



भारतीय राजमार्ग प्रबंधन कंपनी लिमिटेड

(एनएचएआई की एक पहल)

**Indian Highways Management Company Limited**

**(An Initiative of NHAI)**

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

G-5 & 6, Sector-10, Dwarka, New Delhi-110075

सीन / CIN U74140DL2012PLC246662

दूरभाष / Phone : 91-11-25074100/200

वेबसाइट / Website : www.ihmcl.co.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Tenth (10<sup>th</sup>) Annual General Meeting of the members of Indian Highways Management Company Limited (IHMCL) will be held on Friday, the 30<sup>th</sup> September 2022 at 4.00 P.M. at NHAI HQ, Plot No. G 5 & 6, Sector-10, Dwarka, New Delhi-110075 also through Video Conferencing (VC) / other audio visual means (OAVM) to transact the following business.

ORDINARY BUSINESS:

Item no. 1:

To consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2022 together with the Reports of the Board of Directors and the Auditors thereon.

Item No.2:

To appoint Sh. Sudipta Roy (DIN 08069653) as Director as representative from ICICI Bank Ltd , in place of Shri Vivek Gupta (DIN-08908826) representative from Axis Bank who retires by rotation.

Item No.3:

To re-appoint Sh. Amitabh Kumar Jha (DIN 07130355) who retires by rotation being eligible offer himself for re-appointment.

Item No.4:

To appoint the Statutory Auditors of the Company and to fix their remuneration after duly selection through e-tendering process and authorized Board of Directors to appointment Statutory Auditor as per due process of e-tendering. In this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under the consent of the members of the Company be and is hereby accorded to authorized the Board of Directors for the appointment of Statutory Auditors of the Company after duly selection through e-tendering process and ratified the same through an EGM."

## SPECIAL BUSINESS:

### Item No.5:

Regularization of Shri Raju Francis Dodti (DIN: 06550896) as Director.

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

“RESOLVED THAT Shri Raju Francis Dodti (DIN: 06550896) who was appointed as a Director of the Company w.e.f 25th February, 2022 u/s 161(3) of the Companies Act, 2013 by the Board of Directors and in respect of whom notice u/s 160 of the Companies Act, 2013 has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose office will be liable to retire by rotation.”

### Item No.6:

Regularization of Shri Bangaru Raju Obbilisetty, (DIN: 00082228) as Director.

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

“RESOLVED THAT Shri Bangaru Raju Obbilisetty, (DIN: 00082228) who was appointed as a Director of the Company w.e.f. 25<sup>th</sup> February, 2022 u/s 161(3) of the Companies Act, 2013 by the Board of Directors and in respect of whom notice u/s 160 of the Companies Act, 2013 has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose office will be liable to retire by rotation.”

### Item No.7:

Regularization of Shri Kushal Veer Singh, (DIN: 09483690) as Director.

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

“RESOLVED THAT Shri Kushal Veer Singh, (DIN: 09483690) who was appointed as a Director of the Company w.e.f 25<sup>th</sup> February, 2022 u/s 161(3) of the Companies Act, 2013 by the Board of Directors and in respect of whom notice u/s 160 of the Companies Act, 2013 has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose office will be liable to retire by rotation.”

### Item No.8:

Regularization of Shri Ramsekhar Manchikalapati, (DIN: 00738648) as Independent Director.

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

**"RESOLVED THAT** pursuant to the provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder, read with Schedule IV to the Act, as amended from time to time, Sh. Ramsekhar Manchikalapati, (DIN: 00738648), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and who has been appointed as an Additional Director in terms of the provisions of section 152 of the Companies Act, 2013 by the Board of Directors of the Company, be and is hereby appointed as an Independent Director of the Company for a period of two years w.e.f 15th January, 2022 to 14th January, 2024 be and is hereby approved.

**Item No.9:**

**Regularization of Dr. Amita Prasad, (DIN: 03644516) as Independent Woman Director.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), to appoint Dr. Amita Prasad, DIN 03644516 as an Additional Director (Non-Executive & Independent) on the Board of the Company w.e.f. 09.06.2022 to hold office till the conclusion of the next Annual General Meeting and subject to the approval of the members in the ensuing General Meeting, for appointment as an Independent Woman Director to hold office for a term up to 5 consecutive years from the date of ensuing general meeting."

By the order of the Board of Directors  
For Indian Highways Management Company Limited



(G.B. MISHRA)  
Company Secretary  
(ACS: 28383)

Place: New Delhi  
Date: 22<sup>nd</sup> September, 2022

## IMPORNANT NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
2. General instructions for accessing and participating in the 10<sup>th</sup> AGM through VC/OAVM Facility:

### Facility:

- a) In view of the outbreak of the COVID-19 pandemic and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, read with General Circular No.02/2021 dated January 13, 2021, (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs, the 10<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 10<sup>th</sup> AGM shall be the Registered Office of the Company situated at G 5 & 6, NHAI HQ, Sector 10, Dwarka, New Delhi-110075.
- b) In compliance with the aforesaid requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2022 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only by email to the members at their e- mail ids registered with the Company.
- c) Attendance of the Members participating in the 10<sup>th</sup> AGM through VC/OAVM Facility shall be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- d) Members may join the 10<sup>th</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below:
  - i) The members may participate in the Meeting through VC/OAVM Facility.
  - ii) The said Facility shall be kept open for the Members from 0345 Hours, i.e., 15 minutes before the time scheduled to start the AGM and the Company shall close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the AGM.
  - iii) Members needing assistance with the use of technology before or during the AGM may contact the Helpline details given hereunder: -  
Mr. GB Mishra, Contact number: 8826827897, E-mail ID: cs@ihmcl.com
- e) Members, when a poll is required to be taken during the meeting on any resolution, may convey their votes at the email address cs@ihmcl.com.
- f) Members can vote during the AGM by show of hand and through Chat option also.
- g) In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of

The proposed Resolution seeks to approve the appointment of Sh Ramsekhar Manchikalapati as the Independent Director of the Company for a period of two years w.e.f. 15th January, 2022 till 14th January, 2024.

Information pursuant to Section 102(1) (a)  
Disclosure of interest or concern

None of the Directors, Key Managerial Personnel or relatives of Directors and Key Managerial Personnel except Sh. Ramsekhar Manchikalapati himself and his relatives are interested or concerned in the resolution.

**Item no. 9**

Information pursuant to Section 102(1)(b)  
Information and facts to enable members to understand the meaning, scope and implications of the item

The Board of Directors of the Company had appointed Dr. Amita Prasad, IAS (Retd.) (DIN 03644516) as an Independent Woman Director of the Company for a period of five years with effect from 09<sup>th</sup> June, 2022. Section 149 read with Schedule IV of Companies Act, 2013 provides that appointment of Independent Director is to be approved by the Shareholders in General Meeting.


Dr. Amita Prasad had submitted the prescribed declaration regarding meeting the criteria of independence as provided in subsection (6) of section 149 of the Companies Act, 2013. Dr. Amita Prasad fulfills the conditions specified in the Act and the rule made thereunder for appointment as Independent Director of the company and is not disqualified from being appointed as Director u/s 164 of the Companies Act, 2013.

The proposed Resolution seeks to approve the appointment of Dr. Amita Prasad (DIN03644516) as the Independent Woman Director of the Company for a period of five years.

Information pursuant to Section 102(1)(a)  
Disclosure of interest or concern

None of the Directors, Key Managerial Personnel or relatives of Directors and Key Managerial Personnel except Dr. Amita Prasad (DIN: 03644516) himself and his relatives are interested or concerned in the resolution.

**By the order of the Board of Directors  
For Indian Highways Management Company Limited**

  
**(G.B. MISHRA)**  
**Company Secretary**  
**(ACS : 28383)**

Place: New Delhi  
Date: 22<sup>nd</sup> September, 2022

# ANNUAL REPORT



2022

## Indian Highways Management Company Ltd.

Email: [info@ihmcl.com](mailto:info@ihmcl.com)

Website: [www.ihmcl.co.in](http://www.ihmcl.co.in)

Tel: 011-25074100(Ext. 1804)

Address: G-5&6, NHAI HQ, Sector-10 Dwarka  
New Delhi-110075

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# 1. PERFORMANCE HIGHLIGHTS – PROJECTS

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## 1.1. FASTag Programme

### 1.1.1. Background

National Electronic Toll Collection (NETC) programme, the flagship initiative of MoRT&H and NHAI, has been implemented on pan India basis to remove bottlenecks and ensure seamless movement of traffic and collection of user fee as per the notified rates, using passive Radio Frequency Identification (RFID) technology.

In June 2010, a Committee headed by Sh. Nandan Nilekani recommended RFID enabled FASTag for efficient, faster, and seamless road commute. In order to maximize the throughput, and thus enhance the user experience, the proposed system allows vehicles with valid RFID tags to perform ETC transaction in the ETC lane.

In 2016, “multi-issuer multi-acquirer” model was adopted in bring in inter-operability and scaling up the adoption of FASTag as a digital means of toll payments.

Discount in form of cash-back, between 10% to 2.5%, were provided to FASTag users by the Government to incentivize digital payments of toll through FASTag from 2016 to March 2020.

In 2017, one FASTag lane was provisioned at NH fee plazas for dedicated for seamless movement of vehicles fitted with FASTag. The convenience and ease of the daily commuters have been unparalleled. It saves a lot of time since vehicles passing through the toll plaza do not stop to pay the toll and the payment automatically takes place from the account of the vehicle.

### 1.1.2. Various policies issued by MoRTH

To promote adoption of digital payments of toll through FASTag, MoRTH has undertaken various policy decisions from time to time. Some of the salient policies are as below -

- In November 2017, the MoRTH mandated FASTags for all new passenger and goods carrying vehicles sold on or after December 1, 2017.
- In 2018, FASTag was mandated for issuance of National Permit to goods carrying vehicles.



- In 2019, a comprehensive scheme guideline was introduced for inclusion of state toll plazas under the ambit of FASTag Programme thereby providing a uniform and inter-operable electronic tolling across NH and SH toll plazas. The Scheme provisions for financial assistance to state authorities in terms of Capex cost and recurring transaction processing fees.
- In 2020 - FASTag mandated for all old vehicles (Class M & N) sold prior to December 2017. Also, FASTag ID was mandated for renewal of Motor Vehicle Insurance w.e.f April 2021
- In 2021, all Lanes at NH fee plazas declared as “FASTag lanes of NH fee plazas” w.e.f midnight of 15/16 Feb 2021.

### 1.1.3. Current Status

FASTag is now acceptable across all National Highways toll plaza (700) and selected State highways toll plaza (200+). All NH fee plazas are operational with FASTag lanes.

MoUs have been signed with various other State Authorities and process of boarding more toll plazas under other state authority is underway.

Currently, there are 38 member banks live under NETC programme who are selling FASTag to the customers. They are providing account maintenance, customer support services for all queries related to FASTag. Below is the list of live Member Banks.

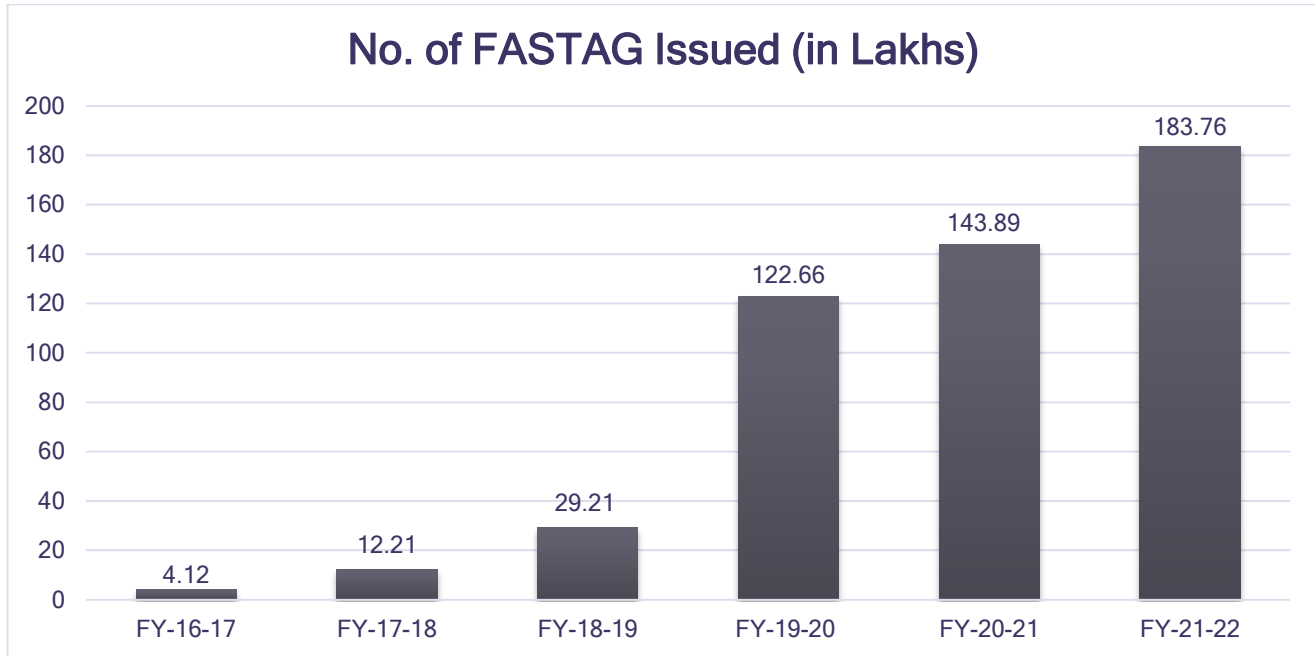
Sr. No.	Member Banks	Issuer	Acquirer
1	Airtel Payments Bank	Yes	Yes
2	Allahabad Bank	Yes	-
3	AU Small Finance Bank	Yes	-
4	Axis Bank Ltd	Yes	Yes
5	Bank of Baroda	Yes	-
6	Bank of Maharashtra	Yes	-
7	Canara Bank	Yes	-
8	Central Bank of India	Yes	-
9	City Union Bank Ltd	Yes	-
10	Cosmos Bank	Yes	-
11	Dombivli Nagari Sahakari Bank	Yes	-

