAG & CO. LLP

Chartered Accountants

Firm's Registration No.004924N



(CA. ANKIT GOEL)



PARTNER

Membership No. :522308

DATE: 06.08.2025

Place: New Delhi

UDIN: 25522308BMJFHQ9418



Compliance Certificate

We have conducted the audit of annual accounts of **M/s. DME DEVELOPMENT LIMITED** for the year ended 31 March, 2025 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: 06.08.2025

Place: New Delhi

DME DEVELOPMENT LIMITED

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

Balance Sheet as at 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No | As at 31st March 2025 | As at 31st March 2024 |
|--------------------------------------|---------|--------------------------|--------------------------|
| I ASSETS | | | |
| Non-current assets | | | |
| Financial assets | | | |
| Other financial assets | 3 | 54,17,647.53 | 47,24,853.46 |
| Deferred tax assets (net) | 16 | 1,916.81 | 109.70 |
| Other non-current assets | 5 | 25.00 | 25.00 |
| Total Non-current assets | | 54,19,589.36 | 47,24,988.16 |
| Current assets | | | |
| Financial assets | | | |
| Cash and Cash equivalents | 4 | 2,996.59 | 4,043.96 |
| Other current assets | 5 | 5,723.29 | 498.09 |
| Total Current assets | | 8,719.88 | 4,542.05 |
| Total Assets | | 54,28,309.24 | 47,29,530.21 |
| II EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 6 | 5,38,500.00 | 5,23,400.00 |
| Other equity | 7 | (5,455.50) | (312.18) |
| Total Equity | | 5,33,044.50 | 5,23,087.82 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 8 | 44,03,916.72 | 40,35,078.40 |
| Total Non-current liabilities | | 44,03,916.72 | 40,35,078.40 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 8 | 48,392.00 | 21,489.00 |
| Other financial liabilities | 9 | 17,188.49 | 15,613.05 |
| Other current liabilities | 10 | 4,25,767.53 | 1,34,261.94 |
| Total Current liabilities | | 4,91,348.02 | 1,71,363.99 |
| Total Equity and Liabilities | | 54,28,309.24 | 47,29,530.21 |

Material Accounting Policies

I to 2

The accompanying notes 1-50 are an integral part of these financial statements.

As per our report of even date attached

For AAAG & Co. LLP

Chartered Accountants

Firm Regn No. : 004924

For and on behalf of Board of Directors

DME Development Limited

(CA Ankit Goel)
Partner
M.No. 522308



(NRVVMK Rajendra Kumar)
Chairman
DIN: 09494456

(Ananta Manohar)
Director & CFO
DIN: 09822685

Date: 06/08/2025
Place: New Delhi
UDIN: 255223080 MJFH09418

(Gautam Vishal)
Chief Executive Officer

(Prachi Mittal)
Company Secretary
& Compliance Officer
M.No. 40236



DME DEVELOPMENT LIMITED

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

Statement of Profit and Loss for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---------|---------------------------------------|---------------------------------------|
| Income | | | |
| Revenue from operations | 11 | 2,21,012.77 | - |
| Other Income | 12 | 59.91 | 0.05 |
| Total Income (I) | | 2,21,072.68 | 0.05 |
| Expenses | | | |
| Employees benefits expense | 13 | 20.25 | 10.30 |
| Financial costs | 14 | 2,27,899.45 | - |
| Administrative expenses | 15 | 103.41 | 84.77 |
| Total Expenses (II) | | 2,28,023.11 | 95.07 |
| Profit/(Loss) before tax (III= I-II) | | (6,950.43) | (95.02) |
| Income Tax expense | | | |
| Current tax | 16 | - | - |
| Deferred tax | | 1,807.11 | 24.71 |
| Total Income Tax Expenses (IV) | | 1,807.11 | 24.71 |
| Profit/(Loss) for the year (V= III+IV) | | (5,143.32) | (70.31) |
| Other comprehensive income/(loss) | | | |
| a) Items that will not be reclassified to profit or loss (net of Tax) | | | |
| - Re-measurement gain/(loss) on defined benefit plan | | - | - |
| b) Items that may be reclassified to profit or loss (net of Tax) | | | |
| - Fair value gain / (loss) on investments and other financial instruments | | - | - |
| Total other comprehensive income/ (loss) for the year (VI= a+b) | | - | - |
| Total comprehensive income/(loss) for the year (VII= V+VI) | | (5,143.32) | (70.31) |
| Paid up Equity Share Capital (Face value INR 100/- each) | | 5,38,500.00 | 5,23,400.00 |
| Other Equity | | (5,143.32) | (70.31) |
| Earnings per equity share (of INR 100/- each): | | | |
| (1) Basic (absolute value in INR) | 19 | (0.96) | (0.02) |
| (2) Diluted (absolute value in INR) | | (0.96) | (0.02) |

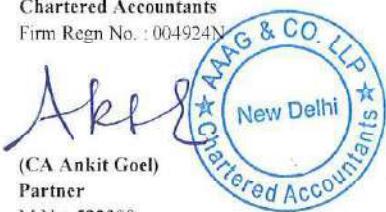
Material Accounting Policies

1 to 2

The accompanying notes 1-50 are an integral part of these financial statements.

As per our report of even date attached

For AAAG & Co. LLP
Chartered Accountants
Firm Regn No.: 004924N



(CA Ankit Goel)
Partner
M.No. 522308

For and on behalf of Board of Directors
DME Development Limited


(Ananta Manohar)
Director & CFO
DIN: 09822685


(NRVVMK Rajendra Kumar)
Chairman
DIN: 09494456




(Gautam Vishal)
Chief Executive Officer


(Prachi Mittal)
Company Secretary &
Compliance Officer
M.No. 40236

Date: 06/08/2025
Place: New Delhi
UDIN: 255223088MSFH09418

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

Cash Flow Statement for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

| | Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|----------|---|---------------------------------------|---------------------------------------|
| A | Operating Activities | | |
| | Profit/(Loss) before tax | (6,950.43) | (95.02) |
| | Operating profit/(loss) before working capital changes | (6,950.43) | (95.02) |
| | Movements in working capital : | | |
| | (Increase)/decrease in other current assets | (5,225.21) | 50,609.96 |
| | (Increase)/decrease in other financial assets | (6,92,794.08) | (11,40,745.49) |
| | Increase/(decrease) in other financial liabilities | 1,575.44 | 9,667.91 |
| | Increase/(decrease) in other current liabilities | 2,91,505.59 | 1,34,048.03 |
| | Cash flow from/(used in) operations | (4,11,888.69) | (9,46,514.61) |
| | Income taxes paid | - | - |
| | Net cash used in operating activities (A) | (4,11,888.69) | (9,46,514.61) |
| B | Investing Activities | | |
| | Net cash used in investing activities (B) | - | - |
| C | Financing Activities | | |
| | Borrowings during the year | 3,95,741.32 | 8,64,571.63 |
| | Net proceeds from issue of equity shares capital | 15,100.00 | 84,000.00 |
| | Net cash from financing activities (C) | 4,10,841.32 | 9,48,571.63 |
| | Net increase/(decrease) in Cash and Cash equivalents (A+B+C) | (1,047.37) | 2,057.02 |
| | Cash and Cash equivalents at the beginning of the year | 4,043.96 | 1,986.94 |
| | Cash and Cash equivalents at the end of the year (refer note 4) | 2,996.59 | 4,043.96 |

