

05TH ANNUAL REPORT

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN: U40300DL2014PLC266439)



2018-19

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DIRECTORS' REPORT

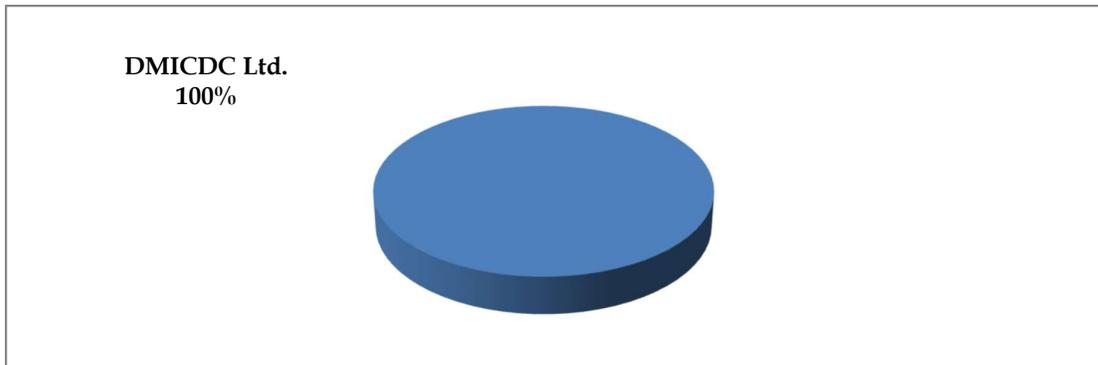
DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 05th (Fifth) Annual Report on the affairs of the Company for the year ended 31st March, 2019.

DMICDC Neemrana Solar Power Company Limited was incorporated as a wholly owned subsidiary of Delhi Mumbai Industrial Corridor Development Corporation Limited (DMICDC Ltd.) on 18th March, 2014.

SHAREHOLDING STRUCTURE OF DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED (DNSPCL)



1. FINANCIAL STATEMENT SUMMARY

A summary of company's financial performance for the financial year ended 31st March, 2019 is summarized below: -

(Amount in Rs.)

Particulars	2018-19	2017-18
Total Income	12,25,92,995	17,37,23,147
Total Expenses	13,46,56,165	11,90,21,775
Tax Expense	(13,36,051)	2,10,34,343
Profit / (Loss) for the year after Tax	(1,07,27,119)	3,36,67,029

2. STATE OF COMPANY AFFAIR'S

Government of India in association with the Government of Japan has set up a Demonstration Model Solar Power Project at Neemrana, Rajasthan using cutting edge Japanese technology. The Model Solar Power Project was conceived as the first Smart Micro-Grid Project in India, demonstrating the integration of solar power with industrial diesel generator sets (as the backup facility). The project has been implemented in partnership with Government of Japan, wherein the solar panels and equipment were procured from Japanese companies namely Hitachi, Kyocera, Sharp, Solar Frontier, Kaneka, etc. and were provided to the project as a grant.

The 6MW Model Solar Power Project consists of the development of 5MW Model Solar Power Plant + 1 MW Smart Micro Grid Solar Power Plant (1 MW Solar PV integrated with 2 MW Diesel Generator sets) integrated with a Smart

Micro Grid feeding power to Japanese industrial consumer in Neemrana Industrial Park. The 06 MW Solar Power Project has following two components: -

A. 05 MW Solar Power Project (Supplying Power to State Grid through NTPC Vidyut Vyapar Nigam Limited (NVTN); and

B. 01 MW Micro Grid Solar Power Project (Supplying power to MIKUNI India Pvt. Ltd. Japanese Industry in Neemrana, Rajasthan).

A Memorandum of Understanding (MoU) was signed between the Ministry of New & Renewable Energy (MNRE), Government of India, Department of Economic Affairs (DEA), Ministry of Finance, Government of India, New Energy and Industrial Technology Development Organization (NEDO), Government of Japan and Delhi Mumbai Industrial Corridor Development Corporation Limited (DMICDC Ltd.) in April, 2012. The MoU was extended up to 31st May 2016 and further up to 31st August, 2019.

The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 20th January, 2014 had accorded its approval for the formation of Special Purpose Vehicle (SPV) as 100% subsidiary of DMICDC Ltd. for the development of 6 MW Model Solar Project at Neemrana, Rajasthan. An investment of Rs.13 Crore as equity subscription and Rs.22.34 crore debt fund was made in the SPV which was a 100% subsidiary company of DMICDC. The upsides from such investment will flow back to the DMIC Trust. Accordingly, DMICDC Neemrana Solar Power Company Limited (DNSPCL) was incorporated on 18th March, 2014 with equity of Rs.13 crore.

DMICDC Ltd. has been allotted 36 acres of land from Rajasthan State Industrial Development & Investment Corporation (RIICO) in the Japanese Zone, Neemrana on lease at concessional terms vide allotment letter dated 21st November, 2012 for implementation of the Model Solar Power Project. The Lease Agreement for the Plot No. SP1-32 & SP-80&81 measuring 145692 sqm (36 acres) situated at RIICO Industrial Area, Neemrana, Rajasthan has been executed between Rajasthan State Industrial Development & Investment Corporation Limited (RIICO) & DMICDC Neemrana Solar Power Company Limited on 06th August, 2014 and registered with the office of Sub-Registrar, Neemrana on 03rd September, 2014.

The Power Purchase Agreement (PPA) for the 05 MW Solar Power Project was executed with NTPC Vidyut Vyapar Nigam Limited (NVTNL) on 05th June, 2015 at the tariff of Rs. 8.77/- per unit.

The 05 MW Solar Power Plant has been connected to state grid on 23rd July, 2015 and subsequently got commissioned on 03rd September, 2015. The Commissioning Certificate was issued by Rajasthan Renewable Energy Corporation Limited (RRECL) on 03rd September, 2015. The power is being supplied to State Grid (i.e. 220KV GSS Neemrana) at the agreed tariff of Rs. 8.77 per unit.

The Power Purchase Agreement (PPA) for 01 MW integrated Solar Power was executed with M/s MIKUNI India Private Limited on the basis of fixed tariff of Rs. 11.99/- per unit for the period of 10 years on 17th May, 2016.

Commercial Operation Date (COD) of 01MW Micro Grid Solar Power Project for feeding high quality, stable and renewable green power to M/s MIKUNI India Private Limited started from 10th July 2017 at 10:30 AM.

It was decided in the 20th Board Meeting that feasibility of retrofitting the existing DG sets with gas injection kit may be explored to reduce HSD oil consumption as there was a substantial rise in price of diesel oil from in the last two years.

Accordingly, the option of getting a “Gas Supply Connection” from Torrent Gas Pvt. Ltd. (City Gas Distributor) for supply natural gas was explored. As the complete infrastructure set up for supply of gas for consumers in the region would take some time, Torrent Gas Pvt. Ltd. had issued NOC to DNSPCL vide their letter dated 01st November, 2018 for procuring natural gas from alternate gas supplier i.e. **GAIL India Limited** till their infrastructure was ready for supplying natural gas.

The Petroleum and Natural Gas Regulatory Board (PNGRB) issued NOC for procuring gas from an alternate gas supplier i.e. **GAIL India Limited** with the condition that as and when the authorized CGD entity conveys its readiness to supply gas from their CGD network, procurement of gas from the alternate source will be discontinued and supply of gas from the authorized CGD network shall be started.

Based on the issuance of NOC from PNGRB, action for procurement of natural gas from GAIL India Limited was initiated. After several rounds of meetings, they have informed that they will supply natural gas only if procurement of natural gas is continued by DNSPCL for a minimum period of five (5) years or cost of Rs.1.5 crore for pipeline laying & metering skid is reimbursed to GAIL by DNSPCL. They have also informed that the minimum time to be taken for installation would be six (6) months.

In view of the above, DNSPCL is left out with no other option but to get the supply of natural gas from Torrent Gas Pvt. Ltd. (City Gas Distributor) only as soon as their infrastructure is ready.

During the 11th Steering Committee Meeting held on 05th March 2019, the matter of increased fuel cost was discussed and the Company requested NEDO for compensating the losses on this account. NEDO informed that Japanese side was not in a position to agree for the compensation scheme but will look into the situation and revert back accordingly. NEDO also informed that they would also take-up the matter with MIKUNI for meeting with NEDO intermediation on the issue of losses being incurred by the Company.

➤ **Current Operation Philosophy of 1MW Micro Grid Solar Power Plant**

In the Steering Committee meeting on 28th November 2018, NEDO & Hitachi Ltd. has agreed to change the above operation philosophy (i.e. existing 680KW to 760KW) to uplift maximum solar power intake. Accordingly, they have modified the operation philosophy (i.e. existing 680KW to 760KW) of 1MW Micro Grid Solar Plant on 24th February 2019. Now the system is running satisfactorily.