Sr. No.	Member Banks	Issuer	Acquirer
12	Equitas Small Finance Bank	Yes	Yes
13	Federal Bank	Yes	-
14	FINO Payments Bank	Yes	-
15	HDFC Bank	Yes	Yes
16	ICICI Bank	Yes	Yes
17	IDBI Bank Ltd.	Yes	Yes
18	IDFC FIRST Bank	Yes	Yes
19	Indian Overseas Bank	Yes	-
20	Indusind Bank	Yes	Yes
21	Jammu and Kashmir Bank	Yes	-
22	Karnataka Bank	Yes	-
23	Karur Vysya Bank	Yes	-
24	Kotak Mahindra Bank	Yes	Yes
25	Nagpur Nagarik Sahakari Bank	Yes	-
26	Paytm Payments Bank	Yes	Yes
27	Punjab Maharashtra Co-operative Bank	Yes	-
28	Punjab National Bank	Yes	-
29	Saraswat Co-operative Bank	Yes	-
30	South Indian Bank	Yes	-
31	State Bank of India	Yes	Yes
32	Syndicate Bank	Yes	-
33	The Jalgaon Peoples Co-op. bank	Yes	-
34	Thrissur District Cooperative Bank (Kerala Bank)	Yes	-
35	UCO Bank	Yes	-
36	Union Bank of India	Yes	-
37	Yes Bank Ltd	Yes	Yes
38	KVB Bank	Yes	Yes

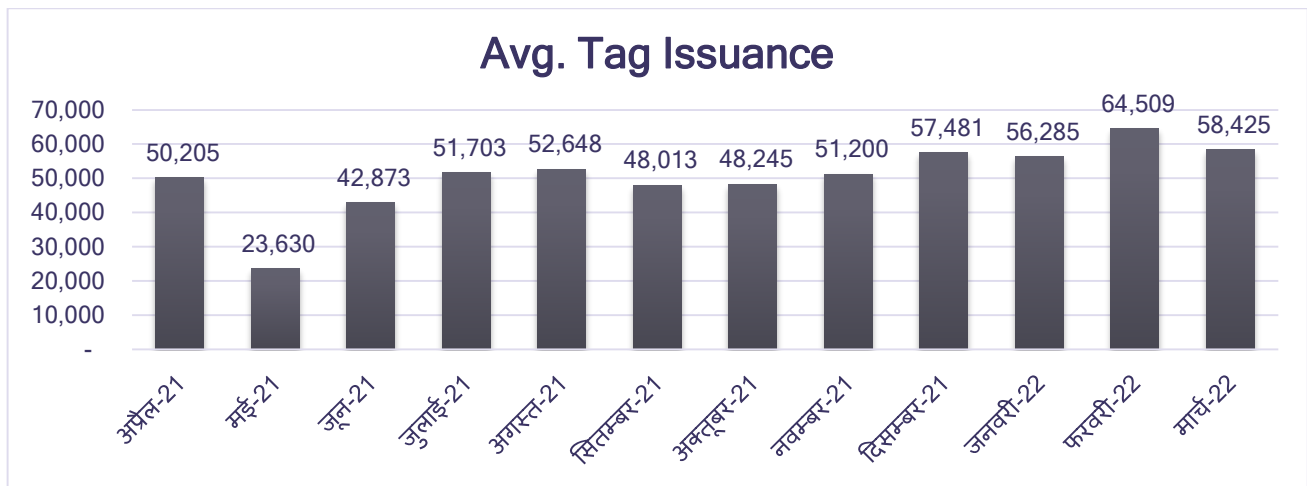
### 1.1.4. Growth in FASTag

The current year witnessed a significant growth in FASTag issuance and transactions.

a) Year-wise growth in FASTag issuance (in Lakhs) (no. of tag issued in each FY)

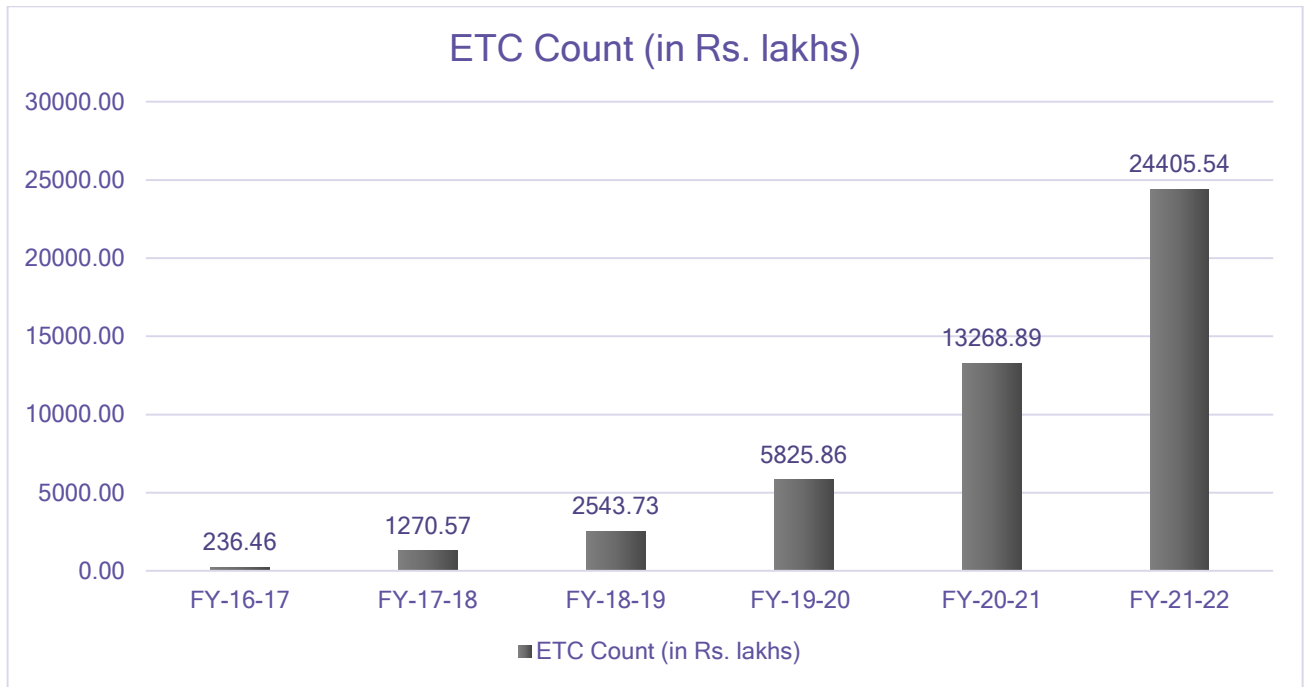


b) Average daily Tag Issuance (no. of tags issued in a day)

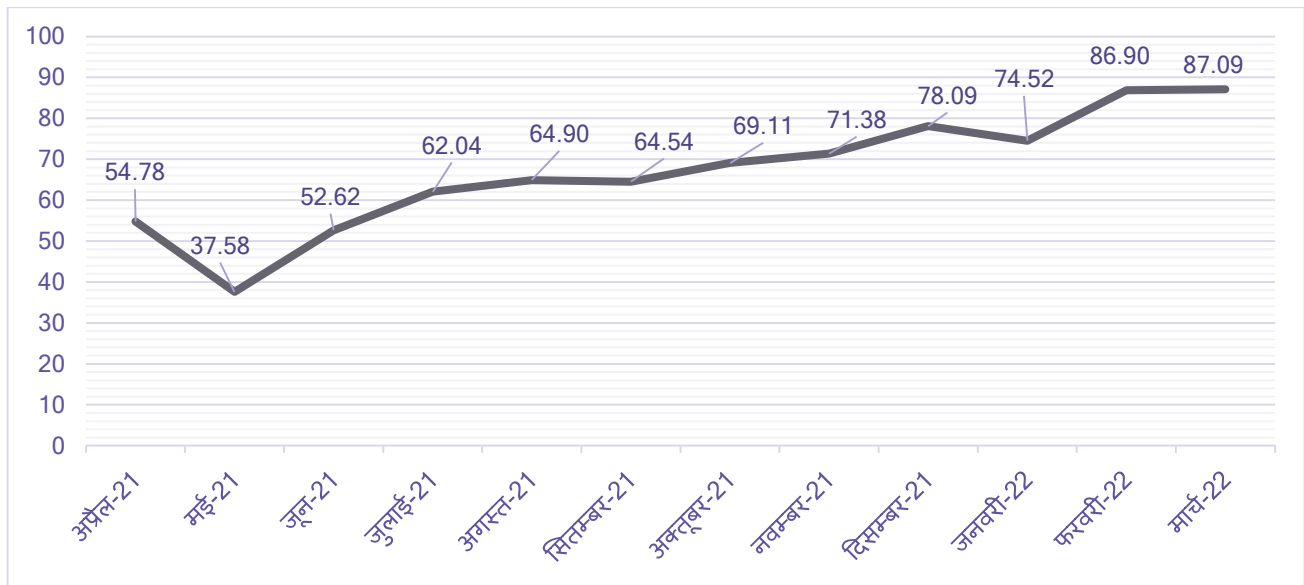


c) Growth in ETC Transaction Count

Year-wise ETC Transaction count (in Lakhs) (no. of transactions in each FY)



d) Avg. Daily ETC Count (in lakhs.) (No. of transactions in a day)

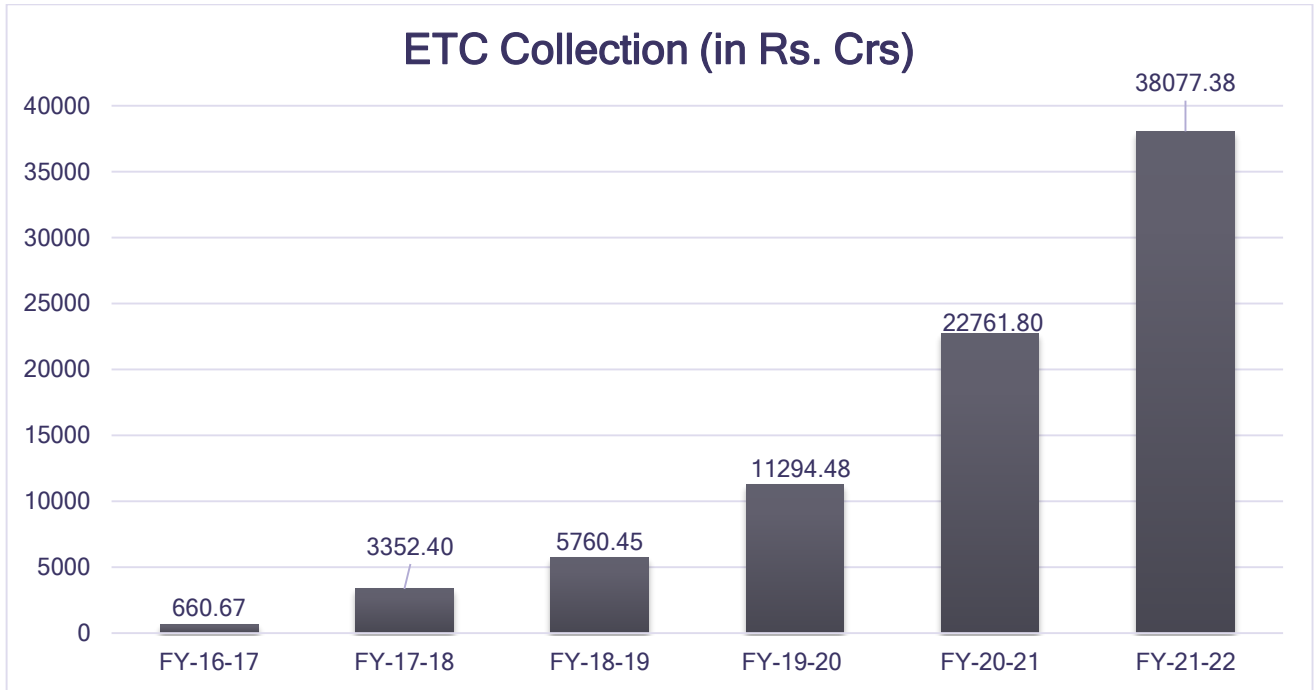


Important point –

- Daily ETC transaction count touched over 87 lakhs per day in Mar 2022.

e) Growth in Toll Collection via FASTag (ETC)

Year-wise ETC Collection (in Rs. Crores)