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 | (Rs. in Lakhs) | |
|---|--------------------------|--------------------------|
| | As at 31st March 2025 | As at 31st March 2024 |
| Cash & Cash Equivalent | | |
| Balance with Banks | 2,996.59 | 4,043.96 |
| Balance as per Statement of Cash Flows | 2,996.59 | 4,043.96 |

4. Changes in liabilities arising from financing activities

| Particular | (Rs. in Lakhs) | |
|---|--------------------------|--------------------------|
| | As at 31st March 2025 | As at 31st March 2024 |
| Borrowings | | |
| Borrowings at the beginning of the year | 40,56,567.40 | 31,91,995.75 |
| Interest charged on borrowings | 3,51,388.71 | 2,89,315.08 |
| Interest paid on borrowings | (3,51,388.71) | (2,89,315.08) |
| Proceeds from borrowings | 12,29,580.32 | 8,64,571.65 |
| Repayment of borrowings | (8,33,839.00) | - |
| Borrowings as at year end | 44,52,308.72 | 40,56,567.40 |

The accompanying notes 1-50 are an integral part of these financial statements.
As per our report of even date attached

For AAAG & Co, LLP
Chartered Accountants
Firm Regn No.: 0049241

(CA Ankit Goel)
Partner
M.No. 522308

Date: 06/08/2025
Place: New Delhi
UDIN: L5C223068M1FHQ9418


Ankit Goel

For and on behalf of Board of Directors
DME Development Limited

(NRVVMK Rajendra Kumar)
Chairman
DIN: 09494456


(Gautam Vishal)
Chief Executive Officer

(Ananta Manohar)
Director & CFO
DIN: 09822685


(Prachi Mittal)
Company Secretary &
Compliance Officer
M.No. 40236



DME DEVELOPMENT LIMITED

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

Statement of changes in equity for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

(a) Equity share capital (refer note 6)

| Particulars | Number of Shares | (Rs. In lakhs) |
|---|------------------|----------------|
| Equity shares of INR 100/- each issued, subscribed and fully paid | | |
| As at April 01, 2023 | 43,94,00,000 | 4,39,400.00 |
| Add: Issued during the year | 8,40,00,000 | 84,000.00 |
| As at March 31, 2024 | 52,34,00,000 | 5,23,400.00 |
| Add: Issued during the year | 1,51,00,000 | 15,100.00 |
| As at March 31, 2025 | 53,85,00,000 | 5,38,500.00 |

(b) Other equity (refer note 7)

| Particulars | Reserves and Surplus | |
|------------------------------|----------------------|------------|
| | Retained earnings | Total |
| Balance as at April 01, 2024 | (312.18) | (312.18) |
| Loss for the year | (5,143.32) | (5,143.32) |
| Balance as at March 31, 2025 | (5,455.50) | (5,455.50) |

For the year ended March 31, 2024

| Particulars | Reserves and Surplus | |
|------------------------------|----------------------|----------|
| | Retained earnings | Total |
| Balance as at April 01, 2023 | (241.87) | (241.87) |
| Loss for the year | (70.31) | (70.31) |
| Balance as at March 31, 2024 | (312.18) | (312.18) |

The accompanying notes 1-50 are an integral part of these financial statements.

As per our report of even date attached

For AAAG & Co. LLP

Chartered Accountants



(CA Ankit Goel)
Partner
M.No. 522308

For and on behalf of Board of Directors

DME Development Limited

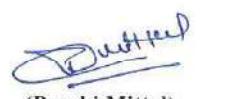
(NRVVMK Rajendra Kumar)
Chairman
DIN: 09494456

(Ananta Manohar)
Director & CFO
DIN: 09822685

Date: 06/08/2025
Place: New Delhi
UDIN: 2552230BBM1FH09418


(Gautam Vishal)
Chief Executive Officer




(Prachi Mittal)
Company Secretary &
Compliance Officer
M.No. 40236

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 2025****1. CORPORATE INFORMATION**

The Company has mandate to implement the prestigious project of Delhi-Mumbai Expressway covers a length of total 1337 Kilometers. Out of this, the stretch of Delhi- Vadodara are 845 Kilometers to be executed in EPC mode. The other stretches of Vadodara to Mumbai section are 432 Kilometers & SPUR to Delhi section is 60 Kilometers to be executed in HAM. The Delhi-Mumbai section under this project is targeted to be completed by March 2026. 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 from 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.

The Financial Statements for the year ended 31st March 2025, were approved by the Board of Directors and authorized on 06/08/2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES**2.1 Basis of preparation of financial statements****a) 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 1 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 Schedule III to the Companies Act 2013, amended from time to time applicable to companies to whom Ind AS applies.

b) Basis of preparation and presentation

These Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of Companies Act, 2013 (the "Act"), read with rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and relevant amendments rules issued thereunder.

The Financial Statements have been prepared under the historical cost convention on the accrual basis except certain financial instrument which are measured at fair values, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

The Financial Statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest Rs. In lakh (as per the requirement of Schedule III), unless otherwise stated.

The Balance Sheet and the Statement of Profit & Loss are prepared and presented in the format prescribed as per Schedule- III of the Companies Act. The cash flow statement is prepared and presented as per the requirements of Ind AS 7 of Cash Flow Statements.

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 except otherwise stated



c) 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.

2.2 Use of estimates and Judgments

The preparation of the Financial Statements in conformity with the principles of Ind AS requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about the significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements.

2.3 Classification of assets and liabilities as current and non-current

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 are used to set alarm 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 condition

- 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

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

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the cash management.

2.5 Revenue recognition

Recognition of revenue from contracts with customers is as under:-

In consideration of the development of the project by way of concession granted by the NHAI under the Concession Agreement, DME DL shall be entitled to demand and collect Annuity payment from NHAI in the manner as stipulated in the Concession Agreement. Annuity payment has been started from NHAI starting from the month of September 2024.