Month wise Power Supply summary of 5MW Solar Power Plant during FY 2015-16, 2016-17, 2017-18 & 2018-19

Month	Gen 2015-16	Gen 2016-17	Gen 2017-18	Gen 2018-19
April	-	708660	722160	703,740
May	-	696540	726420	671,280
June	-	675180	667380	611,700
July	-	519900	616140	586,860
August	-	541860	593640	578,400
September	656700	646200	628260	549,960
October	593280	516120	636540	622,560
November	488520	511860	488520	511,920
December	490020	522060	502500	521,220
January	408720	451920	561480	520,320
February	530580	583500	579780	478,620
March	683640	710160	629400	690,900
Total	3851460	7083960	7352220	7047480

➤ **Month wise Power Generation summary of 1MW Micro Grid Solar Power Plant during FY 2018-19**

Sr. No.	Period	Generation (KWh)			Auxiliary Consumption & Losses (KWh)	Net energy for invoice (KWh)
		Solar	DG	Total		
1	01/04/2018 to 20/04/2018	74134	234973	309107	22537	286570
2	21/04/2018 to 20/05/2018	110560	373665	484225	36337	447888
3	21/05/2018 to 20/06/2018	122202	399372	521574	39291	482243
4	21/06/2018 to 20/07/2018	82800	305083	387883	29688	358195
5	21/07/2018 to 20/08/2018	81357	344468	425825	32921	392904
6	21/08/2018 to 20/09/2018	88644	384394	473038	36250	436788
7	21/09/2018 to 20/10/2018	88767	318519	407286	28272	379014
8	21/10/2018 to 20/11/2018	76075	308346	384421	29066	355355
9	21/11/2018 to 20/12/2018	79794	324952	404746	30207	374539
10	21/12/2018 to 20/01/2019	78259	351240	429499	32064	397435
11	21/01/2019 to 20/02/2019	75813	428632	504445	38067	466378
12	21/02/2019 to 20/03/2019	87691	366117	453808	33550	420258
13	21/03/2019 to 31/03/2019	33357	112056	145413	11400	134013
Total		10,79,453	42,51,817	53,31,270	3,99,330	49,31,940

Some photographs showing the project at 5 MW site and 01 MW site are depicted as under:-

5MW Solar Power Plant

Entry Gate



PEB 2 Control Room



Plant View



Inverters



33Kv HT Panel



01 MW Micro Grid Solar Power Plant



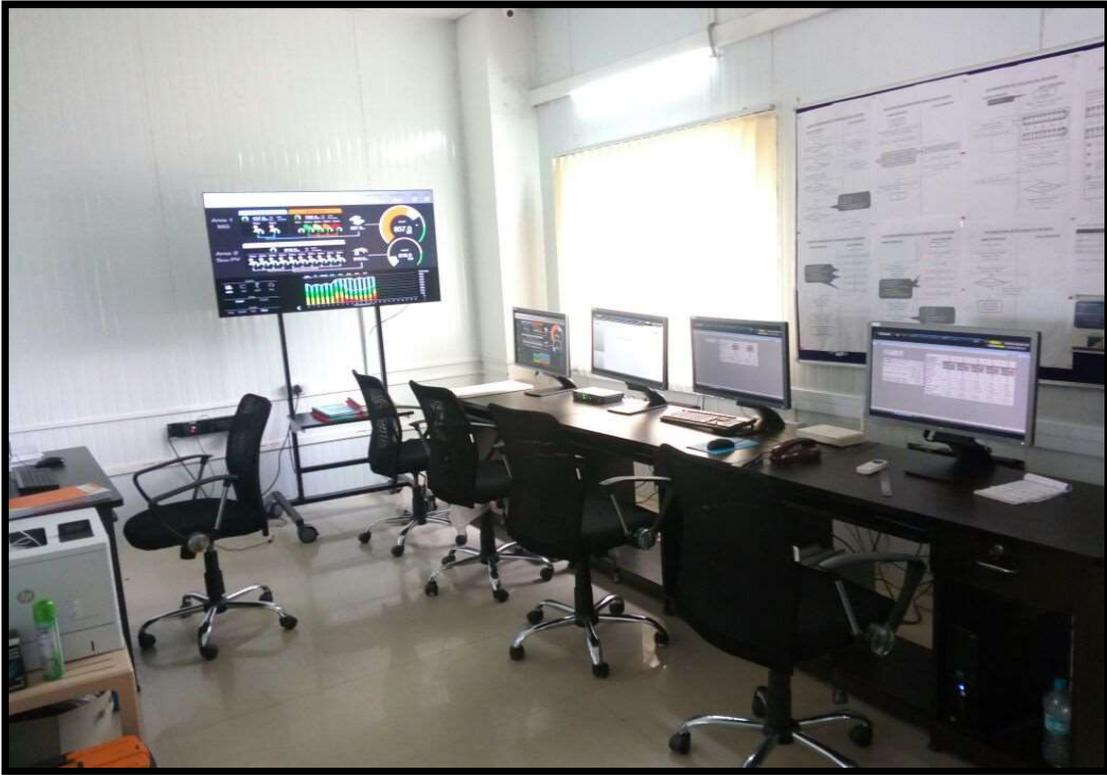
DG Room/ Shed



Transformer Area



Control Room



11 Kv HT Panel



3. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:-

The Company does not have any Subsidiaries/ Joint Ventures/ Associate Companies.

4. DIVIDEND:-

Your directors do not propose any dividend for the financial year 2018-19.

5. RESERVES:-

During the period under review, the Company has transferred loss of Rs. 1,07,27,119/- (Rupees One Crore Seven Lakh Twenty Thousand One Hundred Nineteen Only) to Reserves.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY:-

There was no change in the nature of the business of the Company during the financial year ended on 31st March, 2019.

7. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:-

M/s SPS Associates, Chartered Accountants was appointed as Internal Auditor of the Company for the financial year 2018-19 pursuant to Section 138(1) of the Companies Act, 2013. The Board feels that the scope of Internal Audit and internal financial control having regard to the size of the Company are adequate.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:-

No order(s) has been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the period.

9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR DATED 31ST MARCH, 2019 AND THE DATE OF THE REPORT:-

There are no material changes occurred in between the financial year ended on 31st March, 2019 and date of the report of the Company which affects the financial position of the Company.

10. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES DURING THE YEAR:-

The Company do not have any Subsidiaries/ Joint Ventures/ Associate Companies.

11. DEPOSITS

During the financial year ended on 31st March, 2019, the Company has not accepted any deposits nor have any deposits remained unpaid or unclaimed. Further, during this period the Company has not defaulted in the repayment of the deposits or the payment of the interest due thereon.

12. STATUTORY AUDITORS

The Comptroller and Auditor General of India (CAG) vide its letter No./ CA.V/ COY/ CENTRAL GOVERNMENT, DMICNS (1) /447 dated 02nd August, 2018 had appointed M/s Aggarwal & Rampal, Chartered Accountants, as the Statutory Auditor of the Company as per the provisions of the Companies Act, 2013 for the financial year 2018-19.

Also, the supplementary audit of the Company for the financial year 2018-19 has been entrusted to Principal Director, Commercial Audit & Ex- Officio Member Audit Board - I.

On similar lines, the Comptroller and Auditor General of India (C&AG) will be appointing the Statutory Auditor of the Company for the financial year 2019-20. The letter from C&AG for the appointment of Statutory Auditor of the Company for the financial year 2019-20 is still awaited.

13. AUDITORS' REPORT

The Auditors' Report does not contain any qualifications. The notes to the accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further comments of Directors.

14. CAPITAL STRUCTURE

The Authorised, issued and paid-up share capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crore Only) divided into 1,30,00,000 equity shares of Rs. 10/- each.

15. EXTRACT OF THE ANNUAL RETURN UNDER SECTION 92(3)

In accordance with Section 134(3)(a) of the Companies Act, 2013, the extract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 in Form No. MGT - 9 is attached at Annexure - "A".

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows: -

A) Conservation of energy:

- (i) The steps taken or impact on conservation of energy.
- (ii) The steps taken by the Company for utilizing alternate sources of energy.
- (iii) The capital investment on energy conservation equipment's.

(B) Technology absorption:

- (i) The efforts made towards technology absorption.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - (a) The details of technology imported;
 - (b) The year of import;
 - (c) Whether the technology been fully absorbed;
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

As per
Annexure - "B"

- (iv) The expenditure incurred on Research and Development: Nil

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows: Nil

17. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

There was no complaint on sexual harassment during the year under review.

18. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the Company is required to comply with the provisions related to Corporate Social Responsibility in pursuance to the provisions of the Section 135 of the Companies Act, 2013. The details of CSR activities are mentioned in Annual Report on CSR activities enclosed at Annexure- "C".

19. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Changes in Directors and Key Managerial Personnel: -

S. No.	Name of the Director/ Key Managerial Personnel	Date of Appointment	Date of Cessation
1.	Shri Mahesh Kumar Soni, Manager	14-05-2018	-

Retirement by Rotation: -

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Shri Srikanth Kommu, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

(B) Declaration by Independent Director(s) and re- appointment, if any: -

The definition of "Independence" of Independent Directors has been derived from Section 149(6) of the Companies Act, 2013. Based on the confirmation/ disclosures received, Shri Harin Harshad Buch had been appointed as Independent Directors of the Company for the period of five years with effect from 27th March, 2015 as per Section 149(6) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

The Company had received the declaration from the Independent Director in accordance with Section 149 of the Companies Act, 2013, for the financial year 2018-19 that he meets the criteria of independence as laid out in Sub-Section (6) of Section 149 of the Companies Act, 2013. A similar declaration has been received for the financial year 2019-20.

(C) Number of Meetings of the Board of Directors: -

Four (04) meetings of the Board of Directors of the Company were held in the financial year 2018-19. The details of the Board Meetings are as under: -

S.No.	Particulars	Date of Board Meeting
1	19 th Board Meeting	28 th May, 2018
2	20 th Board Meeting	30 th August, 2018
3	21 st Board Meeting	20 th December, 2018
4	22 nd Board Meeting	26 th March, 2019

20. COMMITTEES OF THE BOARD

The Board has the following Committees: -

(A) Investment Committee: -

The Board of Directors of the Company in its 01st Meeting held on 21th March, 2014 has constituted the Investment Committee. The composition of the Investment Committee was as follows: -

- a) Shri Alkesh Kumar Sharma, Managing Director; and
- b) Shri Ambalakat Mohan Menon, Director.

In view of resignation of Shri Ambalakat Mohan Menon from the post of Director of the Company, the Investment Committee has been re-constituted in the 19th Board Meeting held on 28th May, 2018 with the following members: -

- a) Shri Alkesh Kumar Sharma; and
- b) Shri Srikanth Kommu.

(B) Audit Committee and Nomination and Remuneration Committee: -

As per the Section 177, 178 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company in its 21st Meeting held on 20th December, 2018 had re-constituted the Audit Committee & Nomination and Remuneration Committee. The Composition is as follows: -

- a) Shri Hazig Beg, Director;
- b) Shri Harin Harshad Buch, Independent Director; and
- c) Shri Srikanth Kommu, Director.

During the year 2018-19, one meetings of the Audit Committee on 26th March, 2019 and no meeting of Nomination and Remuneration Committee were held.

(C) Corporate Social Responsibility Committee: -

As per the Section 135 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company in its 17th Meeting held on 14th December, 2017 had constituted the Corporate Social Responsibility Committee. The Composition of the Corporate Social Responsibility Committee is as follows:-

- a) Shri Haziq Beg;
- b) Shri Harin Harshad Buch; and
- c) Shri Srikanth Kommu.

During the year 2018-19, two meeting of the Corporate Social Responsibility Committee was held on 30th August, 2018 & 26th March, 2019.

21. MANAGERIAL REMUNERATION AND EMPLOYEES REMUNERATION

The Company does not pay any Managerial Remuneration to any Director of the Company. However, during the year the Company has paid sitting fees to Shri Harin Harshad Buch, Independent Director of the Company. The detail of sitting fee paid to Shri Harin Harshad Buch, Independent Directors of the Company is mentioned in Clause VI (B) of Form No. MGT - 9.

The details of the remuneration paid to Shri Mahesh Kumar Soni, Manager and Shri Surya Prakash, Company Secretary of the Company during the year is mentioned in Clause VI(A) and Clause VI(C) respectively of Form No. MGT - 9.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

No Loan(s), Guarantee(s) or investment(s) under Section 186 has been given by the Company during the financial year under review.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1)

No contract or arrangements were entered into by the Company with related parties referred to in Sub-Section (1) of section 188 of the Companies Act, 2013.

24. SECRETARIAL STANDARDS:

The Company has complied with applicable Secretarial Standards issued by the Institute of Companies Secretaries of India from time to time.

25. RISK MANAGEMENT AND INTERNAL ADEQUACY

The Company has adequate risk management process to identify and notify the Board of Directors about the risks or opportunities that could have an adverse impact on the Company's operations or that could be exploited to maximize the gains. The processes and procedures are in place to act in a time bound manner to manage the risks or opportunities. The risk management process is reviewed and evaluated by the Board of Directors.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory Auditor as well as Internal Auditor.

26. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that: -

- a) *in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;*

- b) *the directors had 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 and loss of the company for that period;*
- c) *The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013. for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;*
- d) *the directors had prepared the annual accounts on a going concern basis; and*
- e) *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.*

27. COST AUDITOR

As per the provisions of the Companies Act, 2013 the Company is not required to appoint the Cost Auditor.

28. BOARD'S COMMENTS ON THE AUDITOR'S REPORT

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory.

29. ACKNOWLEDGEMENTS

The Board of Directors of the Company wishes to place on record, their thanks and appreciation to all workers, staff members and executives for their contribution to the operations of the Company. The Directors are thankful to the holding company i.e. Delhi Mumbai Industrial Corridor Development Corporation Limited (DMICDC Ltd.) for all the support extended in the operation of the Company. The Directors also place on record their sincere thanks to all the stakeholders for their continued support, co-operation and confidence in the Management of the Company.

*For and on behalf of the Board of Directors of
DMICDC Neemrana Solar Power Company Limited*

*Sd/-
(Alkesh K. Sharma)
Chairman
DIN: 02724743
Add: A-9, Tower-7, New Moti Bagh
New Delhi- 110 021*

*Date: 01st May, 2019
Place: New Delhi*

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2019

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

I		REGISTRATION & OTHER DETAILS
i)	CIN	U40300DL2014PLC266439
ii)	Registration Date	18 th March, 2014
iii)	Name of the Company	DMICDC Neemrana Solar Power Company Limited
iv)	Category/Sub-category of the Company	Company limited by shares/Indian Non-Government Company
v)	Address of the Registered office & contact details	Room No. 341B, 03 rd Floor, Main Building, Hotel Ashok, Diplomatic Enclave, 50B, Chanakyapuri, New Delhi - 110021
vi)	Whether listed company (Yes/No)	No
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NSDL Database Management Limited 04 th Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel Mumbai - 400013

II		PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
S. No.	Name & Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Electric power generation, transmission and distribution	3510	100%

III		PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES			
S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1.	Delhi Mumbai Industrial Corridor Development Corporation Limited, Room No. 341B, 03 rd Floor, Main Building, Hotel Ashok, Diplomatic Enclave, 50B, Chanakyapuri, New Delhi - 110021	U45400DL2008 PLC172316	Holding	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	As on 01.04.2018				As on 31.03.2019				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt/State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	13000000	13000000	100.00	13000000	0	13000000	100.00	0.00
d) Bank / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Others (Trusts)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1)	0	13000000	13000000	100.00	13000000	0	13000000	100.00	0.00
(2) Foreign									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	0	13000000	13000000	100.00	13000000	0	13000000	100.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Bank / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt/State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f) FIs	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h) Others	0	0	0	0.00	0	0	0	0.00	0.00

Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non – Institutions									
a) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others :	0	0	0	0.00	0	0	0	0.00	0.00
i. Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
ii. Non Residents	0	0	0	0.00	0	0	0	0.00	0.00
iii. Foreign Company	0	0	0	0.00	0	0	0	0.00	0.00
iv. Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B) = (B)(1) + (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	13000000	13000000	100.00	13000000	0	13000000	100.00	0.00

(ii) Share Holding of Promoters								
S. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Delhi Mumbai Industrial Corridor Development Corporation Ltd.	1,29,99,994	100%	-	1,29,99,994	100%	-	NIL
2	DMICDC Ltd. through its nominee	06	Negligible	-	06	Negligible	-	NIL

(iii) Change in Promoters' Shareholding (please Specify, if there is no change)					
S. No.	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
NIL					

(iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)					
S. No.	Shareholders Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
NIL					

(v) Shareholding of Directors & KMP					
S. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
NIL					

V	INDEBTEDNESS				
S. No.	Indebtedness of the Company including interest outstanding/accrued but not due for payment	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1	Indebtedness at the beginning of the financial year	-	-	-	
	i) Principal Amount	-	3,60,00,000	-	3,60,00,000
	ii) Interest due but not paid	-	-	-	
	iii) Interest accrued but not due	-	-	-	
	Total (i+ii+iii)	-	3,60,00,000	-	3,60,00,000
2	Change in Indebtedness during the financial year	-	-	-	
	Additions	-	-	-	
	Reduction	-	1,10,00,000	-	1,10,00,000
3	Net Change	-	-1,10,00,000	-	-1,10,00,000
4	Indebtedness at the end of the financial year	-	-	-	
	i) Principal Amount	-	2,50,00,000	-	2,50,00,000
	ii) Interest due but not paid	-	-	-	
	iii) Interest accrued but not due	-	-	-	
	Total (i+ii+iii)	-	2,50,00,000	-	2,50,00,000