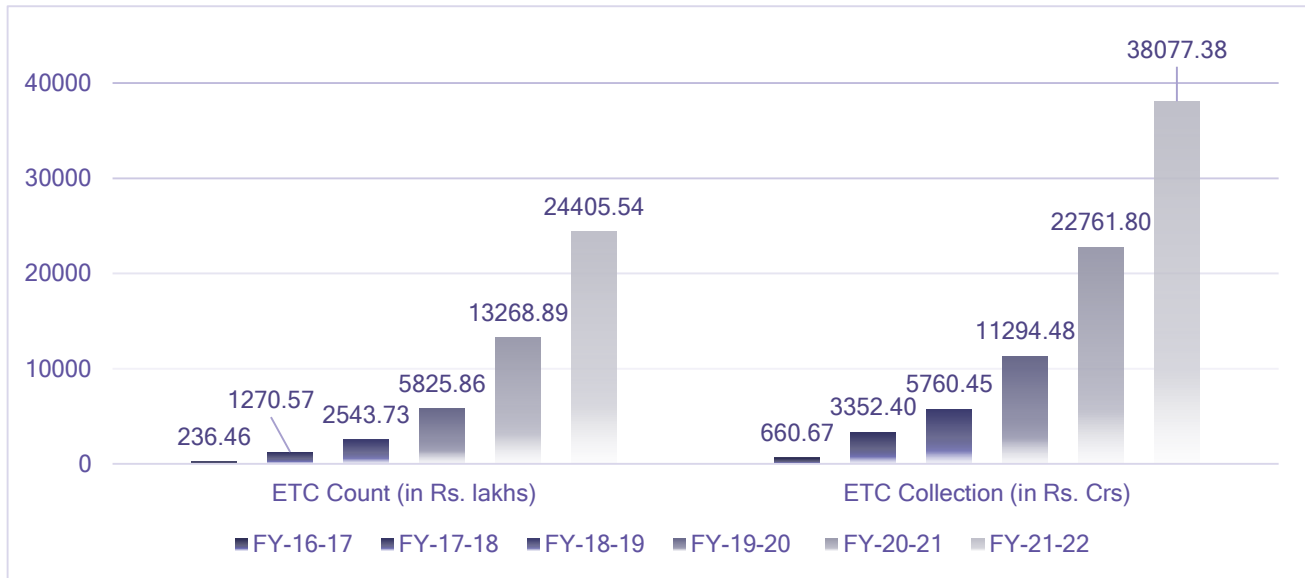
f) Avg. Daily ETC Collection (in Rs. Crores) in FY 2019-20



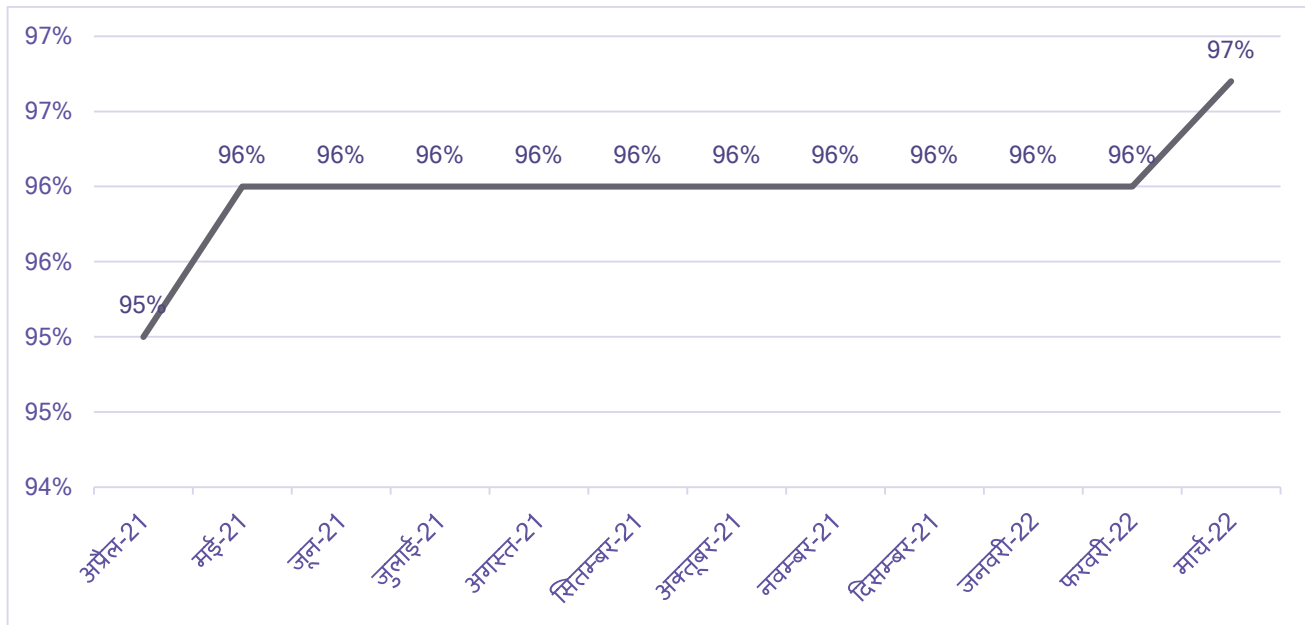
Important points –

Daily ETC collection touched over Rs. 131 crore per day in March 2022.

**g) Comparison of ETC Parameter (Financial Year Wise)**



**h) ETC % Penetration – Month-wise in FY 2021-22**



**Important points –**

- % ETC penetration = (total ETC collection / total toll collection) \* 100
- ETC data as per NPCI system and Total toll collection data as per NHA I CO Division

### **1.1.5. Facilitate the smooth transition of 100% FASTag mandate by MoRTH w.e.f 15 Feb 2021**

IHMCL team has carried out meticulous co-ordination with all banks, technology service providers and NPCI to ensure smooth roll over to 100% FASTag mandate of the Government and ensure availability of FASTag as well as enhancing the technical capability of the FASTag ecosystem.

The team ensured close monitoring of ETC penetration through various measures, such as 24X7 monitoring at Command Control Center during transition to FASTag mandate and daily morning VCs with Toll Plaza Nodal officers during FASTag mandate transition phase

### **1.2. ETC Infrastructure Implementation**

- a) In October 2021, IHMCL started online process for empanelment of System Integrator through a portal which remains open to apply any time and at present, 23 SIs have been empaneled with IHMCL for a period of 02 years from date of issuance of empanelment letter. Only empaneled SI can participate in tender process (IHMCL) of System Integrator.
- b) A policy circular has also been released by NHAI that only, empaneled SI of IHMCL can be engaged at NH fee plaza for implementation of new ETC system.
- c) From Apr-21 to Mar-22, total 107 fee plazas have been allocated to IHMCL by NHAI CO Division for services of ETC system (Implementation & O&M/ Only for O&M) and out of which, the ETC system services have been started at 87 fee plazas by engaging System Integrators through tendering process among empaneled SIs.
- d) Total 252 fee plazas are allocated to IHMCL by NHAI for the implementation and O&M services of ETC system. Out of 252 Fee plazas, the work for ETC system implementation/O&M services has been completed at 210 fee plazas and at the remaining fee plazas, the process of SI engagement/work completion is under progress.
- e) From Apr-21 to Mar-22, total 06 limited tenders have been invited by IHMCL for Implementation & O&M services of ETC system at 32 fee plazas and 09 limited tender have been invited for providing O&M services of existing ETC system.

### 1.3. Toll Monitoring and Control Centre

#### 1.3.1. Need for centralized monitoring of tolling data & analysis

The need for a real-time system for monitoring of toll collection and FASTag data and use of cloud-based data analytics is described as below:

a) Lack of Real-Time Monitoring system

- Previously there is no real-time centralised monitoring of toll collection system.
- No system to remotely check and gauge the equipment functioning status of ETC system installed at toll plazas
- No tool available for the NHAI/IHMCL Management to check and verify if the ETC system are maintaining the SLA parameters on a real-time basis; relying on system generated reports of SIs or post-facto reports by PIUs/NHAI nodal officers is the existing process.

b) Lack of on-premises or cloud-based data storage at IHMCL/NHAI

- All data related toll collection, whether ETC or Cash collection, are not stored in any central server.
- For ETC, all data pertaining to FASTag transactions are stored in NPCI servers only
- For Cash, the data are stored in silos at toll plaza servers.
- Also, access to FASTag data is via NPCI only and NHAI/IHMCL is totally dependent on NPCI for any FASTag data for analysis.

c) No Data Analytical tool

- No strong tool to analyse the FASTag transaction data.
- Analyses are being carried out based on excel-based data downloaded and filtered from the EGCS on a daily basis. As there is manual intervention required in culling the FASTag data from the excel sheet using V-Look up functionality, the margin of errors creeps in.
- A daily FASTag transaction csv file size is very heavy and usually comprise up to 10 lakhs of rows. So, it is practically difficult to download such file in laptops for any analysis.

d) No dedicated manpower to monitor tolling centrally on a real-time basis.



- No dedicated manpower to monitor the tolling at 760 Live NH fee plazas and flag any SLA breaches in the functioning of ETC system and aberration in ETC performance at toll plazas on a pro-active basis.

### 1.3.2. Toll Monitoring & Control Centre with Cloud-based Toll Data Lake with Analytics

To overcome the above-mentioned issues, the Toll Monitoring & Control Centre (TMCC) project was envisaged. The project aims at establishing a IoT based real-time monitoring system and cloud -based Toll data lake which shall serve as the repository for all data related to toll collection, and other projects of NHAI/IHMCL along with use of cloud-based data analytics. As on date around 638 fee plazas are on-boarded with TMS integration for real-time transactional data and 688 fee plazas are on-boarded for real time health monitoring.

The scope of work involves integration of TMCC solution with the existing ETC System deployed at fee plaza by various System Integrators. The key features of the TMCC are as below –

- **Central Real-time monitoring system** – The TMCC application shall capture the real-time data feeds from various toll plazas and assist in real-time remote monitoring and health status of critical equipment at fee plazas through IoT Sensors.
- **Toll Data lake** – The TMCC shall set up enterprise data consolidation and serve as the repository for all data related to toll collection, FASTag mapper, TMS data from toll plazas, POS Data, My FASTag App data, live feeds from toll plaza, Traffic Survey data, Sukhad Yatra Mobile App, TIS, etc.
- **AI based Video Analytic Solution** – The TMCC shall use AI software which can automatically count and classify the vehicles through the available video feeds.
- **Cloud-based data analytics tool** – The TMCC shall provide applications/tools to process and carry out various analyses of high-volume data by using cloud computing tools.
- **Management Dashboard** – The TMCC shall provide instant access to critical as well as consolidated data to NHAI/IHMCL for efficient decision making and directions.

- **24X7 Operations team** – The TMCC is staffed with adequate manpower to keep close watch on the performance of toll plazas and prepare various MIS reports through Central Command Centre available at NHAH HQ.