Qualitative & Quantification of revenue in the form of annuity shall be required to be aligned with the repayment terms agreed with Lenders and servicing of accumulated debts (including interest thereon) and other incidental expenses during the construction and servicing period.

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.

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 recognized when it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably. Interest income is included under the head "other income" in the statement of profit and loss.

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.



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2.6. Depreciation and Amortization.

Depreciation is recognized 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 will be amortized on a pro-rata basis in proportion to the repayment of debt over the relevant remaining concession period.

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.8 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 recognized 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 amortized cost

A financial asset is subsequently measured at amortized 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 the finance income using the effective interest rate (EIR) method. Impairment gain or loss arising on these assets are recognized in the Statement of Profit & 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



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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 recognized in other comprehensive income.

(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 value through profit or 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



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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.

2.9 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



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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.

2.10 Provisions

Provisions are recognised 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. 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 pretax 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 recognised as a finance cost.

2.11 Contingent liabilities

Contingent liability is a possible obligation that rises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group, or is a present obligation that arises from past event but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised.

2.12 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



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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.

2.13 Earnings per share

Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity and preference shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.14 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 Mormugao port connectivity 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.

2.15 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 statement of profit & 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.

2.16 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.



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2.17 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.

2.18 Expenditure

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

2.19 Background of the Company and status of projects

The company was setup to Promote, Develop, Survey, Establish, Design, Construct, Equip, Operate, Maintain, Modify and Upgrade either alone or jointly with other companies or persons or any other entity, Infrastructure facilities and works in relation to the Delhi-Mumbai Expressway and of any other Highways / Expressways of all descriptions, including. NHAI decided to implement the project through a SPV, therefore, the company (DMEDL) was formed on 29th August 2020, with the shareholding 100% of National Highways Authority of India (NHAI).

The authority has resolved to develop the Delhi- Mumbai Expressway in two phases comprising of section from Delhi to Vadodara from Km. 0.000 to Km. 844.382 ("Phase I") and Vadodara to Mumbai from Km. 355.000 to Km. 26.582 of Main Expressway and 00.000 to Km. 79.783 of SPUR of Vadodara Mumbai Expressway by eight laning and SPUR to Delhi from Km. 00.000 to Km. 59.063 Km by six laning, on Engineering, Procurement Construction (the " EPC") basis for Phase I and Hybrid Annuity Model (HAM) for the remaining section (the Project) through DME Development Limited. However, till 31st March 2025, approx. 90% of physical progress and approx. 88% of financial progress have been achieved. Out of total length 1337 Km, 1164 Km has been completed. A concession agreement was entered between the Company and NHAI which conferred the right to the company to implement the project and levy toll/user fee during the concession period after completion of construction.



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3. Other financial assets

| Particulars | Non-current | | Current | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2025 | As at 31st March 2024 | As at 31st March 2025 | As at 31st March 2024 |
| Unsecured-Considered Good | | | | |
| Other financial assets (at fair value through profit or loss) | | | | |
| Reclassification of Construction cost | 41,56,799.95 | 33,05,447.22 | - | - |
| Add: Current year Construction Cost | 5,69,145.78 | 8,51,352.73 | - | - |
| Reclassification of Pre-Operative Expenses | 5,68,053.51 | 2,78,660.74 | - | - |
| Add: Current year Pre-Operative Expenses (As per note 17) | 1,23,648.30 | 2,89,392.77 | - | - |
| Total other financial assets (at amortised cost) | 54,17,647.55 | 47,24,853.46 | - | - |

4. Cash and cash equivalents

| Particulars | Non-current | | Current | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2025 | As at 31st March 2024 | As at 31st March 2025 | As at 31st March 2024 |
| Balances with banks: | | | | |
| - Bank balances | - | - | 21.08 | 4,043.96 |
| - Deposits with original maturity of less than three months | - | - | 2,975.51 | - |
| Total | - | - | 2,996.59 | 4,043.96 |

Details of Bank accounts.

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|------------------------------------|--------------------------|--------------------------|
| Current | | |
| Bank of Baroda | 6.41 | 5.83 |
| Bank of India | - | 2.13 |
| Central Bank of India | - | 0.96 |
| Karnataka Bank | - | 0.49 |
| Indian Overseas Bank | - | 13.98 |
| Canara Bank flexi deposits account | 2,975.51 | - |
| Canara Bank current account | 0.07 | |
| Punjab National Bank | 2.84 | 54.08 |
| Axis Bank | 11.76 | 3,939.73 |
| Bank of Maharashtra | - | 26.77 |
| | 2,996.59 | 4,043.96 |

5. Other assets

| Particulars | Non-current | | Current | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2025 | As at 31st March 2024 | As at 31st March 2025 | As at 31st March 2024 |
| Unsecured-Considered Good | | | | |
| GST paid in advance on loan processing fee & others | - | - | 10.32 | 12.84 |
| Advances to suppliers | - | - | 2.36 | - |
| Security Deposits | - | - | 1.50 | 1.50 |
| Recovery Expense Fund (in favor of Stock Exchange @0.01% of issue size subject to maximum Rs 25.00 lakhs) | 25.00 | 25.00 | - | - |
| Accrued Interest | - | - | 54.69 | 1.82 |
| Prepaid Expenses | - | - | 2.35 | 22.98 |
| Advance tax and TDS (net of provision for income tax) | - | - | 4,426.56 | 12.32 |
| Balances with statutory and government authorities* | - | - | 1,225.51 | 446.63 |
| Total other assets | 25.00 | 25.00 | 5,723.29 | 498.09 |

*Balances with statutory and government authorities includes Input Tax Credit and TDS credit under GST



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6. Equity Share capital

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|---|--------------------------|--------------------------|
| Authorised share capital | | |
| 3,00,00,00,000 (March 31, 2024: 3,00,00,00,000) equity shares of INR 100/- each | 30,00,000.00 | 30,00,000.00 |
| | 30,00,000.00 | 30,00,000.00 |
| Issued, subscribed and fully paid-up | | |
| 53,85,00,000 (March 31, 2024: 52,34,00,000) equity shares of INR 100/- each | 5,38,500.00 | 5,23,400.00 |
| Total | 5,38,500.00 | 5,23,400.00 |

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

| Particulars | As at 31st March 2025 | | As at 31st March 2024 | |
|---|-----------------------|-----------------|-----------------------|-----------------|
| | Number of Shares | (Rs. In lakhs) | Number of Shares | (Rs. In lakhs) |
| Equity shares | | | | |
| At the commencement of the year | 52,34,00,000 | 5,23,400 | 43,94,00,000 | 4,39,400 |
| Add: Issued during the year * | 1,51,00,000 | 15,100 | 8,40,00,000 | 84,000 |
| (@ Rs. 100/- each) | | | | |
| Outstanding as the end of the year | 53,85,00,000 | 5,38,500 | 52,34,00,000 | 5,23,400 |

* During the current year ended 31st March, 2025, the company has issued 1,51,00,000 number of equity shares of face value Rs. 100/- each on 30.05.2024. Each holder of equity shares is entitled to one vote per share.