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A. Remuneration to Managing Director, Whole time director and/or Manager:			
S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager (Shri Mahesh Kumar Soni- Manager)	Total Amount (Rs)
	Gross salary		
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	3,30,184	3,30,184
2	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	27,732	27,732
3	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
4	Stock option		
5	Sweat Equity		
6	Commission as % of profit		
	others (specify)		
7	Others, please specify		
	Total (A)	3,57,916	3,57,916
	Ceiling as per the Act		

B. Remuneration to other directors :			
Sr. No.	Particulars of Remuneration	Name of Directors	Total
1	Independent Directors	Shri Harin Harshad Buch	30,000/-
	• Fee for attending board/ committee meetings	For attending 3 Board Meeting, 1 Audit	
	• Commission	Committee Meeting and 2	
	• Others, please specify	CSR Committee Meeting (Rs.5000/- per meeting)	
Total (1)			30,000/-
2	Other Non-Executive Directors		
	• Fee for attending board/ committee meetings		
	• Commission		
	• Others, please specify		
Total (2)			30,000/-

C.				
S. No.	Particulars of Remuneration	Key Managerial Personnel Other than MD/Manager/WTD		
	Gross Salary	Shri Surya Prakash, Company Secretary (In Rs.)	Shri P.K. Agarwal, CFO (In Rs.)	Total Amount (In Rs.)
1	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	5,61,522	-	5,61,522
	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	46,272	-	46,272
	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify (Leave Encashment)	-	-	-
	Total	6,07,794		6,07,794

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE:						
S. No	Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A.	COMPANY					
	Penalty					
	Punishment			NONE		
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment			NONE		
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment			NONE		
	Compounding					

*For and on behalf of the Board of Directors of
DMICDC Neemrana Solar Power Company Limited*

*Sd/-
(Alkesh K. Sharma)
Chairman
DIN: 02724743
Add: A-9, Tower-7, New Moti Bagh
New Delhi- 110 021*

*Date: 01st May, 2019
Place: New Delhi*

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION

CONSERVATION OF ENERGY: -

The Company is undertaking the project development and implementation activities for 06 MW Model Solar Power Project at Neemrana, Rajasthan and is itself promoting the renewable energy in the State of Rajasthan by using cutting edge Japanese Technology.

For captive consumption, the plant is importing power from State Grid at night and all possible efforts are made to minimize the power import by the Company leading to conservation of energy at the project site.

TECHNOLOGY ABSORPTION: -

The Micro Grid Solar Power Plant is a pilot project to demonstrate Japanese technology for minimizing the use of diesel for generation power and maximizing the use of solar power.

The plant is being monitored through advance SCADA system along with weather monitoring system.

*For and on behalf of the Board of Directors of
DMICDC Neemrana Solar Power Company Limited*

*Sd/-
(Alkesh K. Sharma)
Chairman
DIN: 02724743
Add: A-9, Tower-7, New Moti Bagh
New Delhi- 110 021*

*Date: 01st May, 2019
Place: New Delhi*

ANNUAL RETURN ON CSR ACTIVITIES

1. **A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs: -**

The CSR Policy of the Company lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of community at large. The objective of CSR Policy is to consistently pursue the concept of integrated development of the society in an economically, socially and environmentally sustainable manner and at the same time recognize the interests of all its stakeholders.

The focus areas of our CSR initiatives, as in the past, are education and skill development. The projects undertaken by the Company are within the broad framework of Schedule VII of the Companies Act, 2013 as amended from time to time.

Web-link of the CSR policy of the Company - www.dmicdc.com

2. **The Composition of the CSR Committee: -**

The CSR committee was constituted by the Board of Directors in 17th Board Meeting held on December 12, 2017.

The Composition of the Committee is as follows: -

- a) Shri Haziq Beg;
- b) Shri Harin Harshad Buch; and
- c) Shri Srikanth Kommu.

3. **Average net profit of the Company for last three financial years: -**

Rs. 5,81,02,058/-

4. **Prescribed CSR Expenditure (two percent. of the amount as in item 3 above): -**

Rs. 11,62,041/-

5. **Details of CSR spent during the current financial year:**

- a) Total amount to be spent for the financial year : Rs. 11,62,041/-
- b) Amount unspent, if any : Rs. 12,44,141/-
(Rs.11,62,041/-+Rs.82,100/-
pertaining to last FY 2017-18)
- c) Manner in which the amount spent during the current financial year is detailed Below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Project of programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (Direct expenditure on projects or programs (2) Over-heads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency*
1.	Setting up digital Science lab and language library in Government School	Education	Alwar, Rajasthan	11,58,000	NIL	NIL	Will be implemented through Implementing agency - IBTADA

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report: -

The CSR Committee Meeting was held on 26th March, 2019 wherein it was recommended to the Board that CSR funds may be expended on education and grant may be given to IBTADA, an NGO registered under Rajasthan Society Act, for undertaking CSR activities of the Company and same had also been approved by Board of Directors in its meeting held on 26th March, 2019. The CSR fund shall be spent on the basis of actual expenditure incurred by the Implementing agency (i.e. IBTADA).

Work order for implementing the project has been issued on 08th April, 2019 to IBTADA, an NGO registered under Rajasthan Society Act and CSR funds are likely to be spent shortly.

7. The CSR Committee of the Board of Directors hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sd/-	Sd/-
Chairman of the Company	Chairman - CSR Committee

INAUGURATION OF COMPUTER LAB WITH E-LEARNING FACILITIES



**COMMENTS OF
C&AG ON THE
FINANCIAL
STATEMENTS FOR
THE FINANCIAL
YEAR 2018-19**



गोपनीय

संख्या/ No. DD-II/CHS/DMICDC/NSPCL/Appointment of Auditor
11-114/2018-19/145

भारतीय लेखापरीक्षा और लेखा विभाग,

कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा

एवं पदेन सदस्य, लेखापरीक्षा बोर्ड-1, नई दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT,
OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT & EX-OFFICIO MEMBER, AUDIT BOARD-1, New Delhi

दिनांक / Dated 4/6/19

सेवा में,

प्रबन्ध निदेशक,

डी.एम.आई.सी.डी.सी नीमराना सोलर पावर कंपनी लिमिटेड,

कमरा संख्या 341 बी तीसरी मंजिल मुख्य भवन,

होटल अशोक, 50 B, चाणक्यपुरी,

नई दिल्ली-110021

विषय: कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अधीन 31 मार्च 2019 को समाप्त वर्ष के लिए डी.एम.आई.सी.डी.सी नीमराना सोलर पावर कंपनी लिमिटेड के लेखाओ पर भारत के नियंत्रक महालेखा परीक्षक की टिप्पणियाँ।

महोदय,

इस पत्र के साथ डी.एम.आई.सी.डी.सी नीमराना सोलर पावर कंपनी लिमिटेड के 31 मार्च 2019 को समाप्त हुए वर्ष के लेखाओ की कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत समीक्षा नहीं किये जाने का प्रमाणपत्र संलग्न किया जाता है।

कृपया इस पत्र की पावती भेजे।

संलग्न: उपरोक्त

भवदीया,

प्राची पाण्डेय
4.6/19
(प्राची पाण्डेय)

प्रधान निदेशक

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 01.05.2019.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED for the year ended 31 March 2019 under section 143 (6)(a) of the Act.

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

Prachi Pandey
4.6/19

(Prachi Pandey)

**Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-I,
New Delhi.**

**Place: New Delhi
Dated: 4 June 2019**

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of **DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **DMICDC Neemrana Solar Power Company Limited** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements. Also Refer "Annexure A" to this audit report.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the

Companies Act, 2013, we give in the “Annexure B”, a statement on the matters specified in paragraphs 3 and 4 of the 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

As required by Section 143(5) of the Act, we report that:

- a) The company has system in place to process all the accounting transactions through IT system.
- b) There is no restructuring of an existing loan or cases of waiver/write off of debts/ loans/interest etc made by a lender to the company due to the company’s inability to repay the loan.

- c) Funds received/ receivable for specific schemes from central/State agencies are properly accounted for/utilized as per its term and condition.

**For Aggarwal&Rampal
Chartered Accountants
FR No. 003072N**

Sd/-

Aditya Aggarwal

(Partner)

Membership No: 515644

Place: New Delhi

Date :01-05-2019

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

Report on the Auditor’s responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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.