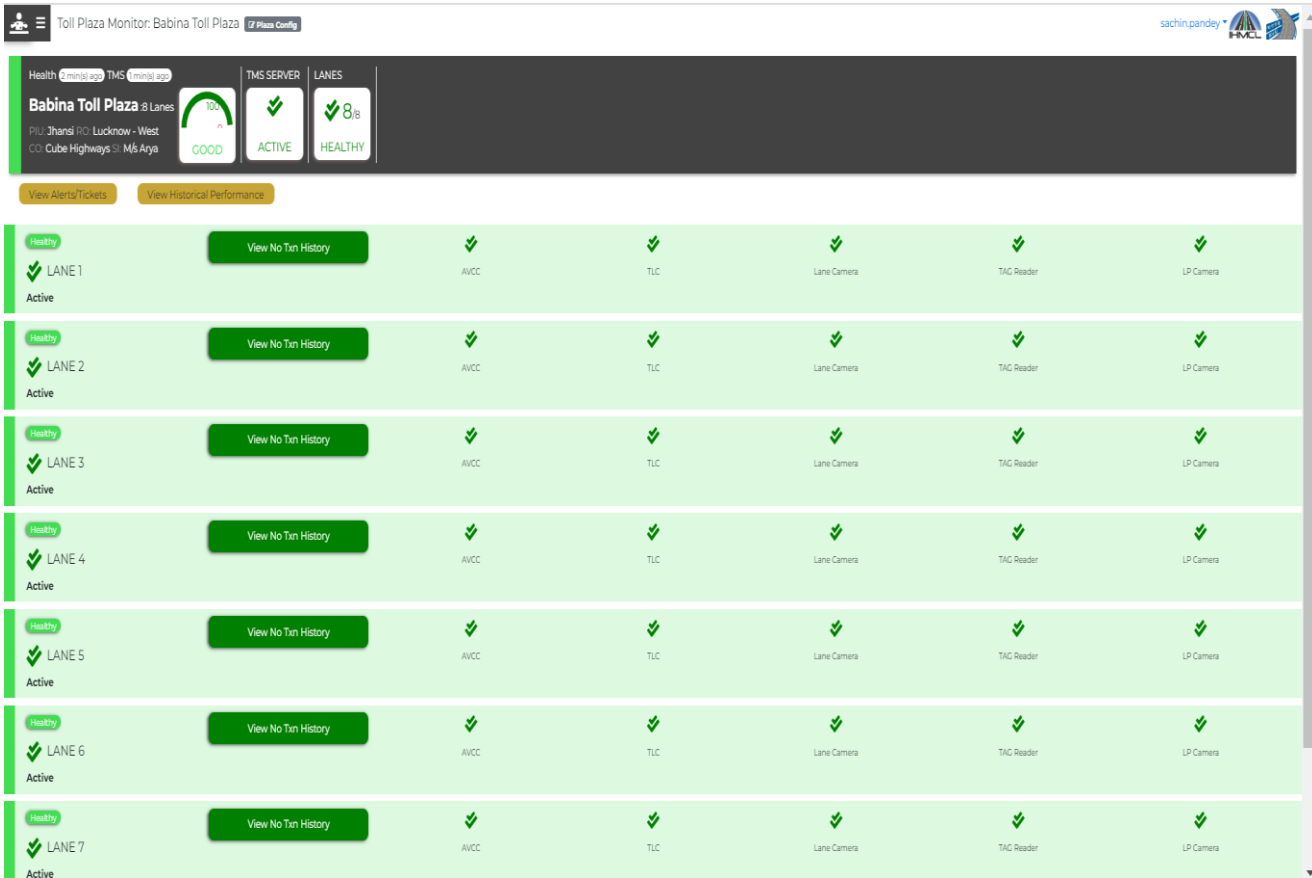


Fig 1: Critical ETC Equipment Monitoring Dashboard

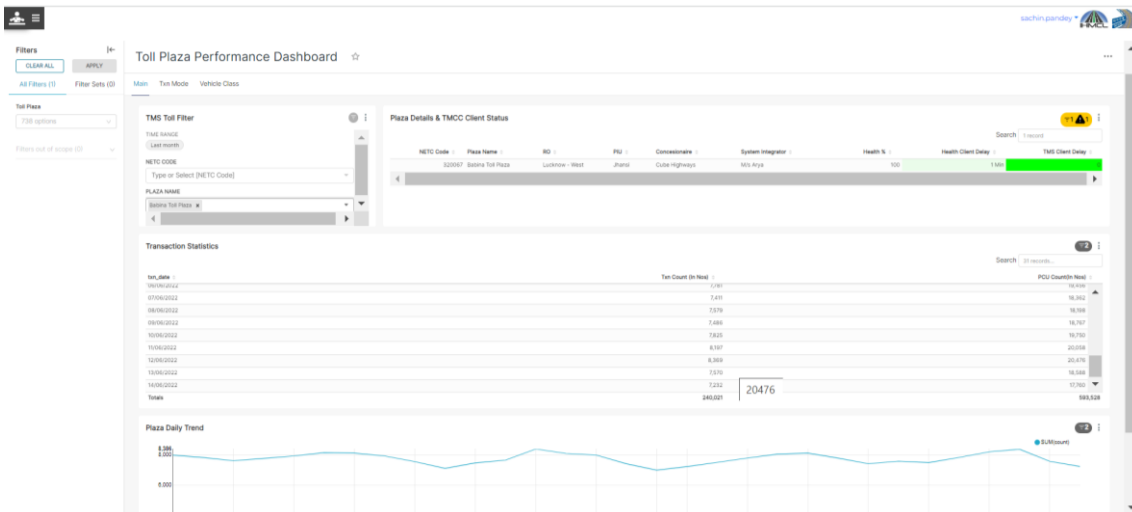
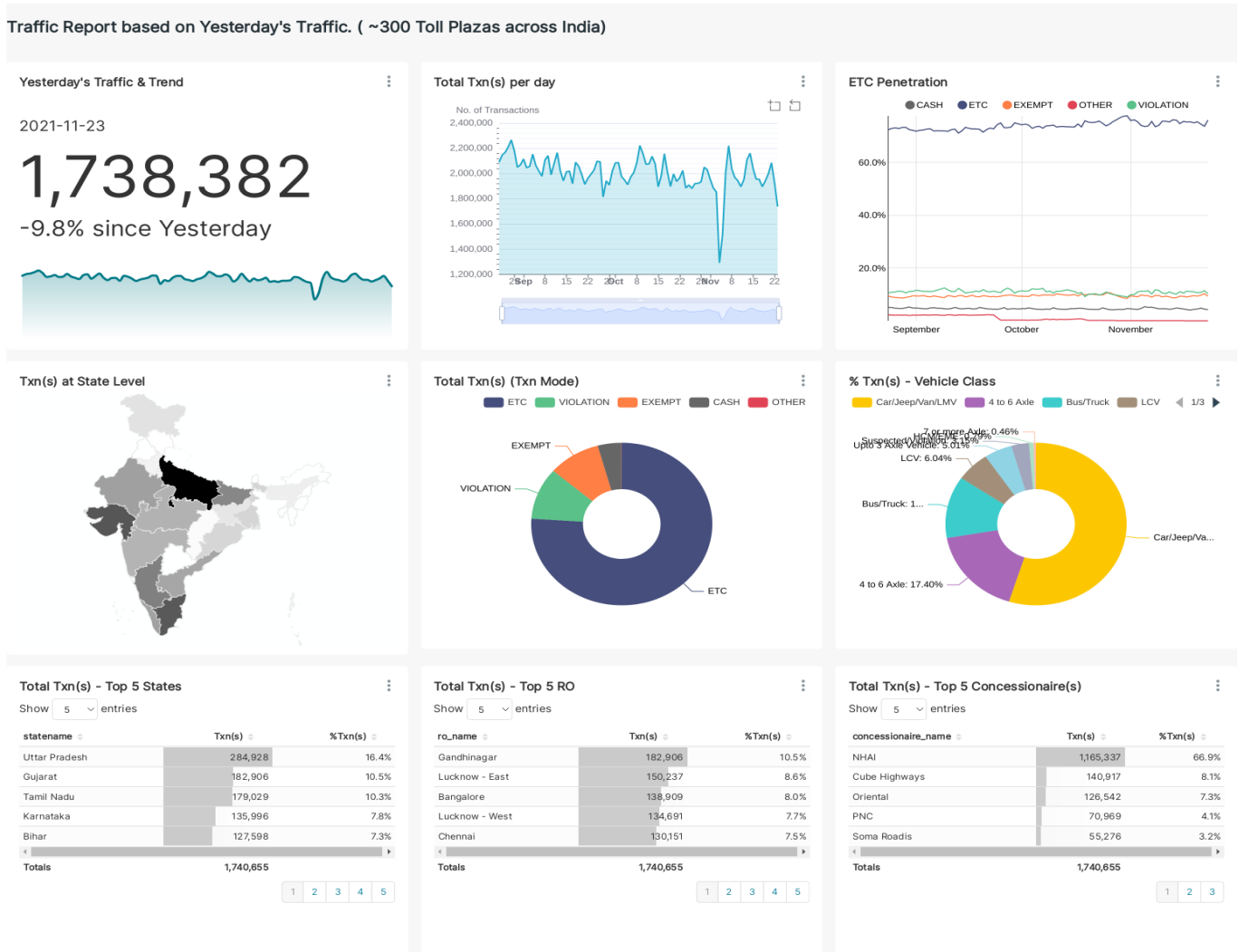


Fig 2: Dashboard to access plaza transactional data

Fig 3: Country view dashboard



TMCC dashboard access has been provided to all NHAI ROs/PIUs, officials in NHAI HQ, Concessionaires and System Integrators for monitoring of their respective fee plazas. Operations & Maintenance team deployed at Command-and-Control Centre, NHAI HQ are attending the alerts/tickets generated by system for equipment downtime/transactional issues.

The process for integration with NPCI has been completed and currently mechanism for migration of historical data is in process. Pilot for AI based video analytic system for independent counting and classification of data through existing PTZ camera has been completed at one fee plaza and team is in coordination for on-boarding remaining fee plazas.

## 1.4. NH Helpline 1033

### 1.4.1. Project Background

Realizing the requirement of single emergency contact number for across National Highway stretches Ministry of Road Transport and Highways (MoRTH) had recommended to set up the toll- free national helpline. Accordingly, National Highway Authority of India (NHAI) was entrusted with the mandate to set up the toll- free national helpline by using a single 4-digit Toll Free Universal Access Number (UAN) i.e., “1033” vide letter No. RT-25035/11/2013-RS(Pt.), Dated 05.07.2013. Further, NHAI has given a mandate to Indian Highways Management Company Limited (IHMCL) to set up the toll-free helpline for road users on national highways vide letter No. NHAI/13029/01/2013-HAM/51984, Dated 07.05.2014.

In 2015, IHMCL invited zone wise bids to set the proposed toll-free helpline for national highway users. Zone wise work was awarded to two different service providers M/s Bharat BPO Services Limited & Spice Digital Limited Consortium and M/s Apollo-Samarth-Dhruv JV but because of various operational challenges proposed toll free helpline was not functional during the contract period of both above service providers. The matter was discussed in the IHMCL Board and as approved in the 27th IHMCL board meeting held on 25.07.2017 and new RFP was issued for setting up and operationalizing “24x7 Helpline” (Call Centre) for Road Users on National Highways. After evaluation of bids, the LOA for setting up 1033 Helpline was awarded to successful bidder M/s NSB BPO Solutions Pvt. Ltd.

1033 Helpline was formally launched by Hon'ble Minister Shri Nitin Gadkari (Union Minister for Road Transport & Highway) on 07.03.2018 and after successfully launch national highway commuters are able to call on 1033 Helpline from across India.

### 1.4.2. 1033 Helpline Highlights –

- A single 4-digit Toll Free Universal Access Number (UAN) “1033”.
- Location - Noida, 200 Call Centre Seats (24x7 - Spread across the day)
- Work shifts to ensure 24x7 operation.
- Nodal point of contact for FASTag related grievances.

- Supported with Level-2 executives, Team Leaders, Backend Staff, Process Manager etc.
- Toll Plaza Contact detail and escalation matrix updated with CRM Software.
- PIU/PD & RO Contact details also updated for further escalation.

#### 1.4.3. FASTag Complaint/Queries Received on 1033

(FY 2021-22) – AT A GLANCE

Type of Complaints/Queries	Total Received	Total Resolved	Total in Process
Not Able to Pass Toll Plaza - Emergency	2,34,483	2,34,483	-
Bank FASTag Status/Balance Enquiry	2,05,426	2,05,426	-
Enquiry About KYC Process - NHAI Prepaid Wallet	89,256	89,256	-
FASTag Deduction Without Consent/Travel	88,252	88,252	-
Bank FASTag Recharge Process	65,430	65,430	-
Overcharging - FASTag Transaction	60,873	60,873	-
Bank FASTag Activation/Deactivation Enquiry	49,279	49,279	-
Amount in Bank FASTag but Showing Low Balance/Blacklisted	43,194	43,194	-
Bank FASTag Portal Login/Statement/Account Related Enquiry	41,401	41,401	-
NHAI FASTag Status/Balance Enquiry	39,827	39,827	-

#### 1.5. Global Navigation Satellite System (GNSS) based tolling in India -

Currently, electronic tolling on NHs in India is based on Radio Frequency Identification (RFID) technology. The RFID Tag (FASTag) is affixed on the windscreen of the vehicle and enables to drive through toll plazas making toll payments directly from the prepaid or savings account

linked to it. FASTag system has been implemented based on the recommendation of an Apex Committee constituted by Ministry of Road Transport & Highways under the chairmanship of Sh. Nandan Nilekani in 2010. Currently, FASTag is operational at 1011 number of toll plazas, including 227 state toll plazas, and has touched more than 98 lakhs of transaction in a single day, amounting to daily collection up to Rs. 150 crores.

Realizing the need to upgrade to barrier-less free flow tolling system, a pilot on Global Navigation Satellite System (GNSS) based tolling was carried out by NHAI in 2019-2020 along Delhi-Mumbai Expressway. The findings of the Pilot study were presented to the Hon'ble Minister in December 2020.

Subsequently, the Hon'ble Minister MoRTH announced in the Parliament, the intent of the Government to move towards GNSS based tolling technology to ensure seamless movement of vehicles across the country, within the ambitious timeframe of the “next two years”.

Consultant M/s Egis India & Seven Pro (Consortium) comprising international subject matter experts have been selected through tendering process to provide advisory services on GNSS Based tolling in India.

The deliverables to be prepared and submitted by the Consultant includes the following-

- i. **Current Assessment** - Study of Global good practices and Current readiness assessment.
- ii. **System Specifications** - Preparation of standards & specification for GNSS System
- iii. **Regulatory changes** - Report on changes to existing laws, rules & regulations
- iv. **RFP & Bid Process Management** - Vendor consultations, Prepare RFP, assist bid evaluation committee, & Contract Signing
- v. **PMU Support** - Providing PMU support during Implementation period ~ 1 year

The Consultant has started working on preparation of various deliverables. Various rounds of meeting with concerned stakeholders such as SIAM, ISRO have been undertaken during preparation of the draft reports.

## **1.6. Other Salient Initiatives/ Achievements:**

### **1.6.1. Pilot Proof of Concept of Multi Lane Free Flow (MLFF) Tolling using RFID and ANPR Technology on Panipat – Ambala stretch**

Pilot proof of concept of MLFF tolling was carried out on Panipat – Ambala stretch for establishing the effectiveness of RFID technology, with the exact same ISO 18000-6C standard as currently used in India, to enable tolling at high speed and high traffic highway road networks with significant level of accuracy. Six gantries were installed on the NH and pilot study was carried out for a period of 03 months. The Pilot was carried out by M/s Metro Infrasyms and FETC consortium.

### **1.6.2. Pilot Study for Improvement of Throughput by Installation of Additional FASTag Readers**

IHMCL was assigned the task for carrying out a pilot study for improvement of throughput by installation of additional sensors at Rajiv Gandhi Sea Link fee plaza. Based on study it was found that previously 8 to 10 vehicles were passing through the lane per minute. But after the implementation of TL Booster in the toll lanes the count raised to 17 to 19 and sometimes even more vehicles passing per minute.