* During the previous year ended 31st March, 2024, the company had issued 8,40,00,000 number of equity shares of face value Rs. 100/- each. Each holder of equity shares is entitled to one vote per share.

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 31st March 2025 | | As at 31st March 2024 | |
|--|-----------------------|--------------|-----------------------|--------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| Name of the shareholder | | | | |
| Equity shares of Rs. 100 each fully paid | | | | |
| 53,84,99,994 no. of equity shares held by NHAI (Promoter & holding company) and balance 6 equity shares are held through other nominee of NHAI | 53,85,00,000 | 100% | 52,34,00,000 | 100% |

Details of shares held by Promoters

| Particulars | As at 31st March 2025 | | As at 31st March 2024 | |
|--|-----------------------|--------------|-----------------------|--------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| Name of the shareholder | | | | |
| Equity shares of Rs. 100 each fully paid | | | | |
| 53,84,99,994 no. of equity shares held by NHAI (Promoter & holding company) and balance 6 equity shares are held through other nominee of NHAI | 53,85,00,000 | 100% | 52,34,00,000 | 100% |

7. Other equity

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|-----------------------------------|--------------------------|--------------------------|
| Retained earnings | | |
| At the commencement of the year | | (312.18) (241.87) |
| Add: Profit / (Loss) for the year | | (5,143.32) (70.31) |
| At the end of the year | | (5,455.50) (312.18) |
| Total other equity | (5,455.50) | (312.18) |



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8. Borrowings

| Particulars | Non-current | | Current | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2025 | As at 31st March 2024 | As at 31st March 2025 | As at 31st March 2024 |
| Unsecured (against letter of comfort issued by NHAI) | | | | |
| Taxable Bonds - issued to QIBs (Secured, Non-Convertible, Non-Cumulative) | 17,71,000.00 | 16,93,500.00 | - | - |
| Rupee Term Loans from Banks | 26,32,916.72 | 23,41,578.40 | 48,392.00 | 21,489.00 |
| Total | 44,03,916.72 | 40,35,078.40 | 48,392.00 | 21,489.00 |

Taxable Bonds / NCDs - issued to QIBs (Listed Senior, Secured, Non-Convertible, Non-Cumulative, Redeemable, taxable bonds)

| Particulars of NCDs | Series I | Series II | Series III | Series IV | Series V | Green Bond |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Date of Information Memorandum | 14-03-2022 | 16-02-2023 | 06-03-2023 | 01-12-2023 | 29-02-2024 | 09-12-2024 |
| Type of Information | Private Placement |
| Nature of Securities | Secured Debentures |
| Number of Securities | 5,000 | 3,68,400 | 2,35,500 | 3,00,000 | 2,89,600 | 77,500 |
| Price (Lakh) | 100.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Amount of Securities (in Lakh) | 5,00,000 | 3,68,400 | 2,35,500 | 3,00,000 | 2,89,600 | 77,500 |
| Base Issue Size (in Lakh) | 1,00,000 | 1,00,000 | 60,000 | 1,00,000 | 1,00,000 | 50,000 |
| Green Shoe (in Lakh) | 4,00,000 | 2,68,400 | 1,75,500 | 2,00,000 | 1,89,600 | 27,500 |
| As at 31st March 2025 (Rs. in Lakh) | 5,00,000 | 3,68,400 | 2,35,500 | 3,00,000 | 2,89,600 | 77,500 |
| As at 31st March 2024 (Rs. in Lakh) | 5,00,000 | 3,68,400 | 2,35,500 | 3,00,000 | 2,89,600 | - |
| Coupon Rate | 9.58% p.a * | 7.82% p.a | 7.89% p.a | 7.74% p.a | 7.55% p.a | 7.23% p.a |
| Allotment date | 16-03-2022 | 24-02-2023 | 14-03-2023 | 04-12-2023 | 01-03-2024 | 11-12-2024 |
| Maturity date | Refer Table Below ** | 24-02-2033 | 14-03-2033 | 04-12-2038 | 01-03-2039 | 11-12-2034 |
| Listed on Wholesale Debt Market (WDM) | NSE | NSE | NSE | BSE & NSE | BSE & NSE | BSE & NSE |
| Trustee of the Issue | SBI Trustee Company Limited |
| Registrar and Share Transfer Agent to the Issue | Big share Services Pvt Ltd |
| Credit Ratings | | | | | | |
| India Rating & Research Pvt Ltd | IND AAA / Stable |
| CARE Ratings Limited | CARE AAA / Stable |
| CRISIL | CRISIL AAA / Stable |

Note:- Other detailed terms & conditions will be as per private placement information memorandum executed at the time of private placement.

* (Liked to five days average of 3-Month T-Bill plus spread of 311 bps, reset quarterly)

** Maturity date of NCD - Series I

| STRPP | Redemption Date | Rs. (in Lakhs) |
|-------|-----------------|----------------|
| I | 16-03-2028 | 50,000.00 |
| II | 16-03-2029 | 50,000.00 |
| III | 18-03-2030 | 50,000.00 |
| IV | 17-03-2031 | 50,000.00 |
| V | 16-03-2032 | 50,000.00 |
| VI | 16-03-2033 | 50,000.00 |
| VII | 16-03-2034 | 50,000.00 |
| VIII | 16-03-2035 | 50,000.00 |
| IX | 17-03-2036 | 50,000.00 |
| X | 16-03-2037 | 50,000.00 |
| Total | | 5,00,000.00 |