**For Aggarwal & Rampal
Chartered Accountants
FR No. 003072N**

**Sd/-
Aditya Aggarwal
(Partner)
Membership No : 515644**

**Place: New Delhi
Date :01-05-2019**

“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT

With reference to the Annexure B referred to in the Independent Auditor’s Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report the following:

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) According to the information and explanations given to us, the fixed assets are physically verified by the management on annual basis which in our opinion is reasonable, having regard to the size of the company and nature of its assets. As per information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.
2. The management has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on physical verification.
3. According to the information and explanation given to us, the company has not granted any loan secured or unsecured loan to company/ Firms covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore provisions of clause (III) of paragraph 3 of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not given any loans, guarantees, securities or made any investments in respect of which provisions of section 185 and 186 of the Companies Act 2013 needs to be complied with.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposit from the public covered under Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules made there under.
6. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the activities of the company.
7. a).The company is generally regular in depositing undisputed statutory dues including applicable provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the extent applicable to it. According to the information and explanations given to us, there are no undisputed statutory dues outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.

- b). According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax Income which have not been deposited on account of any dispute.
8. According to the information and explanations given to us and based on our examination of the records of the company, the company has not defaulted in repayment of loan or Borrowing from Government. The Company has not availed any borrowings from any financial institution, bank or debenture holders.
 9. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, hence clause (ix) of paragraph 3 of the Order regarding default is not applicable to the Company.
 10. Based upon the audit procedures performed and information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year under audit.
 11. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not paid/provided for any managerial remuneration. Accordingly paragraph 3(xi) of the order is not applicable.
 12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company, hence clause (xii) of paragraph 3 of the Order is not applicable to the Company.
 13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
 14. According to the information and explanation given to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
 15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.

16. According to the information and explanations given to us, the Company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934.

**For Aggarwal & Rampal
Chartered Accountants
FR No. 003072N**

**Sd/-
Aditya Aggarwal
(Partner)
Membership No : 515644**

**Place: New Delhi
Date : 01-05-2019**

“ANNEXURE C” TO THE INDEPENDENT AUDITORS’ REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act,2013(“ the Act “)

We have audited the internal financial controls over financial reporting of **DMICDC Neemrana Solar Power Company Limited**(“the Company”) as of March 31, 2019 in conjunction with our audit of the Standalone 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 Companies Act,2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over the financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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 authorities of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of the 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 the changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Aggarwal & Rampal
Chartered Accountants
FR No. 003072N**

**Sd/-
Aditya Aggarwal
(Partner)
Membership No : 515644**

**Place: New Delhi
Date :01-05-2019**

FINANCIAL STATEMENTS

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

STATEMENT OF PROFIT AND LOSS

	Note	For the Year ended on 31-Mar-2019 Rupees (₹)	For the Year ended on 31-Mar-2018 Rupees (₹)
I. REVENUE FROM OPERATIONS			
Income from Operations	17	12,14,75,390	17,14,96,845
II. OTHER INCOME			
	18	11,17,605	22,26,302
III. TOTAL REVENUE (I + II)		12,25,92,995	17,37,23,147
IV. EXPENSES			
Cost of Materials Consumed	19	8,01,30,535	5,00,87,583
Employee Benefits Expenses	20	62,20,818	49,16,420
Finance Costs	21	30,08,080	84,61,770
Depreciation / Amortisation	22	3,44,11,854	3,96,47,163
Other Expenses	23	1,08,84,878	1,59,08,839
V. TOTAL EXPENSES		13,46,56,165	11,90,21,775
VI. PROFIT/(LOSS) BEFORE TAX (III - V)		(1,20,63,170)	5,47,01,372
VII. TAX EXPENSES			
(1.) Tax Expenses			
- Current Year		-	1,81,21,000
- Previous Year		(19)	42,36,260
(2.) Deferred Tax Liability / (Asset)		(13,36,032)	(13,22,917)
VIII. PROFIT/(LOSS) AFTER TAX FOR THE YEAR (VI - VII)		(1,07,27,119)	3,36,67,029
IX. Earnings per Equity Share of Face Value of ₹ 10 per share			
- Basic/Diluted		(0.83)	2.59
Significant Accounting Policies			
Notes to the Financial Statements	1 - 36		
As per our Report of even date attached			
For AGGARWAL & RAMPAL		For and on behalf of the Board	
Chartered Accountants			
Firm Reg. No.003072N			
Sd/-	Sd/-	Sd/-	
(Aditya Aggarwal)	(Alkesh Kumar Sharma)	(Srikanth Kommu)	
Partner	Director	Director	
(Membership No. 515644)	(DIN : 02724743)	(DIN : 07540606)	
	Sd/-	Sd/-	
	(P.K. Agarwal)	(Surya Prakash)	
	Chief Financial Officer	Company Secretary	
Place: New Delhi			
Date : 01-May-2019			

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

CASH FLOW STATEMENT

	For the year ended on 31-Mar-2019 Rupees (₹)	For the year ended on 31-Mar-2018 Rupees (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before Tax	(1,20,63,170)	5,47,01,372
Adjustment for:		
Depreciation and Amortisation	3,44,11,854	3,96,47,163
Loss of Fixed Assets and CWIP	47,934	
Finance Costs	30,08,080	84,61,770
Interest Income	(10,94,905)	(22,01,533)
Net Cash from Operating Activities before Extraordinary Items and Working Capital Change	2,43,09,793	10,06,08,772
Extraordinary Items	-	-
Operating Profit before Working Capital changes	(a) 2,43,09,793	10,06,08,772
Adjustment for:		
(Increase)/Decrease in Trade & Other Receivables	3,26,555	8,70,81,181
(Increase)/Decrease in Inventories	(3,09,161)	(12,46,880)
Increase/(Decrease) in Trade & Other Payables	(86,37,184)	60,37,048
Refund/(Payment) of Taxes (including TDS)	(11,29,156)	(5,76,13,285)
Net Cash from/(used in) Operating Activities	(b) (97,48,946)	3,42,58,064
Net Cash from Operating Activities	(a) + (b) 1,45,60,848	13,48,66,836
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Interest Income	10,94,905	22,01,533
Payment of Land Instalment	(54,63,450)	(54,63,450)
Sale / (Purchase) of Fixed Asset	(18,25,829)	(6,38,78,204)
(Increase)/Decrease in Bank Deposits under Lien	10,000	50,000
Increase / (Decrease) in Advance for Capital Goods	(52,85,787)	(1,05,46,933)
Net Cash from/(Used in) Investing Activities	(1,14,70,161)	(7,76,37,054)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Finance Costs	(30,08,080)	(1,26,51,348)
Loan from NICDIT	(1,10,00,000)	(3,04,89,756)
Net Cash from/(Used in) Financing Activities	(1,40,08,080)	(4,31,41,104)
D. Net Increase/ (Decrease) in Cash and Cash Equivalents	(1,09,17,393)	1,40,88,678
E. Cash and Cash Equivalents at the beginning of the year	1,90,72,199	49,83,521
F Cash and Cash Equivalents at the end of the year (Refer Note 14)	81,54,806	1,90,72,199

As per our Report of even date attached

For AGGARWAL & RAMPAL

Chartered Accountants
Firm Reg. No.003072N

Sd/-
(Aditya Aggarwal)
Partner
(Membership No. 515644)

Sd/-
(Alkesh Kumar Sharma)
Director
(DIN : 02724743)

For and on behalf of the Board

Sd/-
(Srikanth Kommu)
Director
(DIN : 07540606)

Place: New Delhi
Date : 01-May-2019

Sd/-
(P.K. Agarwal)
Chief Financial Officer

Sd/-
(Surya Prakash)
Company Secretary

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

SIGNIFICANT ACCOUNTING POLICIES

a) Basis for Preparation of Financial Statements

The Financial Statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous years.

b) Use of Estimates

The preparation of financial statements requires the management of the Company to make certain estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

c) Property, Plant and Equipment

- i) Property, plant and equipment are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any;
- ii) Costs directly attributable to acquisition including borrowing cost are capitalized until the property, plant and equipment are ready for use, as intended by the management;
- iii) Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the Statement of Profit & Loss when incurred;
- iv) The expenditure relating to Landscaping and Horticulture Works is capitalised under the head Landscaping and Horticulture Works.
- v) Land acquired on lease for 99 years or less is treated as leasehold land.
- vi) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell;
- vii) The Company depreciates property, plant and equipment on pro-rata basis to the extent of depreciable amount on Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II:

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

SIGNIFICANT ACCOUNTING POLICIES

Particulars	Depreciation	Justification
- Solar Panels	<ul style="list-style-type: none">- The salvage value is considered as 10% and depreciable assets is considered as 90% of Capital Cost.- The useful life is considered as 25 years from the date of Commercial Operation Date.- Depreciation Rate is 5.28% per annum for first 13 years and remaining depreciation is spread during remaining useful life of the assets.- Depreciation shall be charges on pro-rata basis.	This is as per the Central Electricity Regulatory Commission Regulations, 2017.
- Landscaping and Horticulture Works	The depreciable amount is depreciated over a period of 5 years on WDV Method	Useful life is considered as 5 years.
- Leasehold Land	Amortised on Straight Line Method for the remaining period of lease (97 years 106 days) from the date of possession.	This is as per the Lease Deed executed with the Land Development Authority i.e., RIICO.

viii) Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end;

d) Capital Work-in-Progress

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non current assets and the cost of assets not put to use before such date are disclosed under "Capital Work in progress".

e) Intangible Assets

- i) Intangible assets are stated at cost of acquisition net of accumulated amount of amortisation / depletion and impairment loss, if any;
- ii) Intangible assets are amortised over a period of 5 years from the year of purchase on Straight Line Method.

f) Long - Term

Investments are shown at actual cost including the cost incidental to acquisition.

g) Revenue Recognition

- i.) Revenue from the sale of power is recognised on the basis of net number of units exported on monthly basis at the rates agreed upon with the customers.
- ii.) Interest income is recognised on accrual basis. Dividend income is accounted for when the right to receive it is established.