MSRDC has also appreciated the initiative of IHMCL and recommended the same for high volume fee plazas. Based on recommendation and outcome of the project, IHMCL is in process of implementing the same at high volume NH fee plazas such as Kherki Daula, and other high traffic NH fee plazas on pilot basis.

### **1.6.3. Study Report on Impact Assessment for National Electronic Toll Collection Programme**

Study report was carried out on Study Report on Impact Assessment for National Electronic Toll Collection Programme for determining the tangible and intangible impact of ETC system such as time savings, fuel savings, emissions reduction, improved user experience and others, as well as stakeholder perception of benefits and key improvement areas.

The Report covers the overall annual economic impact of ETC on account of various benefits such as travel time savings toll revenue increase, fuel savings, toll plaza cost savings and

greenhouse gas emissions reductions. The Final Report is being formally submitted to NHAI/MoRTH.

#### 1.6.4. Pilot testing of Non-FASTag API

To monitor and gather the data related to over-load collection at NH fee plazas, a pilot has been successfully carried out at NH fee plaza for sharing of non-FASTag transactions from toll plaza system to Acquirer bank system. Through this pilot, data of overloaded vehicles can be compiled centrally for various further analyses by NHAI, MoRTH and other Govt. agencies.

1.6.5. Inauguration of FASTag enabled Parking Payments at Dwarka Sec-14 Metro Station  
FASTag based parking payment was enabled at South Delhi Municipal Corporation (SDMC) operated Parking lot in Dwarka Sector 14 on 30 Sep 2021.

#### 1.6.6. Green Tax Barrier

A proposal was received from Tourism Development Council Manali for on-boarding of a Green Tax Barrier at Manali (Tourism Development Council, Manali) under FASTag Programme with a view to streamlining Fee collection process and bring in more efficiency and transparency in the system. Subsequent upon approval MoU has been signed with TDC-Manali. This is the first case where instead of providing financial assistance for Capex or O&M cost (as being followed in State Scheme Guideline), IHMCL will receive transaction fee as below:

Issuer Bank	1% of ETC Transaction Value
NPCI	0.1% of ETC Transaction Value
IHMCL	0.2% of ETC Transaction Value
Acquiring Bank	To be determined by Tourism Development Council- Manali

#### 1.6.7. Roll out of parking policy

The implementation of FASTag across National Highways & State Highways has helped reap the benefits of electronic tolling which has resulted in operational efficiency, increased transparency and revenue collection and seamless cashless and safer mode of payment by road users. In order to extend the benefits of FASTag, multiple initiatives have been undertaken



in recent times, albeit in silos, to diversify the use case of FASTag to other vehicular payments such as payment of parking charges. In line with overarching mission of “One Nation One FASTag” and to diversify the use of FASTag to other vehicular payments such as payment of parking charges, IHMCL has issued **Parking Policy in December 2021**. This step shall provide participating entities shorter turnaround time by allowing them to work within the robust FASTag solution architecture.

#### 1.6.8. Hackathon

IHMCL is organizing Hackathon in collaboration with MeitY Start-up Hub (MSH) for cost effective smart tolling solutions-based barrier-less free-flow tolling & Intelligent Traffic Management system.

Desired solution for Barrier-less Free-flow tolling system:

- Zero waiting Time at Toll Booths/Zero Friction:
- Proportionate Tolling

Desired solution for Barrier-less Free-flow tolling system:

- Safety of Road Users :
- One-Stop customer centric Information system for Highway Users:

**Current Status:** As of now the Hackathon is under process and it is expected to announce the winner by Sep 2022.

#### 1.6.9. State Toll Plaza On-boarding

FASTag is now acceptable across all National Highways toll plaza (818) and selected State highways toll plaza (200+). The details of State Entities are as below:

SI #	State	Approx. no. of toll plazas	Name of different state entities
1.	Uttar Pradesh	17	Uttar Pradesh Expressways Industrial Development Authority (UPEIDA)
2.	Uttar Pradesh	3	Yamuna Expressway Industrial Development Authority (YEIDA)
3.	Uttar Pradesh	1	Agra Development Authority (ADA)
4.	Haryana	25	Public Works Department Haryana

5.	Haryana	11	Haryana State Industrial & Infrastructure Development Corporation Ltd (HSIIDC)
6.	Punjab	23	Public Works Department (Building & Roads), Punjab
7.	Rajasthan	183	Rajasthan State Road Development & Construction Corporation Ltd (RSRDC), RIDCOR, and PWD
8.	Gujarat	12	Gujarat State Road Development Corporation (GSRDC)
9.	Gujarat	8	Ahmedabad Urban Development Authority (AUDA)
10.	Gujarat	2	EE, NH Div Rajkot
11.	Karnataka	32	Karnataka Road Development Corporation, (KRDCL)
12.	Karnataka	15	Nandi Economic Corridor Enterprises Limited (NECE)
13.	Gujarat	8	Gujarat Roads & Building Dept. (GRICL)
14.	Madhya Pradesh	1	PATH (IDA)
15.	West Bengal	1	Hoogly River Bridge Commissioner (HRBC)
16.	Madhya Pradesh	121	Madhya Pradesh Road Development Corporation (MPRDC)
17.	Telangana	19	Hyderabad City Growth Ltd (HGCL)
18.	Telangana	3	Road & Building Department, Telangana
19.	Andhra Pradesh	12	Andhra Pradesh Road Development Corporation, (APRDC)
20.	Andhra Pradesh	3	Andhra Pradesh Road Development Corporation, (APRDC)- NAM Project
21.	Tamil Nadu	12	Tamil Nadu Road Development Corporation, (TNRDC)
22.	Tamil Nadu	3	Tamil Nadu Road Infrastructure Development Corporation, (TNRIDC)
23.	Maharashtra	41	Maharashtra State Road Development Corporation, (MSRDC)
24.	Andhra Pradesh	1	Tirumala Tirupati Devasthanams (TTD)
25.	Gujarat	1	EE, R&B Nadiad

## 2. FINANCIAL PERFORMANCE:

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Particulars	Amount in Rs.	Amount in Rs.
	(lacs.) 2021-22	(lacs) 2020-21
Total Revenue	103063.58	86783.29
Total expenses excluding depreciation	83937.8	66912.02
Profit/(Loss) before Depreciation & Tax	19125.78	19871.27
Depreciation	40.36	40.48
Profit /(Loss) after depreciation	19085.42	19830.79
Prior period adjustment	0.00	0.00
Profit/(Loss) after prior period adjustment	19085.42	19830.79
Provision for Tax	4847.39	5227.92
Profit after tax	14238.03	14602.87

Your Directors are pleased to inform you that your company started earning operational income during the period under review and also earned profit.

### DIVIDEND

The Board, considering the company's performance and financial positions for the year under review, has not recommended any dividend on equity shares of the company for the year ended 31<sup>st</sup> March 2022.

### RESERVES

The Board, after considering the company's performance and financial positions for the year under review, has recommended and transferred an amount of Rs.443.89 Cr. to reserves, as appearing in the Balance Sheet of the company as on 31<sup>st</sup> March, 2022.

### SHARE CAPITAL

Authorized capital of the company is Rs.40 crores consisting of 4 crores Equity Shares of Rs.10/- each.

Paid-up capital of the company as on 31st March,2022, stands at Rs.18,12,42,560/- comprising of 1,81,24,256 equity shares of Rs. 10/- each.

During the year under review, there is no change in share capital structure of the Company.

#### EXTRACT OF THE ANNUAL RETURN

As provided under Section 92 (3) of the Act read with Rule 12(1) of the Companies (Management and Administration Rules), 2014, the extract of annual return is given in "Annexure-I" in the prescribed Form MGT-9, which forms part of this report. The same is available on <https://ihmcl.co.in/>

#### MEETING OF THE BOARD OF DIRECTORS

The Board Meetings were held 04 (Four) times held during the period under review as detailed below:

<b>Sr. No.</b>	<b>Particulars of the Meeting</b>	<b>Date of the Meeting</b>
1.	40 <sup>th</sup> Meeting	19.07.2021
2.	41 <sup>st</sup> Meeting	08.09.2021
3.	42 <sup>nd</sup> Meeting	25.02.2022
4.	43 <sup>rd</sup> Meeting	31.03.2022

## CHANGES IN THE BOARD OF DIRECTORS & KEY MANAGEMENT PERSONNEL

During the year under review, following changes have occurred in the constitution of the board and its KMP:

<b>Name of Director/KMP</b>	<b>Designation</b>	<b>Date of change</b>	<b>Nature of change</b>
Changes in Board of Directors			
Sh. Bangaru Raju Obbillisetty (DIN 00082228)	Director	25.02.2022	Appointment
Sh. Kushal Veer Singh (DIN:0009483690)	Director	25.02.2022	Appointment
Sh. Raju Francis Dodti (DIN: 06550896)	Director	25.02.2022	Appointment
Sh. Ajay Mishra (DIN : 08293888)	Director	19.07.2021	Appointment
Sh. Ajay Mishra (DIN : 08293888)	Director	31.12.2021	Cessation
Sh. Akhilesh Kumar Srivastava (DIN 0008792874)	Director	18.05.2021	Cessation
Sh. Sudipta Roy (DIN 08069653)	Director	30.09.2021	Cessation

<b>Name of Director/KMP</b>	<b>Designation</b>	<b>Date of change</b>	<b>Nature of change</b>
Sh. TR Rao (DIN 01207205)	Director	30.09.2021	Cessation
Dr. Amita Prasad (DIN 03644516)	Independent Woman Director	09.06.2022	Appointment

Details of the Director attending Board Meeting is enclosed as Annexure-II

#### STATEMENT REGARDING DECLARATION GIVEN BY INDEPENDENT DIRECTOR U/S 149(7)

Pursuant to the provisions of Section 149 of the Act, Sh. Ramsekhar Manchikalapati continued as Independent Directors during the period under review and have submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act.

#### AUDITORS REPORT

There were few qualifications, made by the Statutory Auditors in their report.

#### STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board had approved appointment of M/s T.R. Chadha, Chartered Accountants, as the Statutory Auditors of the Company to hold office till the conclusion of Tenth Annual General Meeting of the Company.

M/s T.R. Chadha, Chartered Accountants, have given their consent to continue to act as Statutory Auditors of the Company In accordance with section 139 (1).

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

During the Financial year 2021-2022, Company has not entered into any contracts or arrangements as referred to in Section 188(1).

## IHMCL'S POLICY ON DIRECTORS APPOINTMENT & REMUNERATION

### Directors Appointment

As per Articles of Association of IHMCL, National Highways Authority of India has right to appoint two Directors.

### Directors Remuneration

IHMCL at present does not have any whole time Director and therefore no remuneration is being paid to any Directors except sitting fee for attending the Board or Committee Meetings. The sitting fee is Rs.10,000/- per meeting which is paid to all Directors except Directors who are in Government Service.

### Appointment & Remuneration of Key Management Personnel and other employees

Appointment of Key Managerial personnel is done based upon the provisions of Companies Act, 2013. Other senior employees are appointed depending upon the work requirements of IHMCL, commensurate qualification and experience. Remuneration of employees and Key Management Personnel who are in employment of IHMCL is fixed based upon the present market trends, qualification and experience of employee. Employees or KMPs who are NHAI employees and have been deputed by NHAI to IHMCL, continue to be governed by NHAI terms of service and continue to draw salary and remuneration as per NHAI Rules.

### Evaluation of Board's performance

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

## DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are applicable to the Company. The Board has reconstituted the Audit Committee vide their meeting held on 9<sup>th</sup> June, 2022 consisting of following directors to review the financial results, internal financial controls and

risk management system, to monitor vigil mechanism, auditor's independence and performance etc.

<b>Sl.no.</b>	<b>Name of Director</b>	<b>Designation</b>
1.	Shri Ramsekhar Manchikalapati (Non-Executive Independent Director)	Chairman of the Committee
2.	Dr. Amita Prasad (Non-Executive Independent Director)	Member of the Committee
3.	Shri Amitabh Kumar Jha Non-Executive Director	Member of the Committee
4.	Sh Kushal Veer Singh Non-Executive Director	Member of the Committee

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

There have been no material changes and commitments affecting financial position between end of the financial year and the date of the report.

**DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY.**

The IHMCL management keeps on identifying, evaluating and managing all significant risks faced by the Company. However, formation of Risk Management Policy is under the process.

**DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY:**

As per the Section 135 of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more



or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

Since the Company has achieved the mark of Net profit of rupees five Crore, the Board has constituted the Corporate Social Responsibility Committee (CSR committee) and the Company has made an expenditure of an amount of Rs. 241.48 lacs on account of CSR.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

1. In preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March 2022, the applicable Accounting Standards have been followed along with proper explanation to material departures;
2. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company, for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the Annual Accounts on a going concern basis.
5. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### INFORMATION PURSUANT TO RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014

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

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

Particulars	Steps taken
<b>A- Conservation of energy</b>	
i. Steps taken or impact on energy conservation	Efforts are being made to conserve energy in the operations and activities of IHMCL. In fact the essence of the e tolling being implemented by IHMCL is energy conservation. By providing seamless passage at all NH toll plazas across the country, IHMCL will help in saving substantial wastage of fuel consumed by vehicles waiting at Toll Plazas.
ii. Steps taken for utilizing alternate sources of energy	Operations of IHMCL are still evolving and wherever possible alternate sources of energy shall be used.
iii. Capital investment on energy conservation equipments.	NIL
<b>B- Technology Absorption</b>	
i. Efforts made towards technology absorption	There is not much scope of technology absorption in the operations of IHMCL.
ii. The benefits derived like product improvement, cost reduction, product development and import substitution	IHMCL is using indigenous technology and is in service sector, hence not much scope.
iii. Details related to imported technology	Not applicable as IHMCL is not using imported technology.
iv. Expenditure on Research & development	NIL
<b>C- Foreign Exchange earnings and outgo</b>	

i. Actual earnings	NIL
ii. Actual outgo	NIL

#### CHANGE IN NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the financial year under review.

#### DETAILS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

IHMCL is neither a holding company nor has any subsidiary, Joint Ventures or Associate Companies.