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DME DEVELOPMENT LIMITED

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Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

| Name of Lender | FALICITY | Purpose | Details of Term Loans | | |
|-----------------------|--|--|--|--------------------------|--|
| | | | Amount of loan outstanding As at 31st March 2025 | As at 31st March 2024 | Rate of Interest |
| Bank of Maharashtra | TERM LOAN (Fully repaid hence outstanding NIL) | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | - | 1,69,994.98 | 0.10% above 1 month MCLR. Loan was fully repaid on 13.08.2024. |
| Bank of India | TERM LOAN (Revised sanctioned ₹ 3860 Crore & Disbursed ₹ 3860.00 Crore | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | 3,83,033.56 | 3,34,999.36 | 165 bps over Repo presently effective 7.90% p.a |
| Central Bank of India | TERM LOAN (Fully repaid hence outstanding NIL) | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | - | 2,49,993.61 | ROI Linked with MCLR (1M). Loan was fully repaid on 07.11.2024. |
| Bank of Baroda | TERM LOAN (Sanctioned ₹ 5000 Crore & Disbursed ₹ 4920 Crore | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | 4,88,246.92 | 2,84,999.54 | 1 Year G-Sec plus spread of 127 bps i.e. presently effective ROI is 7.95% p.a. |
| Indian Overseas Bank | TERM LOAN (Fully repaid hence outstanding NIL) | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | - | 50,000.00 | 1 month MCLR 8.20%. Loan was fully repaid on 03.10.2024. |
| Karnataka Bank | TERM LOAN (Sanctioned ₹ 500 Crore And Disbursed ₹ 500 Crore | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | 49,624.47 | 50,000.00 | 105 bps spread over F-Bill current rate of interest of 7.84% p.a. |
| State Bank of India | TERM LOAN (Revised Sanctioned ₹ 7000 Crore And Disbursed ₹ 7000 Crore | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | 6,94,368.08 | 7,49,995.29 | 151 bps spread over three 3 Month T-Bill ie 7.84% p.a |



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Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

| | | | | | | |
|---|---|--|-------------|-------------|---|--|
| UCO Bank | TERM LOAN (Sanctioned ₹ 2000 Crone & Disbursed ₹ 2000) | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | 1,98,498.80 | 99,997.44 | 150 bps over Repo i.e., 7.75% p.a. at present. | Repayment period has been started from 31-03-2025 with in 28 instalments as per repayment schedule as mention sanction letter. |
| Axis Bank | TERM LOAN (Fully repaid hence outstanding NIL) | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | - | 93,100.00 | 149 bps over Repo i.e., 7.90% p.a. which was fully repaid on 18.02.2025 | NA |
| Punjab National Bank | TERM LOAN (Sanctioned ₹ 2800 crore & Disbursed ₹ 2800 crore) | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | 2,77,897.41 | 2,79,987.18 | 165 bps over Repo i.e., 7.90 % p.a. at present. | Repayment period has been started from 31-03-2025 with in 28 instalments as per repayment schedule as mention sanction letter. |
| Canara Bank | TERM LOAN (Sanctioned ₹ 5000 crore & Disbursed ₹ 4950 crore) | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | 4,91,133.86 | - | EBLR2 plus 160 bps i.e., 7.90% p.a. at present. | Repayment period has been started from 31-03-2025 with in 28 instalments as per repayment schedule as mention sanction letter. |
| National Bank for Financing Infrastructure & Development (NaBFID) | TERM LOAN (Sanctioned ₹ 5000 crore & Disbursed ₹ 992.50 crore) | Construction of greenfield Delhi – Mumbai Expressway (access-controlled 8 lane greenfield expressway) of approx. 1276.70 KM passing through the States of Delhi, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra on HAM and EPC mode. | 98,505.62 | - | 10 bps spread over 6 Month NaBFID Lending Rate i.e., 7.85% p.a. at present. | Repayment period has been started from 31-03-2025 with in 28 instalments as per repayment schedule as mention sanction letter. |

Note:- Other detailed terms & conditions will be as per sanction letter executed by all banks at the time of loans granted.

Utilization of Borrowed Funds :-

All the above mentioned loans are utilized for their specific purpose.

Registration of Charges or satisfaction with Registrar of Companies (ROC)

Registration of charges have been created on all secured loans by the respective banks and same have been registered with RoC and these are displaying at portal of Ministry of Corporate affairs as on date.

9. Other financial liabilities

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--|-----------------------|-----------------------|
| Current | | |
| Interest accrued on borrowings | 17,188.49 | 15,613.05 |
| Total other financial liabilities | 17,188.49 | 15,613.05 |

10. Other current liabilities

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--|-----------------------|-----------------------|
| Current | | |
| Statutory Liabilities | 1.92 | 2.89 |
| Stamp Duty payable | - | 129.60 |
| Balance payable to NHAI | 4,25,745.74 | 1,34,099.95 |
| Other Current Liabilities | 19.87 | 29.50 |
| Total other current liabilities | 4,25,767.53 | 1,34,261.94 |

Amount payable to Micro, Small and Medium Enterprises.

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. There are no amounts payable to Micro and Small Enterprises (Suppliers) covered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March 2025.



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Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

11. Revenue from operations

| Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|-------------------|---------------------------------------|---------------------------------------|
| Annuity from NHAI | 2,21,012.77 | - |
| Total | 2,21,012.77 | - |

12. Other income

| Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---------------------------------------|---------------------------------------|
| Interest Income : | | |
| From Banks on Flexi linked deposits | 83.57 | 88.75 |
| From Income tax refund | 0.44 | 0.05 |
| Reversal of Bank Charges | | - |
| Total | 84.01 | 88.80 |
| Less: Transferred to Pre-operative expenditure | (24.10) | (88.75) |
| Balance to be shown in the Statement of Profit & Loss | 59.91 | 0.05 |

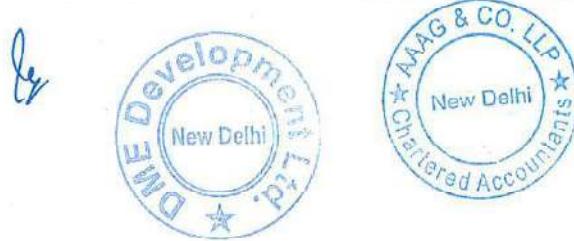
13. Employee benefits expense

| Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---------------------------------------|---------------------------------------|
| Salaries and wages* | 19.95 | 10.20 |
| Incentive | 0.30 | 0.10 |
| Total | 20.25 | 10.30 |
| Balance to be shown in the Statement of Profit & Loss | 20.25 | 10.30 |

*A company Secretary & Dy. Manager (F&A) were appointed as an employees in the Company. All other workforce is working for the Company on deputation made by the NHAI from its staff on additional charge and / or outsourced employees are engaged in the company. No other employee in the company except them as of date.