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

SIGNIFICANT ACCOUNTING POLICIES

h) Transactions in Foreign Exchange

Expenses in foreign currency / transactions are accounted at the prevailing market rate of exchange on the date of transaction and income in foreign currencies are accounted at the value recovered from these currencies.

i) Inventories

Inventories of consumables, stores and spares are valued at the lower of the cost or Net Realisable Value on First-in First-out (FIFO) basis.

j) Employee Benefits

The Company makes provision for Gratuity in terms of the Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972 based on actuarial valuation at the end of the year.

k) Taxes on Income

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred income tax reflect the current period timing differences between the taxable income and the accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

l) Provision, Contingent Liabilities and Contingent Assets

A provision is recognised in the accounts when the company has a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognised in the Financial Statements and are disclosed in the Notes.

Contingent asset is neither recognised nor disclosed in the Financial Statements.

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

NOTES ON FINANCIAL STATEMENTS

	As at 31-Mar-2019 Rupees (₹)		As at 31-Mar-2018 Rupees (₹)	
NOTE 1 : SHARE CAPITAL				
1.0 AUTHORISED SHARE CAPITAL				
1,30,00,000 Equity Shares of ₹10/- each with voting power	13,00,00,000		13,00,00,000	
	13,00,00,000		13,00,00,000	
ISSUED, SUBSCRIBED AND PAID UP				
1,30,00,000 Equity Shares of ₹10/- each with voting power	13,00,00,000		13,00,00,000	
	13,00,00,000		13,00,00,000	
	No. of Shares	Rupees (₹)	No. of Shares	Rupees (₹)
1.1 Reconciliation of the shares outstanding at the end of the year:				
Equity shares at the beginning of the year	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
Shares issued during the year	-	-	-	-
Equity shares at the end of the year	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
1.2 Details of Shareholder's Holding more than 5% Shares	% of Holding	No. of Shares	% of Holding	No. of Shares
Delhi Mumbai Industrial Corridor Development Corp. Ltd. (Through its CEO & Managing Director/Nominees)	100	1,30,00,000	100	1,30,00,000
1.3 The company has one class of equity shares. Each shareholder is eligible for one vote per share held. The shareholders have no differential rights with respect to distribution of dividend and repayment of capital.				
NOTE 2 : RESERVES AND SURPLUS				
2.0 PROFIT & LOSS ACCOUNT				
Profit as per last Balance Sheet		12,27,94,055		8,91,27,026
Add/(Less): Profit /(Loss) for the year		<u>(1,07,27,119)</u>		<u>3,36,67,029</u>
Total		<u>11,20,66,937</u>		<u>12,27,94,055</u>

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

NOTES ON FINANCIAL STATEMENTS

	As at 31-Mar-2019 Rupees (₹)	As at 31-Mar-2018 Rupees (₹)
NOTE 3 : LONG TERM BORROWINGS		
Term Loan		
- From National Industrial Corridor Development and Implementation Trust (formerly DMIC Project Implementation Trust Fund)*	2,50,00,000	3,60,00,000
Total	2,50,00,000	3,60,00,000

* The loan agreement was executed with National Industrial Corridor Development and Implementation Trust (NICDIT) with effect from 09th April, 2015 for an amount of ₹ 22.34 crore. The rate of interest shall be 100 basis points above the average G.Sec rate for the last one year. The loan is for a period of 10 years with 1 year moratorium period from the date of release of final instalment of loan. The amount of repayment shall be on the basis of the availability of the surplus funds with the Company subject to the condition that the minimum amount of repayment instalment should not be in any case less than ₹ 0.50 crore and the entire loan amount shall be repaid before the expiry of the 10th year from the end date of the moratorium period.

NOTE 4 : OTHER LONG TERM LIABILITIES

Others		
- Amount Payable towards Land**	6,55,61,400	7,10,24,850
- Performance Securities	10,000	-
Total	6,55,71,400	7,10,24,850

** Rajasthan State Industrial Development & Investment Corporation Limited (RIICO) on 21st November, 2012 allotted 145692 sq.m. of land for the project site at the concessional rate of ₹ 1,000/- per sq.m. Out of the total Development Charges (DC), 25% was paid at the time of allotment and the balance amount is payable in 20 equal annual interest free instalments with effect from 20th January, 2013.

NOTE 5 : LONG TERM PROVISIONS

- Provision for Employee Benefits (Gratuity)	80,274	86,846
Total	80,274	86,846

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

NOTES ON FINANCIAL STATEMENTS

	As at 31-Mar-2019 Rupees (₹)	As at 31-Mar-2018 Rupees (₹)
<u>NOTE 6 : TRADE PAYABLES</u>		
(i) Total outstanding dues of micro enterprises and small enterprises	62,663	3,26,545
Total	62,663	3,26,545
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,89,180	22,34,086
Total	2,89,180	22,34,086
<u>NOTE 7 : OTHER CURRENT LIABILITIES</u>		
Current Maturities of Long - Term Liabilities (RIICO Land)	54,63,450	54,63,450
Other Payables		
- Bid Security	-	2,80,000
- Performance Security	15,000	-
- Statutory Liabilities	76,526	6,43,493
- Creditors for Capital Goods [including Retention Security of ₹ 1,82,067/- (Previous Year of ₹ 39,76,560/-)]	2,02,617	54,88,404
- To Delhi Mumbai Industrial Corridor Development Corporation Limited (Holding Company)	12,46,402	68,42,880
- Expenses Payable	1,99,113	2,13,742
Total	72,03,108	1,89,31,969
<u>NOTE 8 : SHORT - TERM PROVISIONS</u>		
Provision for Income Tax	-	10,18,782
Provision for Professional Fees	2,56,500	2,46,060
Provision for Leave Encashment and Gratuity	11,618	10,808
Total	2,68,118	12,75,650

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

NOTES ON FINANCIAL STATEMENTS

NOTE 9 : FIXED ASSETS

Name of the Assets	Rupees (₹)									
	Gross Block			Depreciation and Amortisation				Net Block		
	As at 01-Apr-2018	During the period		As at 31-Mar-2019	Upto 01-Apr-2018	For the period	Other Adjustments	Upto 31-Mar-2019	As at 31-Mar-2019	As at 31-Mar-2018
	Additions	Deductions								
A.) PROPERTY, PLANT AND EQUIPMENT										
1. Land - Leasehold (99 years)	15,61,68,910	-	-	15,61,68,910	58,62,216	16,05,183	-	74,67,399	14,87,01,511	15,03,06,694
2. Building										
a.) Building other than RCC Frame Structure	1,21,70,609	-	-	1,21,70,609	21,64,735	9,51,178	-	31,15,913	90,54,696	1,00,05,874
b.) Fencing	1,12,27,661	4,07,548	2,74,304	1,13,60,905	81,13,433	13,65,492	(68,216)	94,10,709	19,50,196	31,14,228
c.) Tubewell	10,52,350	-	-	10,52,350	4,51,187	2,72,864	-	7,24,051	3,28,299	6,01,163
3. Roads										
a.) Carpeted - Other than RCC	7,42,326	-	-	7,42,326	4,44,581	1,79,511	-	6,24,092	1,18,234	2,97,745
b.) Non-Carpeted Roads	76,47,896	-	-	76,47,896	63,00,729	8,06,735	-	71,07,464	5,40,432	13,47,167
4. Plant & Machinery										
a.) Plant & Machinery (General)	21,88,58,159	16,97,653	4,58,500	22,00,97,312	6,69,29,301	2,83,39,501	(1,87,884)	9,50,80,918	12,50,16,394	15,19,28,858
b.) Solar Panels (nos. 1354)	1,33,29,516	2,95,176	-	1,36,24,692	6,33,419	12,282	-	6,45,701	1,29,78,991	1,26,96,097
5. Furniture & Fittings	1,43,500	31,800	-	1,75,300	52,372	23,914	-	76,286	99,014	91,128
6. Office Equipment's	3,59,572	51,920	-	4,11,492	1,32,278	1,22,230	-	2,54,508	1,56,984	2,27,294
7. Computer	3,01,975	65,000	-	3,66,975	1,91,435	95,656	-	2,87,091	79,884	1,10,540
8. Others										
a.) Landscaping & Horticulture Works	27,64,866	-	-	27,64,866	14,21,540	6,07,948	-	20,29,488	7,35,378	13,43,326
Total	42,47,67,340	25,49,097	7,32,804	42,65,83,633	9,26,97,226	3,43,82,494	(2,56,100)	12,68,23,620	29,97,60,013	33,20,70,114
Previous Year (31.03.2018)	33,23,80,934	9,23,86,406	-	42,47,67,340	5,30,75,763	3,92,57,772	3,63,691	9,26,97,226	33,20,70,114	27,93,05,171
B.) INTANGIBLE ASSETS										
Computer Software	1,28,498	18,300	-	1,46,798	47,740	29,360	-	77,100	69,698	80,758
Total	1,28,498	18,300	-	1,46,798	47,740	29,360	-	77,100	69,698	80,758
Previous Year (31.03.2018)	1,10,198	18,300	-	1,28,498	22,040	25,700	-	47,740	80,758	88,158