#### INTERNAL FINANCIAL CONTROL & ITS ADEQUACY:

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control. 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.

IHMCL is having adequate internal financial control commensurate to its nature and size of business. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all key business areas.

#### MATERIAL AND SIGNIFICANT ORDERS PASSED BY REGULATORS & COURTS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## DEPOSITS:

The Company has not sought or accepted any deposits from public, and no allotment is pending for the shares issued in the previous year, hence the Company is not required to furnish information in respect of outstanding deposits under the Companies (Acceptance of Deposits) Rules, 2014.

## DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

IHMCL is an equal opportunity employer. The endeavor of the management is to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Company has a zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Formation and constitution of Internal Complaints Committee to redress complaints received regarding sexual harassment is under process.

During the period under review, no complaint has been received by the Company related to any sexual harassment.

## PARTICULARS OF EMPLOYEES PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT & REMUNERATION OF KEY MANAGERIAL PERSONNEL) RULES, 2014 :

There was no employee of the company who if employed throughout the financial year, was in receipt of remuneration for that year which, in aggregate, was not less than One Crore Two Lakhs rupees or if employed for part of the financial year was in receipt of remuneration for any part of that year which, in aggregate, was not less than Eight Lakhs Fifty Thousand rupees per month. Further, there was no employee who if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the Managing Director or Director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of IHMCL.

## SECRETARIAL STANDARDS:

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India except to the extent of frequency of meetings of the board as prescribed under SS-1

#### SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed S. Behera & Co., Company Secretaries (CP: 5980), to undertake Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2022. The Secretarial Auditors' Report is enclosed to the Board's report in this Annual Report.

#### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply to this company as the company was not required to and hence not transferred any money to unpaid dividend account in pursuance to sub-section (5) of section 124 of the Companies Act, 2013 and as there is no money which remains unpaid or unclaimed for a period of seven years from the date of such transfer.

#### DISCLOSURE ABOUT MAINTENANCE OF COST RECORDS AS PER SUB-SEC(1) OF SECTION 148 OF THE COMPANIES ACT, 2013

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company during the year under review.

#### ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation and acknowledge with gratitude the support and cooperation extended by NHAI, NHBF, Concessionaires, Financial Institutions, NPCI, Banks, Government/Semi Government Organizations, Shareholders and Employees of the Company and looks forward their continued support in future.

On behalf of the Board of Directors

Sd/-

(Mahabir Singh)  
Chairman & Managing Director  
DIN: 08967354  
Date:-15/09/2022  
Place: Delhi

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31<sup>st</sup> March, 2022

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

**I. REGISTRATION AND OTHER DETAILS**

- i) CIN: U74140DL2012PLC246662
- ii) Registration Date: 26<sup>th</sup> December, 2012
- iii) Name of the Company: INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
- iv) Category/sub-category of the Company: Company Limited by shares
- v) Address of the Registered Office and Contact Details:  
NHAI HQ, Plot No. G 5 & 6, Sector-10, Dwarka-110075
- vi) Whether listed company      yes/no: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent , if any  
M/s Beetal Financial & Computer Services Pvt. Ltd., 99, Madangiri, New Delhi-110062, Tel No.-011-29961281 & E-mail id-beetalrta@gmail.com

**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:-

SI No.	Name and Description of main products/services	NIC code of the product/ service	% to total turnover of the Company
1.	E Tolling services to on National Highways	-	90%
2.	Other Projects	-	10%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

IHMCL has no Holding, Subsidiary or Associate Companies.

SI No.	Name and Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
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1.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
2.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
3.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

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

1) Category-Wise Shareholding

2) Shareholding of Promoters

SL No.	Shareholders Name	Shareholding at the beginning of the Year*			Shareholding at the end of the year			% change in shareholding 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	National Highway Authority of India	750000 0	41.38	NIL	750000 0	41.38	NIL	NIL
	Total	750000 0	41.38	NIL	750000 0	41.38	NIL	NIL

3) Change in Promoters' Shareholding ( no change)

S. No	Shareholding of the beginning of the year	Increase/Decrease during the year	Cumulative Shareholding During the year
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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
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS Indian Individual/HUF	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bodies Corp	18124256	NIL	18124256	NIL	18124256	NIL	18124256	NIL	NIL
Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub Total A(1)	18124256	NIL	18124256	100	NIL	18124256	18124256	100	NIL
Foreign									
NNRIS Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Other Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bank/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other			NIL						

	NIL	NIL		NIL	NIL	NIL	NIL	NIL	NIL
Sub Total A(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Shareholding of Promoter A=A(1) +A(2)	18124 256	NIL	1812425 6	100	NIL	1812 4256	1812425 6	100	NIL
B. Public Shareholding 1. Institution a. Mutual Funds b. Bank/FI c. Central Govt. d. State Govt(s) e. Venture Capital Funds f. Insurance Companies g. FIIS h. Foreign Venture Capital Fund i. Others (specify) Sub Total B(1)  2. Non Institutions Bodies Corp i Indian ii Overseas Individuals Individual shareholders	NIL	NIL	NIL						
				NIL	NIL	NIL	NIL	NIL	NIL



GDRs & ADRs										
Grand Total (A+B+C)		18124256	NIL	18124256	100	NIL	18124256	18124256	100	NIL
	Name of the Promoters Shareholder	No. of shares	% of total Shares of The company	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company			
1	National Highway Authority of India	7500000	41.38	Nil	Nil	7500000	41.38			
	Total	7500000	41.38	Nil	Nil	7500000	41.38			

4) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs).

S. No	Name of the Shareholder	Shareholding of the beginning of the year		Increase/Decrease during 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	No. of Shares	% of total shares of the Company
1	ICICI Bank Limited	1500000	8.28	Nil	Nil	1500000	8.28
2	Axis Bank Limited	1500000	8.28	Nil	Nil	1500000	8.28

3	L & T Finance Limited	1500000	8.28	Nil	Nil	1500000	8.28
4	Oriental Structure Engineers Pvt. Ltd.	555370	3.06	Nil	Nil	555370	3.06
5	Shapooraji Pallonji Roads Private Limited	555556	3.06	Nil	Nil	555556	3.06
6	IRB Infrastructure Developers Ltd	555370	3.06	Nil	Nil	555370	3.06
7	Essel Infra projects Ltd	555370	3.06	Nil	Nil	555370	3.06
8	L & T Infrastructure Development Projects Ltd	555370	3.06	Nil	Nil	555370	3.06
9	Ashoka Concession Ltd	555370	3.06	Nil	Nil	555370	3.06
10	GMR Highways Ltd	555370	3.06	Nil	Nil	555370	3.06
	Total	8387776	46.27	Nil	Nil	8387776	46.27

5) Shareholding of Directors and Key Managerial personnel

SI No.		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
1.	For each of the Directors and KMP				
2.	At the beginning of the year	NIL	NIL	NIL	NIL

3.	Date wise increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	NIL	NIL	NIL	NIL
4.	At the end of the year				

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
Indebtedness at the beginning of the financial year				
Principal amount	NIL	NIL	NIL	NIL
Interest Due but not paid				
Interest accrued but not due				
Total= (1+2+3)				
Change in indebtedness during the financial year				
Addition	NIL	NIL	NIL	NIL
Reduction				
Net Change	NIL	NIL	NIL	NIL

Indebtedness at the end of the financial year				
Principal amount				
Interest due but not paid	NIL	NIL	NIL	NIL
Interest accrued but not due				
Total=(1+2+3)				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time Director and/or Manager

SI No.	Particulars of Remuneration	Name of MD/WTD/MANAGER		Total Amount
1.	Gross Salary Salary as per provision contained in section 17(1) of the Income Tax Act, 1961 Value of perquisites u/s 17(2) Income-Tax Act, 1961 Profit in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission As % of profit Others, specify	NIL	NIL	NIL

5.	Others, please specify	NIL	NIL	NIL
	Total(A)			
	Ceiling as per act			

B. Remuneration to Director's

Sl No.	Particulars of Remuneration				Name of Directors (Rs.)		Total Amount (Rs.)
5.	Independent Directors Fee for attending board committee meetings Commission Others, please specify				Sh. Ramsekh ar Manchika lapati		40,000/-
6.	Total (1)	T.R. RAO	ICICI Bank	Axis Bank	Amitabh Jha	Bangaru Raju Obbillisetty	Total Amount
7.	Other Non-Executive Directors Fee for attending Board committee meetings Commission Others, please specify	30,000/-	30,000/ -	30,000/ -	40,000/-	10,000/-	1,40,000 /-
8.	Total (2)	30,000/-	30,000/ -	30,000/ -	40,000/-	10,000/-	1,40,000 /-
9.	Total B = (1)+(2)						1,80,000 /-
10.	Total Managerial Remuneration						NIL
11.	Overall ceiling as per Act						

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager



SI No.	Particulars of Remuneration	Key Managerial Personnel			
		Sh. Mahabir Singh (CMD)	Sh. Gopabandhu Mishra (CS)	Sh. Subhash Khurana (CFO)	Total
	Gross Salary Salary as per provision contained in section 17(1) of the Income Tax Act, 1961 Value of perquisites u/s 17(2) Income-Tax Act, 1961 Profit in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	NIL	12,12,288/-	NIL	12,12,288/-
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission As % of profit Others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	12,12,288/-	NIL	12,12,288/-

VII. PENALTIES /PUNISHMENT /COMPOUNDING OF OFFENCES:

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)
Company					

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
Other officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

ANNEXURE-II  
Details of Director Attend Board Meeting

Date of Board Meeting	Sh. Mahabir Singh	Sh. Ramsekh ar Manchika lapati	Sh. Vivek Gupta	Sh. Sudipta Roy	Sh. Amitabh Jha	Sh. Hardik Agrawal	Sh. Ajay Mishra	Sh. T.R. Rao	Sh. Kushal Veer Singh	Sh. Bangaru Raju Obbilliset ty	Sh. Raju Francis Dodti
19.07.20 21	P	P	P	P	P	P	P	P	NA***	NA***	NA***
08.09.20 21	P	P	P	P	P	L	P	P	NA***	NA***	NA***
25.02.20 22	P	P	L	NA*	P	L	NA**	NA**	L	P	L
31.03.20 22	P	L	L	NA*	L	P	NA**	NA**	P	L	P

P- Present, L- Leave of absence

\* Resigned on 30.09.2021

\*\* Resigned on 31.12.2021

\*\*\* Appointed on 25.02.2022

**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
CIN: U74140DL2012PLC246662  
Reg Office: NHAI HQ, Plot G-5 & 6, Sector-10, Dwarka, New Delhi-10075  
Balance Sheet as at 31st March, 2022

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
<b>I. ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant and equipment	5	141.60	175.64	214.25
(b) Intangible Assets under development	5.1	132.23	-	-
(c) Financial Assets	6			
(i) Others		621.80	0.03	0.32
(d) Non-Current Tax Asset (Net)	7	8,195.27	2,479.34	2,945.68
<b>Total non-current assets (A)</b>		<b>9,090.90</b>	<b>2,655.01</b>	<b>3,160.25</b>
<b>2 Current assets</b>				
(a) Financial Assets	8			
(i) Trade Receivables	8.1	35,495.93	16,316.44	17,362.74
(ii) Cash and Bank balances	8.2	1,288.69	7,168.36	1,981.05
(iii) Others	8.3	5,744.44	14,786.79	20,169.12
(b) Other current Assets	9	569.33	515.30	881.84
<b>Total Current Assets (B)</b>		<b>43,098.39</b>	<b>38,786.89</b>	<b>40,394.75</b>
<b>Total Assets (A+B)</b>		<b>52,189.29</b>	<b>41,441.90</b>	<b>43,555.00</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share Capital	10	1,812.43	1,812.43	1,812.43
(b) Other Equity	11	44,240.66	30,002.34	15,399.35
		<b>46,053.09</b>	<b>31,814.77</b>	<b>17,211.78</b>
<b>2 Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities	12			
(i) Other Financial Liabilities		68.16	-	-
(b) Provisions	13	30.50	22.38	14.53
(c) Deferred Tax Liabilities	14	12.96	15.81	15.75
		<b>111.62</b>	<b>38.19</b>	<b>30.28</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Trade payables	15			
Total outstanding dues of micro enterprises and small enterprises		292.81	806.33	1,625.78
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,710.83	4,404.17	7,845.01
(ii) Other financial liabilities	16	888.56	2,712.59	10,120.69
(b) Other current liabilities	17	1,131.86	1,665.49	6,721.27
(c) Provisions	18	0.52	0.36	0.19
		<b>6,024.58</b>	<b>9,588.94</b>	<b>26,312.94</b>
<b>Total Equity and Liabilities</b>		<b>52,189.29</b>	<b>41,441.90</b>	<b>43,555.00</b>