14. Finance costs

| Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|--|---------------------------------------|---------------------------------------|
| Interest on Term Loans | 2,08,445.83 | 1,82,418.75 |
| Interest on Bond/Debentures to QIBs (Financial Institutions) | 1,42,942.88 | 1,06,896.33 |
| Inspection Chages | 0.54 | 1.11 |
| Total | 3,51,389.25 | 2,89,316.19 |
| Less: Transferred to Pre-operative expenditure | (1,23,489.80) | (2,89,316.19) |
| Balance to be shown in the Statement of Profit & Loss | 2,27,899.45 | - |



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Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

15. Administrative expenses

| Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---------------------------------------|---------------------------------------|
| Internal audit fee | 0.90 | 0.90 |
| Legal and professional charges | 140.98 | 80.01 |
| Auditors' remuneration [Refer note (i)] | 2.61 | 2.46 |
| Printing & Stationary | 0.56 | 0.08 |
| Stamp Duty Charges | 12.66 | 37.72 |
| Bonds / Debentures Issue Expenses | 2.55 | 3.28 |
| Bank charges | 68.79 | 73.64 |
| License & Renewal Fees | 0.87 | - |
| LEI Renewal Fee | 0.03 | 0.03 |
| Listing Fees | 20.00 | 20.65 |
| Diwali Incentive | 1.05 | 0.60 |
| Rates & Taxes [Refer note (ii)] | 3.00 | 0.65 |
| Sitting Fees to Independent Director | 14.50 | 12.50 |
| Vehicle Hiring Charges | 12.78 | 8.92 |
| Conveyance Charges | 0.13 | 1.23 |
| Advertisement Expenses | 3.14 | 4.85 |
| Miscellaneous Expenses | 1.46 | 2.58 |
| Total | 286.01 | 250.10 |
| Less: Transferred to Pre-operative expenditure | (182.60) | (165.33) |
| Balance to be shown in the Statement of Profit & Loss | 103.41 | 84.77 |

Note (i) Auditors' remuneration:

| Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|-------------------------------|---------------------------------------|---------------------------------------|
| As Statutory Auditors: | | |
| - Statutory audit fee | 1.21 | 1.21 |
| - Other services | 1.40 | 1.25 |
| Total | 2.61 | 2.46 |

Note (ii) Rates & Taxes:

| Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|--------------------------------|---------------------------------------|---------------------------------------|
| RCM with no input receivables | - | 0.44 |
| ROC filing fees | 0.24 | 0.21 |
| Penalty on RoC Filing & others | 2.76 | - |
| Total | 3.00 | 0.65 |

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Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

16. Current Tax

The major components of income tax expense for the year ended 31 March 2025 are as follows:-

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

| Particulars | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|--|---------------------------------------|---------------------------------------|
| Loss as per Income Tax | (6,950.43) | (95.02) |
| 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 | (6,950.43) | (95.02) |

Deferred tax

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--|--------------------------|--------------------------|
| Deferred tax asset relates to the following: | | |
| Opening balance (A) | 109.70 | 84.99 |
| Timing Difference due to loss as per income tax act and Company Act (B) | (6,950.43) | (95.02) |
| Total deferred tax asset on above timing difference. C=26% of (B) | 1,807.11 | 24.71 |
| Net deferred tax assets/(liability) (A+C) | 1,916.81 | 109.70 |

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 (net) as at March 31, 2025 are as follows:

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|-------------------------------------|--------------------------|--------------------------|
| Non-Current Tax Assets (Net) | | |
| Deferred Tax Assets | 1,916.81 | 109.70 |
| Non-Current Tax Assets (Net) | 1,916.81 | 109.70 |

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Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

17: Statement of Pre Operative Expenses

(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---------|---------------------------------------|---------------------------------------|
| Income | | | |
| Revenue from operations | 11 | - | - |
| Other Income | 12 | 24.10 | 88.75 |
| Total Income (I) | | 24.10 | 88.75 |
| Expenses | | | |
| Financial costs | 14 | 1,23,489.80 | 2,89,316.19 |
| Administrative expenses | 15 | 182.60 | 165.33 |
| Total Expenses (II) | | 1,23,672.40 | 2,89,481.52 |
| Pre-operative expenditure for the year (net) | | 1,23,648.30 | 2,89,392.77 |
| Carried forward to other financial assets (refer note 3) | | 1,23,648.30 | 2,89,392.77 |



Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

| 18. RATIOS | As at 31st March 2025 | | | As at 31st March 2024 | | | % Change |
|-------------------------------------|-----------------------|--------------------|--------------|-----------------------|--------------------|--------------|-----------------|
| | Numerator | Denominator | Ratio | Numerator | Denominator | Ratio | |
| a) Current Ratio (refer (i) below) | 8,719.88 | 4,91,348.02 | 0.02 | 4,542.05 | 1,71,363.99 | 0.03 | -33% |
| b) Debt Equity Ratio | 44,52,308.72 | 5,33,044.50 | 8.35 | 40,56,567.40 | 5,23,087.82 | 7.76 | 8% |
| c) Net profit ratio | (5,143.32) | 2,21,072.68 | (0.02) | (70.31) | NIL | NIL | NIL |
| d) Return on equity | (5,143.32) | 5,28,066.16 | (0.01) | (70.31) | 4,81,122.98 | NIL | NIL |
| e) Total debts to total assets | 44,52,308.72 | 54,28,309.24 | 0.82 | 40,56,567.40 | 47,29,530.21 | 0.86 | -4% |
| f) Debt Service Coverage ratio | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| g) Inventory Turnover ratio | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| h) Trade receivables turnover ratio | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| i) Trade payables turnover ratio | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| j) Net Capital turnover ratio | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| k) Return on Capital employed. | (6,950.43) | 49,36,961.22 | NIL | (95.02) | 45,58,166.22 | NIL | NIL |

| Element of Ratio | Numerator | Denominator |
|-----------------------------------|-------------------------------------|------------------------------|
| Current ratio | Current Assets | Current Liabilities |
| Debt Equity Ratio | Debt (Borrowings) | Shareholder's Equity |
| Net profit ratio | Net Loss | Net Sales |
| Return on equity | Net Loss | Average Shareholder's Equity |
| Total debts to total assets ratio | Total Debt/Borrowings | Total assets |
| Debt Service Coverage ratio | Earnings available for debt service | Debt Service |
| Inventory Turnover ratio | Cost of goods sold OR sales | Average Inventory |
| Trade receivables turnover ratio | Net Credit Sales | Average Accounts Receivable |
| Trade payables turnover ratio | Net Credit Purchases | Average Trade Payables |
| Net Capital turnover ratio | Net Sales | Average Working Capital |
| Return on Capital employed. | Earning before interest and taxes | Capital Employed |

Reasons for variance of more than 25% in above ratios

(i) Change is on account of increase in current liabilities mainly on account of increase of balance payable to NHAI towards reimbursement of expenditure for DME project.