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

NOTES ON FINANCIAL STATEMENTS

	As at 31-Mar-2019 Rupees (₹)	As at 31-Mar-2018 Rupees (₹)
<u>NOTE 10 : DEFERRED TAX ASSETS (NET)</u>		
Deferred Tax Assets		
- Relating to Fixed Assets*	32,73,973	19,34,927
- Relating to Allowances under Income Tax Act, 1961	-	-
- Relating to Employee's Benefits and Allowances under Income Tax Act, 1961	23,892	26,906
Less: Deferred Tax Liabilities	-	-
Total	32,97,865	19,61,833
 * In terms of Article-9 of the Power Purchase Agreement executed with NTPC Vidyut Vyapar Nigam Limited (NVTN), the Company is charging normal rate of depreciation @ 15% and is not claiming Accelerated Rate of Depreciation @ 40% as per the Income Tax Act, 1961.		
<u>NOTE 11 : LONG TERM LOANS AND ADVANCES</u>		
Other Loans and advances		
- Unsecured considered good Security Deposits	1,50,000	50,000
Total	1,50,000	50,000
<u>NOTE 12 : INVENTORIES (Valued at lower of cost and net realisable value)</u>		
- Consumables	15,56,041	12,46,880
- Others	-	-
Total	15,56,041	12,46,880
<u>NOTE 13 : TRADE RECEIVABLES</u>		
- Unsecured considered good		
Outstanding for a period exceeding six months	-	-
Others	50,59,517	1,16,64,300
Total	50,59,517	1,16,64,300

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

NOTES ON FINANCIAL STATEMENTS

	As at 31-Mar-2019 Rupees (₹)	As at 31-Mar-2018 Rupees (₹)
NOTE 14 : CASH AND BANK BALANCES		
(i) CASH & CASH EQUIVALENTS		
- Cash and Cash Equivalents*		
Cash in Hand	7,215	5,413
Balance with Bank in Current Account	17,358	3,571
	24,573	8,984
Balance with Bank in Deposit Accounts	81,30,233	1,90,63,215
Cash and Cash Equivalents as per AS-3	81,54,806	1,90,72,199
Total (a)		
(ii) OTHER BANK BALANCES		
- Balance with Bank in Deposit Accounts under lien against Bank Guarantee	-	10,000
Total (b)	-	10,000
Total Cash and Bank Balances (a+b)	81,54,806	1,90,82,199

* Cash and Cash equivalents include deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty.

NOTE 15 : SHORT TERM LOANS AND ADVANCES

- Unsecured considered good		
Other Loans and Advances	9,88,140	18,11,590
Total	9,88,140	18,11,590

NOTE 16 : OTHER CURRENT ASSETS

Interest Accrued on Bank Deposits	3,55,742	9,41,333
Income Accrued on Sale of Electricity	75,87,269	-
Security Deposits	14,56,920	14,56,920
Income Tax Refund (including TDS)	1,17,48,813	1,16,38,420
Total	2,11,48,744	1,40,36,673

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

NOTES ON FINANCIAL STATEMENTS

	For the Year ended on 31-Mar-2019 Rupees (₹)	For the Year ended on 31-Mar-2018 Rupees (₹)
<u>NOTE 17 : INCOME FROM OPERATIONS</u>		
Sale of Power*	12,14,75,390	10,84,34,738
[1,19,79,420 Kwh Units (Previous Year 1,09,42,395 Kwh Units and other adjustments)]		
Income from Data Services**	-	6,30,62,107
Total	12,14,75,390	17,14,96,845
* Includes an amount of unbilled revenue of ₹ 60,59,193/- to NTPC Vidyut Vyapar Nigam Limited (6,90,900 Kwh @ ₹ 8.77 pre unit) and ₹ 16,49,260 to Mikuni India Private Ltd. (1,34,013 Kwh @ ₹ 11.99 per unit along with Minimum Daily Billing Charges for 02 days) total amounting to ₹ 77,08,453/-.		
** The company has entered into an agreement on 13th September, 2016 with M/s Hitachi Limited, Japan, for Data Providing Services for a total value of ₹ 15,76,55,268/- (excluding service tax at applicable rates).		
<u>NOTE 18 : OTHER INCOME</u>		
Interest on Bank Deposits	10,94,905	22,01,533
Bid Processing Fees	3,500	3,269
Miscellaneous Income	19,200	21,500
Total	11,17,605	22,26,302
<u>NOTE 19 : COST OF MATERIAL CONSUMED</u>		
Diesel Expenses	8,01,30,535	5,00,87,583
	8,01,30,535	5,00,87,583
<u>NOTE 20 : EMPLOYEE BENEFITS EXPENSES</u>		
Salary, Wages and Allowances	61,14,943	47,65,593
Gratuity and Leave Encashment	44,283	75,827
Stipend	61,592	75,000
Total	62,20,818	49,16,420
<u>NOTE 21 : FINANCE COSTS</u>		
Interest on Borrowings	27,62,852	68,86,260
Interest on Income Tax	2,45,228	15,75,510
	30,08,080	84,61,770
<u>NOTE 22 : DEPRECIATION / AMORTISATION</u>		
For the period	3,44,11,854	3,92,83,472
Adjustments for earlier years	-	3,63,691
Total	3,44,11,854	3,96,47,163

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

(CIN : U40300DL2014PLC266439)

NOTES ON FINANCIAL STATEMENTS

	For the Year ended on 31-Mar-2019 Rupees (₹)	For the Year ended on 31-Mar-2018 Rupees (₹)
NOTE 23 : OTHER EXPENSES		
Operations and Maintenance Expenses	44,27,574	34,14,643
Renewable Energy Development Charges	-	5,00,000
Service Charges on Land	12,89,370	12,00,755
Advertisement and Promotional Expenses	1,20,711	12,28,288
Administrative and Other General Overheads- apportioned by Holding Company*	13,95,586	33,34,486
Rebate to NVVN	12,36,127	12,89,580
Auditor's Remuneration	1,03,800	92,500
CSR Expenses	7,68,447	-
Directors' Sitting Fees	35,400	80,200
Internet and Website Expenses	1,29,800	1,27,167
Meeting and Conference Expenses	49,907	77,492
Insurance Expenses	3,12,893	3,36,089
Professional & Consultancy Expenses	3,00,060	11,81,226
Prior Period Expenses	53,641	7,901
Travelling and Conveyance Expenses	1,86,474	6,16,566
Water Expenses	1,18,378	1,33,339
Preliminary Expenses	-	18,39,456
Other Misc. Expenses	3,56,710	4,49,151
Total	1,08,84,878	1,59,08,839

* Amount has been apportioned by Delhi Mumbai Industrial Corridors Development Corporation Limited, 100% holding company towards Administrative and other General Overheads incurred.

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

OTHER NOTES TO ACCOUNTS

24 CORPORATE INFORMATION

24.0 DMICDC Neemrana Solar Power Company Limited is a Special Purpose Company incorporated under the Companies Act, 2013 on 18.03.2014 as a wholly owned subsidiary of Delhi Mumbai Industrial Corridor Development Corporation Limited. The principal business of the company is to generate, develop and accumulate solar power and to transmit, distribute and supply such power and to carry on the business of generating company to promote, develop, undertake, engineer, construct, complete, establish, operate, maintain, augment, modernise and upgrade the Model Solar Project at Neemrana, Rajasthan.

24.1 In terms of the Article 16 of the Memorandum of Understanding (MOU) executed among New Energy and Industrial Technology Development Organisation (NEDO) of Japan, Government of Japan, Ministry of Finance, Government of India, Ministry of New and Renewable Energy, Government of India and Delhi Mumbai Industrial Development Corporation Limited, PV modules, PCSs with related equipment, Control Servers for Micro Grid Control, Telecommunication Systems and other ancillary equipment's are provided by NEDO as grant-in-aid.

In terms of same article, during the implementation of this project, the ownership of the equipment's provided by NEDO shall belong to NEDO.