Significant Accounting Policies

3

See accompanying notes forming integral part of the financial information from 1 to 47

As per our report of even date attached

For T R Chadha & Co LLP

Chartered Accountants

(Firm Registration No. 006711N/N500028)

Aashish Gupta  
(Partner)  
M. No. 097343



Place : Gurugram

Date: 15.09.2022

For and on behalf of the Board of Directors of

Indian Highways Management Company Limited

Mahabir Singh  
(Chairman and Managing Director)  
(DIN:08967354)

Subhash Khurana  
(Chief Financial Officer)

Kushal Veer Singh  
(Director)  
(DIN:09483690)

Gopabandhu Mishra  
(Company Secretary)

**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
**CIN: U74140DL2012PLC246662**  
**Reg Office: NHAI HQ, Plot G-5 & 6, Sector-10, Dwarka, New Delhi-10075**  
**Statement of Profit and Loss for the year ended 31st March, 2022**

(All amounts in ₹ lacs, unless otherwise stated)

Particulars		Note No.	FY-2021-22	FY-2020-21
	<b>Revenue :</b>			
I.	Revenue from operations	19	1,02,834.15	86,460.29
II.	Other income	20	229.43	323.00
III.	<b>Total Income (I + II)</b>		<b>1,03,063.58</b>	<b>86,783.29</b>
	<b>Expenses:</b>			
IV.	Expenses on Operations	21	81,949.33	65,588.35
	Employee benefits expenses	22	204.28	176.68
	Finance Costs	23	-	0.01
	Depreciation, amortization and impairment	24	40.36	40.48
	Other Expenses	25	1,784.19	1,146.98
	<b>Total Expenses (IV)</b>		<b>83,978.16</b>	<b>66,952.50</b>
V.	<b>Profit/(Loss) before tax (III-IV)</b>		19,085.42	19,830.79
VI.	Tax expense:	26		
	(1) Current tax		4,850.33	5,227.90
	(2) Deferred tax (net)		(2.94)	0.02
	(3) Previous Year		-	-
	<b>Total Tax Expense (VIII)</b>		<b>4,847.39</b>	<b>5,227.92</b>
VII.	<b>Profit for the year</b>		<b>14,238.03</b>	<b>14,602.87</b>
VIII.	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified to profit or loss</b>	27		
	Remeasurement gains (losses) on defined benefit plans		0.38	0.16
	Income tax effect on Remeasurement gains (losses) on defined benefit plans		(0.09)	(0.04)
XV.	<b>Total Comprehensive Income for the period (XIII +XIV)</b> <b>(Comprehensive profit and other comprehensive income for the period)</b>		<b>14,238.32</b>	<b>14,602.99</b>
XVI.	Earnings Per Equity Share:	28		
	(1) Basic		78.56	80.57
	(2) Diluted		78.56	80.57

As per our report of even date attached

For T R Chadha & Co LLP  
Chartered Accountants  
(Firm Registration No. 006711N/N500028)

For and on behalf of the Board of Directors of  
Indian Highways Management Company Limited

Aashish Gupta  
(Partner)  
M. No. 097343



Mahabir Singh  
(Chairman and Managing Director)  
(DIN:08967354)

Kushal Veer Singh  
(Director)  
(DIN:09483690)

Place : Gurugram  
Date: 15.09.2022

Subhash Khurana  
(Chief Financial Officer)

Gopabandhu Mishra  
(Company Secretary)

## INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

Reg Office: NHAI HQ, Plot G-5 & 6, Sector-10, Dwarka, New Delhi-10075

Cash Flow Statement for the year ending 31st March, 2022

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Year Ended 31st March, 2022		Year Ended 31st March, 2021	
<b>A. Cash Flow from Operating Activities:</b>				
Net Profit before tax		19,085.42		19,830.79
<b>Adjustments for:</b>				
a) Depreciation and Amortisation Expenses	40.36		40.48	
b) Interest Income	(224.12)		(262.76)	
c) Provision for Employee benefit	8.67		8.18	
d) Finance costs	-		0.01	
e) CSR expense	175.08	(0.01)	68.88	(145.21)
<b>Operating Cash Profit before Working Capital Changes</b>		19,085.41		19,685.57
<b>Changes in Working Capital</b>				
a) Increase/(Decrease) in Other current liability	(2,289.50)		(12,463.88)	
b) (Increase)/Decrease in Trade Receivable	(19,179.49)		558.57	
c) Increase/(Decrease) in Trade Payable	(1,206.85)		(4,260.31)	
d) (Increase)/Decrease in and Other Current assets	8,988.31	(13,687.53)	6,263.06	(9,902.56)
<b>Cash Generated/(used in) from operations</b>		5,397.88		9,783.01
Less: Amount spent on CSR Activities		(175.08)		(68.88)
Less: Direct taxes Paid		(10,566.27)		(4,761.55)
<b>Net Cash Flow From/(used in) Operating Activities (A)</b>		<b>(5,343.47)</b>		<b>4,952.58</b>
<b>B. Cash Flow from Investing Activities:</b>				
a) Purchase of Property, plant and equipment		(138.55)		(1.87)
b) Investment in term deposits of more than 12 months		(595.09)		
c) Interest Received		197.44		236.61
<b>Net Cash Flow From Investing Activities (B)</b>		<b>(536.20)</b>		<b>234.74</b>
<b>C. Cash Flow from Financing Activities:</b>				
a) Finance cost paid		-		(0.01)
<b>Net Cash Flow From/(used in) Financing Activities (C)</b>		<b>-</b>		<b>(0.01)</b>
<b>Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(5,879.67)</b>		<b>5,187.31</b>
Add: Balance in the beginning of year		7,168.36		1,981.05
<b>Balance at the end of year</b>		<b>1,288.69</b>		<b>7,168.36</b>
<b>Components of Cash and Cash Equivalents (Refer Note 12)</b>				
Cash	0.00		0.00	
Balances with banks				
- In Current account	0.30		1.33	
- In deposit accounts with maturity of less than 3 months	1,288.39		6,667.03	
- In deposit accounts with maturity of more than 3 months but less than 12 months			500.00	
<b>Cash &amp; Cash Equivalents as per financial statements</b>		<b>1,288.69</b>		<b>7,168.36</b>

Significant accounting policies and notes to the financial statement forms an integral part of the financial statements

**Notes:**

- a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows.
- b) The composition of Cash & Cash Equivalents has been determined based on the Accounting Policy No. 3.5
- c) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- d) Figures in brackets indicate cash outgo
- e) Previous year figures have been regrouped/rearranged wherever necessary to conform current year's presentation.

As per our report of even date

For T R Chadha & Co LLP  
(Firm Registration No. 006711N/N500028)  
Chartered Accountants

For and on behalf of the Board of Directors  
Indian Highways Management Company Limited

Ashish Gupta  
(Partner)  
M. No. 097343



Mahabir Singh  
(Chairman and Managing Director)  
(DIN:08967354)

Kushal Veer Singh  
(Director)  
(DIN:09483690)

Place : Gurugram  
Date: 15.09.2022

Subhash Khurana  
(Chief Financial Officer)

Gopabandhu Mishra  
(Company Secretary)

**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2022

(All amounts in ₹ Lacs, unless otherwise stated)

**A. Equity Share Capital (Refer Note No.10)**

**(1) For the year ended 31st March, 2022**

Balance at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at 1st April, 2021	Change in equity share capital during the year	Balance at 31st March, 2022
1,812.43	-	1,812.43	-	1,812.43

**(2) For the year ended 31st March, 2021**

Balance at 1st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at 1st April, 2020	Change in equity share capital during the year	Balance at 31st March, 2021
1,812.43	-	1,812.43	-	1,812.43

**B. Other Equity (refer Note No. 11)**

Particulars	Retained Earnings	General Reserve	Total
<b>Balance as at 1st April, 2021</b>	30,002.34	-	30,002.34
Profit for the year	14,238.03	-	14,238.03
Remeasurement Gain/(Loss) (Net of Tax)	0.29	-	0.29
<b>Total Comprehensive Income for the period</b>	14,238.32	-	14,238.32
	-		
<b>Balance as at 31st March, 2022</b>	44,240.66	-	44,240.66
<b>Balance as at 1st April, 2020</b>	15,399.35	-	15,399.35
Profit for the year	14,602.87	-	14,602.87
Remeasurement Gain/(Loss) (Net of Tax)	0.12	-	0.12
<b>Total Comprehensive Income for the period</b>	14,602.99	-	14,602.99
	-		
<b>Balance as at 31st March, 2021</b>	30,002.34	-	30,002.34

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

In terms of our report attached

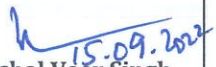
**For T R Chadha & Co LLP**  
Firm Registration No. 006711N/N500028  
Chartered Accountants

  
**Aashish Gupta**  
Partner  
Membership No. 097343



**For and on behalf of the Board of Directors of Indian Highways Management Company Limited**

  
**Mahabir Singh**  
(Chairman and Managing Director)  
(DIN:08967354)

  
**Kushal Veer Singh**  
(Director)  
(DIN:09483690)

Place: Gurugram  
Date: 15.09.2022

  
**Subhash Khurana**  
(Chief Financial Officer)

  
**Gopabandhu Mishra**  
(Company Secretary)

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Significant Accounting Policies and notes forming part of the Financial Statements for the year ended on March 31, 2022

**1 CORPORATE INFORMATION:**

Indian Highways Management Company Limited had been incorporated in the year 2012. The object of the company is to provide services pertaining to management of toll collection of National Highways through electronic toll systems; to assess the volume of traffic and to standardize the process of data collection and creating of central data repository through Traffic Surveys using portable ATCC; Setting up and operationalizing 24x7 Helpline (Call Centre)-"1033" for Road Users; Toll Monitoring & Control Centre for real time monitoring of system; Global Navigation Satellite System (GNSS) based tolling.

**2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

**2.1 Statement of Compliance**

The financial statements have been prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013 i.e. as notified under the companies (Accounting Standards) Rules, 2021 and the relevant provisions of the Companies Act 2013 ("The 2013 Act"). The financial statements comply with IND AS notified by Ministry of Corporate Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

The significant accounting policies used in preparing the financial statements are set out in Note No. 3 of the Notes to Financial Statements.

**2.2 Basis of preparation and presentation**

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended March 31, 2021, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These financial statements are the Company's first Ind AS financial statements.

These financial statements have been prepared on the accrual basis under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based in the fair value of the consideration given in exchange of goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Balance Sheet corresponds to the classification provisions contained in Ind AS 1 Presentation of Financial Statements. For clarity, various items are aggregated in the Statement of Profit and Loss and Balance Sheet. These items are disaggregated separately in the Notes, where applicable.

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency and all values are rounded to the nearest lakh with two decimals places, except otherwise stated. Wherever the amount represented ₹ '0' (zero) construes value less than rupees one thousand.

**2.3 Basis of measurement**

The financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting date as required under relevant Ind AS.

**2.4 Use of estimates**

The preparation of the financial statements requires the management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to the contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful trade receivables and advances, employee benefits, provision for income taxes, impairment of assets and useful lives of fixed assets. The application of accounting policies that require critical accounting estimates involving complex and subjective judgement and the use of assumptions in these financial statements have been disclosed in Note No.4

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

**3 SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Property, Plant and Equipment**

Property, Plant and Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.

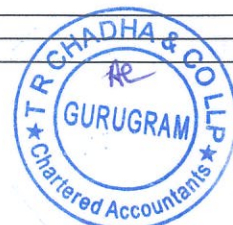
Property, Plant and Equipment are eliminated from financial statement either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively if appropriate.

Depreciation on the property, plant and equipment is provided on straight line method over the useful life of assets as specified in Schedule-II to the Companies Act, 2013. For property, plant and equipment which are added/ disposed off during the year, depreciation is provided on pro-rata basis.

The Company has used the following useful lives to provide depreciation on its Property, Plant and Equipment:

Type of asset	Period
Office Equipment	5 Years
Furniture & Fixture	10 Years
Computer Equipment	3 Years





**3.2 Intangible Assets**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured initially at cost. Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with the finite useful life are amortized over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortized as follows:

- Computer Software 3 to 5 years

Intangible assets with indefinite useful lives, if any, are not amortized but tested for impairment annually.

**3.3 Impairment of non-financial assets:**

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:-

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use ; and

- In the case of cash generating unit (a group of asset that generates identified, independent cash flow), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounting rate that reflect the current market assessment of the time value of the money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transaction is taken into account. If no such transaction can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations. These budgets and forecast calculation generally cover a period of five years.

**3.4 Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the cash management.

**3.5 Foreign Currency Transactions**

The Company's financial statements are presented in Indian Rupees (Rs.) which is also Company's functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rates prevailing on the date of transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expense in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates prevailing at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are reported using the exchange rates prevailing at the date when fair value is determined.

The gain or loss arising translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit or loss is also recognized in other comprehensive income or the statement of profit or loss respectively).

**3.6 Revenue recognition**

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract, and
- (5) recognize revenues when a performance obligation is satisfied.

The specific recognition criteria described below are met before revenue is recognized:



Rendering of Services:

The Company earns Programme Management Fees on Toll Collected electronically for managing the central clearing house and Fees for supervising, managing & implementation of Projects mandated by NHAI.