19. Earnings per share (EPS)

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

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

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--|----------------------------------|----------------------------------|
| Loss attributable to equity holders for basic earnings (Rs. In Lakh) | (5,143.32) | (70.31) |
| Loss attributable to equity holders for the effect of dilution (Rs. In Lakh) | (5,143.32) | (70.31) |
| Weighted average number of equity shares for calculating basic EPS (nos) | 53,60,59,178 | 45,94,60,274 |
| Weighted average number of equity shares for calculating diluted EPS (nos) | 53,60,59,178 | 45,94,60,274 |
| Basic EPS (absolute value in INR) | (0.96) | (0.02) |
| Diluted EPS (absolute value in INR) | (0.96) | (0.02) |



Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

20. 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 | | | |
|-------|---|--|-------------------------|---------------------|----|
| a. | Enterprise having substantial interest in the Company | National Highway Authority of India holding (with its nominees) 100% share capital | | | |
| b. | Key management personnel of the Company | Name | Designation | From | To |
| | | Mrs. Sudha Damodar | Independent Director | 23rd December, 2022 | - |
| | | Mr. Rajesh Ranjan | Independent Director | 15th April, 2023 | - |
| | | Mr. Vinay Kumar, IAS | Director | 22nd May, 2024 | - |
| | | Mr. Alok Deepankar | Director | 09th November, 2023 | - |
| | | Mr. NRVVMK Rajendra Kumar | Director | 16th February, 2022 | - |
| | | Mr. Ananta Manohar | Director | 23rd December, 2022 | - |
| | | Mr. Gautam Vishal | Chief Executive Officer | 09th November, 2023 | - |
| | | Mr. Ananta Manohar | Chief Financial Officer | 23rd June, 2022 | - |
| | | Mrs. Prachi Mittal | Company Secretary | 01st June, 2022 | - |

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

| | Particulars | As at 31st March 2025 | | As at 31st March 2024 | |
|----|--|--------------------------|------|--------------------------|------|
| | | NHAI | NHAI | NHAI | NHAI |
| a. | Enterprise having substantial interest in the Company | | | | |
| | Transactions during the year | | | | |
| | Equity share issued | 15,100.00 | | 84,000.00 | |
| | Reimbursement of expenses (paid to NHAI) | 4,51,300.00 | | 6,66,600.00 | |
| | Expenditure Incurred by NHAI on the behalf of DMEDL | 5,69,145.78 | | 8,51,352.73 | |
| | Balance outstanding as at the year end | | | | |
| | Amount Payable to NHAI for Expenses | 4,25,745.74 | | 1,34,099.95 | |
| b. | Key management personnel | | | | |
| | Independent Director's Sitting Fees | 14.50 | | 12.50 | |
| | Remuneration to CS | 10.86 | | 10.30 | |

21. Fair values

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

| Particulars | As at 31st March 2025 | As at 31st March 2024 |
|--|--------------------------|--------------------------|
| FINANCIAL ASSETS | | |
| Financial assets measured at amortized cost | | |
| Cash and cash equivalents | 2,996.59 | 4,043.96 |
| Other financial assets | 54,17,647.55 | 47,24,853.46 |
| Total | 54,20,644.14 | 47,28,897.42 |
| FINANCIAL LIABILITIES | | |
| Financial liabilities measured at amortized cost | | |
| Borrowings | 44,03,916.72 | 40,35,078.40 |
| Other financial liabilities | 17,188.49 | 15,613.05 |
| Total | 44,21,105.21 | 40,50,691.45 |

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Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

22. 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.

(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.

(i) 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 2.16 for accounting policy on 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 2025. 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 2025 are not subject to any credit risk. Accordingly, no credit losses are being accounted for.



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

Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

(ii) 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 2025 is the carrying amounts of balances with banks.

(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 year ended 31 March 2025. 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 summarizes 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 31st March 2025 | | | | | |
| Borrowings | 44,52,308.72 | 44,52,308.72 | 48,392.00 | 5,64,788.00 | 38,39,128.72 |
| Other financial liabilities | 17,188.49 | 17,188.49 | 17,188.49 | - | - |
| Other current liabilities | 4,25,767.53 | 4,25,767.53 | 4,25,767.53 | - | - |
| Total | 48,95,264.74 | 48,95,264.74 | 4,91,348.02 | 5,64,788.00 | 38,39,128.72 |

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

23. 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, require 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. 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 received from NHAI is subject to Goods & Service Tax as forward charge as and when it accrues. Therefore, accumulation of the Input tax credit on inward supply being received by the company is being utilized against such duty on supplies.

25. The Management has reviewed various pending legal compliances during the FY 2024-25 and there are no such pending legal compliances.

26. 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.

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

Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

27. The Company has issued, Secured, Non-Convertible, Non-Cumulative Redeemable Taxable Bonds in the nature of Debentures, which is repayable on demand as per listing agreement, these debentures are listed on NSE. As per the Companies Act 2013, Debenture Redemption Fund is required to be created by the company, but due to insufficient profit, no fund is transferred to it during the year.

| 28. Expenses / Income relating to earlier years | Current Year | Previous Year |
|--|---------------------|----------------------|
| Income | Nil | Nil |
| Expenditure | Nil | Nil |

29. The Company has no benami property as on balance sheet date. Hence no proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 and rules made thereunder.

30. The Company has not made any transaction with any company struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act 1956 during the year.

31. The Company was not declared as a willful defaulter by any bank or financial institution or other lender during the financial year.

32. Previous year figures have been regrouped and rearranged to make them comparable with the current year figures.

33. As per the provision of the Companies Act, 2013 the figures have been rounded off to the nearest of lakh and decimal thereof.

34. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

35. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the financial year.

36. The Company has created registration of charges on all secured loans by the respective banks and same have been registered with RoC and these are displaying at portal of Ministry of Corporate Affairs as on date.

37. There is no Scheme of Arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 (Corporate Restructuring) of the Companies Act, 2013 the Company during the financial year.

38. The Company has no Plant & Equipment and intangible assets and doesn't hold any immovable property in the name of the Company.

39. The provision of Corporate Social Responsibility (CSR) are applicable to the Company. The company has formed a committee on constitution of the CSR in the board meeting dated 12th February 2024. As per the financial statements, the Company satisfies the criteria relating to net worth and turnover as specified under Section 135(1) of the Companies Act, 2013. Since, average net profit in the three preceding financial years is negative, hence, the Company was not required to spend any amount on CSR activities during the current financial year.