24.2 Kaneka Make PV modules received as spare from NEDO on which custom duty of ₹ 6,69,654/- (Rupees Six Lakh Sixty Nine Thousand Six Hundred Fifty Four Only) has been paid in the financial year 2017-18, out of which, PV modules valuing ₹ 2,95,176/- (Rupees Two Lakh Ninety Five Thousand One Hundred Seventy Six Only) have been capitalized on installation and ₹ 17,622/- (Rupees Seventeen Thousand Six Hundred Twenty Two) has been written off on account of damaged modules during the current financial year. The balance value of modules shown under "Capital-Work-in-Progress" shall be capitalized on installation as per the requirement of the Plant.

25 In the opinion of the Directors of the company and to the best of their knowledge and belief, the value on realisation of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

26 Delhi Mumbai Industrial Corridor Development (DMICDC) Limited has transferred a sum of ₹ 35,19,591/- towards expenditure incurred on Project Development Activities during the financial year 2017-18. Out of the above, an amount of ₹ 18,39,456/- was booked as Preliminary Expenses and ₹ 16,80,135/- was capitalised during the previous financial year.

27 Department of Investment & Public Asset Management, Ministry of Finance, GoI, vide OM NO. 5/2/2016-Policy dated 27.05.2016 issued Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs). As per the Guidelines, every CPSE is required to pay a minimum annual dividend of 30% of PAT or 5% of the Net Worth, whichever is higher subject to maximum dividend permitted under the extant legal provisions.

The Company got exemption from payment of minimum dividend as per the above guidelines for the financial year 2017-18.

For the financial year 2018-19, the proposal for the exemption shall be submitted to Secretary, Department of Investment & Public Asset Management, Ministry of Finance and accordingly, no provision for the same has been made.

	As at 31-Mar-2019 Rupees (₹)	As at 31-Mar-2018 Rupees (₹)
28 Disclosure Relating to Corporate Social Responsibility (CSR) Expenditure		
A. Gross amount required to be spent by the Company		
Annual CSR Allocation	11,62,041	8,50,547
Carry forward from previous year	82,100	-
Gross amount required to be spent by the Company	12,44,141	8,50,547
B. Amount spent during the period:		
Promotion of Education through setting-up Computer Lab with e-learning facility		
- In cash	7,30,025	-
- yet to be paid *	38,422	-
Total	7,68,447	-

* Provisions made for liabilities incurred.

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

OTHER NOTES TO ACCOUNTS

29 Contingent Liabilities and Commitments (to the extent not provided for)

A. Contingent Liabilities

- Claim on the Company not acknowledged as debt

- -

B. Commitments

i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for on account of:

- -

ii) Other commitments

- Operation and Maintenance of the Project

4,53,25,562 5,38,06,026

- Guarantees issued by Bank on behalf of the Company

- 10,000

30 Earnings and Expenditure in Foreign Currency

A. Earnings in Foreign Exchange

- -

B. Expenditure in Foreign Currency

- -

31 Payments to the Auditors

A. For Audit Fees [including taxes of ₹ 15,300 /- (Previous year - ₹ 7,500/-)]

1,03,800 92,500

B. For Others

- -

1,03,800 92,500

32 Segment Reporting

As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosures prescribed by AS 17 are not applicable.

33 Related Party Disclosures

I As per the Accounting Standard on 'Related Party Disclosure' (AS-18) issued by the Institute of Chartered Accountants of India, the related parties are as follows :

	<u>As at 31-Mar-2019</u>	<u>As at 31-Mar-2018</u>
(a) Holding Company:		
Delhi Mumbai Industrial Corridor Development Corporation Limited	Yes	Yes
(b) Fellow Subsidiary Companies		
DMICDC Guna Power Company Limited*	N.A.	Yes
DMICDC Indapur Power Company Limited*	N.A.	Yes
DMICDC Vaghel Power Company Limited*	N.A.	Yes
DMICDC Ville Bhagad Power Company Limited*	N.A.	Yes
(c) Key Management Personnel		
Sh. Alkesh Kumar Sharma, Managing Director	No	No

* The names of these SPVs have been struck-off from the Register of Companies maintained by the Registrar of Companies vide MCA notification no. ROC/DELHI/248(5)/STK-7/4893 dated 09.08.2018 and these companies stand dissolved with immediate effect.

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

OTHER NOTES TO ACCOUNTS

II Details of Transactions /Balances Outstanding as at 31.03.2019:

Particulars	Amount in Rupees (₹)	
	Holding Company	Key Management Personnel
Outstanding Balances:		
Delhi Mumbai Industrial Corridor Development Corporation Limited	12,46,402 (Cr.) (68,42,880) (Cr.)	Nil (Nil)
Aggregate Transactions during the year	21,30,650 (1,77,65,593)	Nil (Nil)
III Statement of entity wise material transactions during the year		
a Payment to Key Management Personnel	Nil (Nil)	Nil (Nil)
b Delhi Mumbai Industrial Corridor Development Corporation Limited		
Reimbursement of Expenses	21,30,650 (1,77,65,593)	- -

Note: Figures in bracket () represents Previous period's amount.

34 Retirement benefits

Defined Contribution Plan

The company has recognized, in the Statement of Profit & Loss for the year ended March 31, 2019 Nil (Previous Year Nil) under defined contribution plan on the basis of actual contribution to the Provident Fund / Pension Fund.

Defined Benefit Plans

- a. Gratuity (unfunded): Payment at the time of leaving the organisation upon completion of 5 years of service, equal to 15 days salary for each completed year of service. Considering the actuarial valuation, an amount of ₹ 6,498 /- [Previous Year - Provision of ₹ 65,282/-] has been reversed in the Statement of Profit & Loss for the year ended March 31, 2019.
- b. Leave Encashment (unfunded): Company introduced the policy of leave encashment with effect from April 01, 2016. As per the policy, the employees are entitled to encash the unavailed leave subject to specified limit during the year without carrying forward to the subsequent years. Value of leave encashment is calculated considering proportionate amount of Basic Salary for the number of unavailed leave.

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

OTHER NOTES TO ACCOUNTS

Gratuity (unfunded)

	<u>31st March, 2019</u>	<u>31st March, 2018</u>
Reconciliation statement of expense in the statement of profit and loss.		
Present value of obligation as at the end of period (31/03/2019)	80,611	87,109
Present value of obligation as at the beginning of the period (31/03/2018)	87,109	21,827
Benefits paid	-	-
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Expenses recognized in the statement of profit & losses	(6,498)	65,282
Expenses recognized in the statement of profit & losses		
Fair value of plan assets at the beginning of the period	-	-
Acquisition adjustment	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the period	-	-
Fair value of plan assets		
Fair value of plan assets at the beginning of the period	-	-
Acquisition adjustment	-	-
Actual return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the period	-	-
Funded status	-	-
Excess of actual over estimated return on plan assets	-	-
Expense recognized in the statement of profit and loss		
Current service cost	43,839	47,894
Past service cost	-	-
Interest cost	6,751	1,692
Expected return on plan assets	-	-
Curtailement cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Net actuarial (gain)/ loss recognized in the period	(57,088)	15,696
Expenses recognized in the statement of profit & losses	(6,498)	65,282
Assumptions:		
Discounting Rate	7.75% per annum	7.75% per annum
Future salary Increase	6% per annum	6% per annum
Expected Rate of return on plan assets	-	-

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The above information is certified by the Actuarial Valuer.

The discount rate is based on prevailing market yield as at the date of valuation.

DMICDC NEEMRANA SOLAR POWER COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

OTHER NOTES TO ACCOUNTS

35 Earnings Per Share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the period.

Particulars	Unit	For the Year ended on 31-Mar-2019 Rupees (₹)	For the Year ended on 31-Mar-2018 Rupees (₹)
a Net Profit/(Loss) after Tax attributable to Equity Shareholders	Rupees	(1,07,27,119)	3,36,67,029
b Weighted Average of Number of Equity Shares used as denominator for calculating EPS	Number of Shares	1,30,00,000	1,30,00,000
c Basic/Diluted Earnings per share (a/b)	Rupees	(0.83)	2.59
d Face Value per Equity Share	Rupees	10	10

36 Figures for the Previous Year have been regrouped / recast to correspond with Current Year's presentation.

As per our Report of even date attached

For AGGARWAL & RAMPAL

Chartered Accountants
Firm Reg. No.003072N

For and on behalf of the Board

Sd/-
(Aditya Aggarwal)
Partner
(Membership No. 515644)

Sd-
(Alkesh Kumar Sharma)
Director
(DIN : 02724743)

Sd/-
(Srikanth Kommu)
Director
(DIN : 07540606)

Place: New Delhi
Date : 01-May-2019

Sd/-
(P.K. Agarwal)
Chief Financial Officer

Sd/-
(Surya Prakash)
Company Secretary



**DMICDC NEEMRANA SOLAR
POWER COMPANY LIMITED**

CIN: U40300DL2014PLC266439

Phone : +91 1123317884-8