40. Negative figures have been shown in bracket

41. The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42. The Company is engaged in a single line of business and operates in single geographical area. Accordingly, there is no separate reportable segment disclosure required under IND AS 108

43. There are no significant adjusting events after the reporting period

44. The Company has no Property, Plant and Equipment (including Right-of-Use Assets). Accordingly, revaluation of asset does not required

by



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

Notes to financial statements for the year ended 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

45. The Company has no intangible assets. Accordingly, revaluation of intangible asset does not required

46. The Company has not made any loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties as defined under Companies Act, 2013.

47. The Company does not held any investment property as per IND AS 40, hence, disclosure for investment property is not required.

48. The Company has borrowed from banks or financial institutions on the basis of letter of comfort issued by NHAI.

49. UTILISATION OF BORROWED FUNDS
The Company has not advanced or lend or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
The Company has not received any fund from any person or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50. The Company has used an accounting software for maintaining its books of account 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, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of the preceding year, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the accounting software.

For AAAG & Co. LLP
Chartered Accountants
Firm Regn No. : 004924X

(CA Ankit Goel)
Partner
M.No. 522308



For and on behalf of Board of Directors
DME Development Limited

(NRVVMK Rajendra Kumar)
Chairman
DIN: 09494456

(Ananta Manohar)
Director & CFO
DIN: 09822685

(Gautam Vishal)
Chief Executive Officer

(Prachi Mittal)
Company Secretary
& Compliance Officer
M.No. 40236

Date: 06/08/2025
Place: New Delhi
UDIN: 2552308BM5FH09418



REPLY TO THE OBSERVATIONS OF STATUTORY AUDITOR

| S. No. | Observations | Reply by Management |
|--------|--|--|
| 1. | <p><u>Amortization of Financial Assets</u></p> <p>In accordance with the principles laid down under Ind AS 115 Revenue from Contracts with Customers and Ind AS 109 Financial Instruments, the Company is required to recognize a financial asset to the extent it has an unconditional contractual right to receive cash or another financial asset from, or at the direction of, the grantor in exchange for construction under a service concession arrangement. Such financial asset shall be initially recognized at its fair value and subsequently measured at amortized cost using the effective interest rate (EIR) method, as prescribed under Ind AS 109.</p> <p>However, it has been noted that the Company has not applied the EIR method for subsequent measurement and amortization of the said financial asset over its contractual term. As informed by the management, the amortization methodology and related accounting policy are yet to be finalized.</p> <p>In the absence of this information, we are unable to quantify the amount of amortization required or assess its potential impact on the Statement of Profit and Loss.</p> | <p>The amortization of the financial assets will hit the P&L account by Approximately Rs 3309 Cr., Which will increase the Debt Equity ratio to 22.64:1, which is beyond 9:1. This will result in a breach of conditions of the contract executed with the Lenders and against the approval received from GOI. However, DMEDL has formulated a policy for amortisation of financial assets over its remaining useful life with keeping in mind debt equity ratio below 9:1 and same was also approved by the board through circular no. 05/2025-26 dt. 04/09/2025. Accordingly, the amortization has been started effecting from FY 2025-26.</p> |
| 2. | <p><u>Borrowing Cost</u></p> <p>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</p> | <p>The present treatment of interest cost on the borrowing by DME DL is capitalized till the start of annuity (i.e., September 2024) as DME DL is required to maintain Debt-Equity ratio of a maximum 9:1. The interest on borrowings from April 2024 to till the start of annuity was Rs. 1,234.90 Cr., whereas total interest on borrowings made till 31.03.2025 amounts to Rs.</p> |

| | | |
|--|--|--|
| | <p>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. However, the Company has capitalized borrowing costs amounting to Rs. 6,94,075.17 lakhs incurred up to August 2024 as part of the carrying amount of the financial asset recognized under the DME project. The capitalization of such borrowing costs is not in compliance with the above-stated accounting standards, as the Company does not have a right to charge users but instead receives annuity payments from NHAI. We further note that annuity payments commenced from September 2024, and borrowing costs incurred thereafter have been appropriately expensed to the Statement of Profit and Loss. The management is of the view that the capitalization of borrowing costs is consistent with the Company's contractual rights and obligations under the DME project and in compliance with applicable Ind AS. However, in our opinion, the capitalization of borrowing costs up to August 2024 is not in accordance with the requirements of Ind AS 115 and Ind AS 23. Had the Company expensed such borrowing costs, the financial asset and retained earnings as at March 31, 2025, would have been lower by Rs. 6,94,075.17 lakhs, and loss for the year would have been higher by the corresponding amount.</p> | <p>3,513.89 Cr. If the interest on borrowings till the start of annuity was charged to the P&L account, the net loss till 31.03.2025 amounting Rs 965.26 Cr. This will result in a debt equity ratio to 10.08:1 which is beyond 9:1. Therefore, to comply with the agreement executed with the Lenders, the present treatment of capitalizing the interest till the start of annuity is being followed. (However, after the start annuities i.e., from September 2024 onwards, DMEDL has started charging interest on borrowing cost to the P/L Account.</p> |
|--|--|--|

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



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

दिनांक / DATE 11/11/25

सेवा में,

अध्यक्ष

DME Development Limited
जी 5 एवं 6, सेक्टर-10 द्वारका,
नई दिल्ली-110075

विषय:- कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत 31 मार्च 2025 को
समाप्त वर्ष हेतु DME Development Limited, के वार्षिक लेखों पर भारत के नियंत्रक
एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं इस पत्र के साथ 31 मार्च 2025 को समाप्त वर्ष के लिए DME Development
Limited, के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के
अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की शून्य टिप्पणियाँ अग्रेषित कर रहा
हूँ। इन शून्य टिप्पणियों को कम्पनी की वार्षिक आमसभा में उसी प्रकार रखा जाए जिस
प्रकार वैधानिक लेखा परीक्षक की लेखापरीक्षा रिपोर्ट रखी जाती है।

भवानीय

प्रमोद कुमार
(प्रमोद कुमार)

अपर उप नियंत्रक एवं महालेखा परीक्षक,
नई दिल्ली (अवसंरचना)

संलग्न: शून्य टिप्पणियाँ

**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 2025**

The preparation of financial statements of DME Development Limited for the year ended 31 March 2025 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 Revised Audit Report dated 07 October 2025 which supersedes their earlier Audit Report dated 06 August 2025.

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 2025 under Section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working paper 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 nothing 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**

Place: New Delhi
Dated: 11 November 2025


(Pramod Kumar)
Addl. Deputy Comptroller and Auditor General
(Infrastructure), New Delhi