Interest Income

Interest income is recognized using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Other Income

Revenue is recognized on accrual basis when right to receive the payment is established by the reporting date.

**3.7 Employee benefits**Short-term employee benefits:

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post employment benefits:I) Defined contribution plans:

Retirement benefits in the form of contribution to Provident Fund is a defined contribution plan. The contributions are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the fund.

II) Defined benefit plans:

The Company operates two defined benefit plans viz., gratuity and compensation for accumulated absences. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method.

Other long-term employee benefits:

The Company's net obligation in respect of other long - term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The costs of providing benefits are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method.

**3.8 Leases**

The policy for Leases as presented in the Company's is as under:

**The Company as a lessee**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

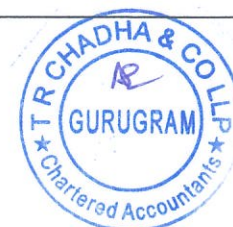
The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



**3.9 Earnings per share**

Basic earnings per share is calculated by dividing the profit from continuing operations and total profits, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

**3.10 Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

**Current Tax**

Current income tax represents the tax currently payable on the taxable income for the year and any adjustment to the tax in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

**Deferred Tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside the statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset only if:

- (i) entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

**3.11 Provisions, Contingent Liabilities and Contingent Assets****General:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

**Contingent Liabilities and Assets**

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

**3.12 Fair value measurement**

The Company measures financial instruments, such as, non-current & current investments, derivatives etc. at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 3.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### A) Financial Assets

##### Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, in the same manner as described in subsequent measurement.

##### Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- (a) Financial assets at amortized cost
- (b) Financial assets at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets at fair value through profit or loss (FVTPL)
- (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

- (a) Financial assets at amortized cost

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

i) Business model test : The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

ii) Cash flow characteristics test : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

- (b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

i) Business model test : The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

ii) Cash flow characteristics test : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- (c) Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch') that would otherwise arise from measuring financial assets and financial liabilities or recognizing the gains or losses on them on different bases.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit or loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss

##### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's financial statement) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - (i) the Company has transferred substantially all the risks and rewards of the asset, or
  - (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Significant Accounting Policies and notes forming part of the Financial Statements for the year ended on March 31, 2022

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- (a) Financial assets measured at amortized cost
- (b) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected Credit Losses (ECL) are measured through either 12 month ECL or lifetime ECL and it is assessed as following:

(i) For recognition of impairment loss on financial assets, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

(ii) Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

(B) Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include loans and borrowings, trade and other payables and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- (a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Offsetting of financial instruments

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

**3.14 Distribution of dividend to equity shareholders**

The Company recognizes a liability to make distributions to equity shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Company. The distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

The dividends declared to holders of equity instruments after the reporting period are not recognized as a liability at the end of the reporting period.

**3.15 Segment Reporting**

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

**3.16 Current and Non-current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non current classification.

An asset is current when:

- It is expected to be realized or intended to sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realized within twelve months after the reporting period,

Or

- It is cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.



A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period,

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

#### 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amount reported in the financial statements and notes thereto. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

##### 4.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### 4.2 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

##### 4.3 Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using the actuarial valuations. An actuarial valuation involves making various assumptions that may differ from the actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### 4.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where there is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

##### Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimated at the end of each reporting period.

##### 4.5 STANDARDS ISSUED/AMENDED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 and there is no recent pronouncement effecting the company which has been issued but not yet effective.



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2022

(All amounts in ₹ Lacs, unless otherwise stated)

**Note: 5 Property, Plant and equipment**

Particulars	Furniture & Fixtures	Computers	Office Equipment's	Total
<b>Cost or Deemed cost</b>				
At 1 April 2020	2.41	209.76	2.08	214.25
Additions during the year	-	1.75	0.12	1.87
Disposals/Adjustments	-	-	-	-
<b>At 31 March 2021</b>	<b>2.41</b>	<b>211.51</b>	<b>2.20</b>	<b>216.12</b>
Additions during the year	0.14	5.29	0.89	6.32
Disposals/Adjustments	-	-	-	-
<b>At 31 March 2022</b>	<b>2.55</b>	<b>216.80</b>	<b>3.09</b>	<b>222.44</b>
<b>Depreciation and impairment</b>				
At 1 April 2020	-	-	-	-
Depreciation charge for the year	0.32	39.50	0.66	40.48
Impairment	-	-	-	-
Disposals/Adjustments	-	-	-	-
<b>At 31 March 2021</b>	<b>0.32</b>	<b>39.50</b>	<b>0.66</b>	<b>40.48</b>
Depreciation charge for the year	0.33	39.27	0.76	40.36
Impairment	-	-	-	-
Disposals/Adjustments	-	-	-	-
<b>At 31 March 2022</b>	<b>0.65</b>	<b>78.77</b>	<b>1.42</b>	<b>80.84</b>
<b>Net book value</b>				
At 31 March 2022	1.90	138.03	1.67	141.60
At 31 March 2021	2.09	172.01	1.54	175.64
At 1 April 2020	2.41	209.76	2.08	214.25

Note: - 5.1

**Statement of Intangible Assets under development**

Particulars	Amount
<b>Balance as on 1 April 2020</b>	
At 1 April 2020	-
Additions during the year	-
Capitalised during the year	-
Disposals/Adjustments	-
<b>At 31 March 2021</b>	<b>-</b>
Additions during the year	132.23
Capitalised during the year	-
Disposals/Adjustments	-
<b>At 31 March 2022</b>	<b>132.23</b>

**Ageing Schedule of Intangible Assets under development**

As at 31st March 2022

Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects in progress	132.23	-	-	-	132.23
Projects temporarily suspended	-	-	-	-	-

As at 31st March 2021

Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

**Note: 6 Other Non Current Financial Assets**

Particulars	31 March 2022	31 March 2021	1 April 2020
Security Deposit	-	0.03	0.32
Term Deposit in Schedule Bank*	500.00	-	-
Interest accrued	121.80	-	-
<b>Total</b>	<b>621.80</b>	<b>0.03</b>	<b>0.32</b>

\*Under Lien with Canara bank against short term funds

**Note: - 7 Non-Current Tax Asset (Net)**

Particulars	31 March 2022	31 March 2021	1 April 2020
Advance tax (Net of provision for tax)	8,195.27	2,479.34	2,945.68
	<b>8,195.27</b>	<b>2,479.34</b>	<b>2,945.68</b>



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
CIN: U74140DL2012PLC246662  
Notes forming part of the Financial Statements for the year ended on March 31, 2022

(All amounts in ₹ lacs, unless otherwise stated)

**Note: - 8 Current Financial Assets**

**8.1 Statement of Trade Receivables**

Particulars	31 March 2022	31 March 2021	1 April 2020
Unsecured, considered good	34,497.08	15,314.59	15,873.16
Unbilled revenue	998.85	1,001.85	1,489.58
<b>Total Trade Receivables</b>	<b>35,495.93</b>	<b>16,316.44</b>	<b>17,362.74</b>

**Age Wise analysis of Debtors**

**For the year ended 31st March, 2022**

Particulars	Less Than 6 Months	6 Month- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables – considered good	33,108.51	29.83	-	-	-	33,138.34
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	25.06	12.76	-	37.82
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- which have significant increase in credit risk	-	605.49	715.43	-	-	1,320.92
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**For the year ended 31st March, 2021**

Particulars	Less Than 6 Months	6 Month- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables – considered good	13,901.33	183.33	473.70	-	-	14,558.36
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	27.45	12.76	-	-	40.21
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- which have significant increase in credit risk	716.02	-	-	-	-	716.02
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**8.2 Cash and bank balances**

Particulars	31 March 2022	31 March 2021	1 April 2020
<b>Cash &amp; Cash equivalents</b>			
(i) Balances with Bank			
-- Current Account	0.30	1.33	0.74
-- Fixed Deposits (Maturity less than 3 Months)*	1,288.39	6,667.03	1,480.31
(ii) Cash In Hand	0.00	0.00	0.00
<b>Total</b>	<b>1,288.69</b>	<b>6,668.36</b>	<b>1,481.05</b>
*Includes interest accrued but not due	1.61	9.37	4.55
<b>Bank balances other than cash &amp; cash equivalents</b>			
Term Deposit in Schedule Bank**	-	500.00	500.00
	1,288.69	7,168.36	1,981.05

\*\*Under Lien with Canara bank against short term funds

**8.3 Other Current Financial Assets**

Particulars	31 March 2022	31 March 2021	1 April 2020
<b>Unsecured, considered good</b>			
Interest accrued	-	95.12	68.95
Receivable from National Highways Authority of India*	5,744.44	14,691.67	19,168.32
Other Receivable	-	-	931.85
<b>Total</b>	<b>5,744.44</b>	<b>14,786.79</b>	<b>20,169.12</b>





**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
**CIN: U74140DL2012PLC246662**  
**Notes forming part of the Financial Statements for the year ended on March 31, 2022**

(All amounts in ₹ lacs, unless otherwise stated)

**\* Details of amount receivable from NHAI (related Party):**

i) Funds from NHAI/Government of India- Ministry of Road Transport and Highways for Projects- ETC, Traffic Survey and Toll Management.

**As at 31st March 2022**

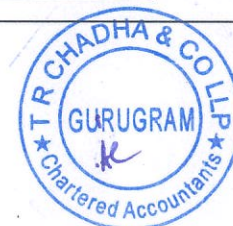
Name of the project	Opening balance as on 01.04.2021	Fund received during the year	Funds utilised during the year	Closing balance as on 31.03.2022
i) Electronic Toll Collection	5,500.19	3,899.29	2,104.53	3,705.43
ii) Traffic Survey	4,068.50	4,068.50	(176.92)	(176.92)
iii) Way Side Amenities	284.85	-	168.15	453.00
iv) Road User Helpline	121.35	-	-	121.35
v) Toll Management System	5,247.94	3,560.84	485.83	2,172.93
vi) ETC Pool#	(372.89)	0.19	-	(373.08)
vii) Citizen Centric App-You Report	24.12	-	-	24.12
viii) Time & Motion Study	42.03	-	-	42.03
ix) Green Highways Mission	(224.42)	-	-	(224.42)
<b>Total</b>	<b>14,691.67</b>	<b>11,528.82</b>	<b>2,581.59</b>	<b>5,744.44</b>

**As at 31st March 2021**

Name of the project	Opening balance as on 01.04.2020	Fund received during the year	Funds utilised during the year	Closing balance as on 31.03.2021
i) Electronic Toll Collection	1,725.63	-	3,774.55	5,500.19
ii) Traffic Survey	3,804.35	-	264.15	4,068.50
iii) Way Side Amenities	284.85	-	-	284.85
iv) Road User Helpline	115.94	-	5.41	121.35
v) Toll Management System	5,110.81	-	137.13	5,247.94
vi) ETC Pool#	8,285.00	7,783.04	(874.84)	(372.89)
vii) Citizen Centric App-You Report	24.12	-	-	24.12
viii) Time & Motion Study	42.03	-	-	42.03
ix) Green Highways Mission	(224.42)	-	-	(224.42)
<b>Total</b>	<b>19,168.31</b>	<b>7,783.04</b>	<b>3,306.40</b>	<b>14,691.67</b>

**Note: - 9 Other current assets**

Particulars	31 March 2022	31 March 2021	1 April 2020
<b>Unsecured, Considered good</b>			
Prepaid Expenses	3.51	1.35	1.54
Input Tax Credit Carried forward	565.82	513.19	880.04
Other Advances (Imprest)	-	0.76	0.26
Service Tax Refund Due	-	4.31	4.31
Provision for doubtful debts	-	(4.31)	(4.31)
<b>Total</b>	<b>569.33</b>	<b>515.30</b>	<b>881.84</b>



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
CIN: U74140DL2012PLC246662  
Notes forming part of the Financial Statements for the year ended on March 31, 2022

(All amounts in ₹ lacs, unless otherwise stated)

Note: - 10 Equity Share capital

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
<b>Authorised share capital</b>			
4,00,00,000 (PY - 4,00,00,000) Equity Shares of ₹ 10/- each	4,000	4,000	4,000
	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
<b>Issued/Subscribed and Paid up Capital</b>			
1,81,24,256 Equity Shares (PY - 1,81,24,256) of ₹ 10/- each	1,812.43	1,812.43	1,812.43
	<u>1,812.43</u>	<u>1,812.43</u>	<u>1,812.43</u>

**Details of shareholder holding more than 5% in the company**

Name of the shareholder	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No in Shares	% holding in the class	No in Shares	% holding in the class	No in Shares	% holding in the class
National Highways Authority of India	75,00,000	41.38%	75,00,000	41.38%	75,00,000	41.38%
ICICI Bank Limited	15,00,000	8.27%	15,00,000	8.27%	15,00,000	8.27%
Axis Bank Limited	15,00,000	8.27%	15,00,000	8.27%	15,00,000	8.27%
L & T Infrastructure Finance Company Limited	15,00,000	8.27%	15,00,000	8.27%	15,00,000	8.27%
<b>Total</b>	<b>120,00,000</b>	<b>66.19%</b>	<b>120,00,000</b>	<b>66.19%</b>	<b>120,00,000</b>	<b>66.19%</b>

**1. Rights, preferences and restrictions attaching to each class of Shares including restrictions on the distribution of dividend and the repayment of capital.**

The Company has only one type of equity shares having par value of ₹ 10 each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**2. Details of Shareholding of Promoters are as under:**

**Ordinary Shares held by the promoter as at 31st March, 2022**

Promoter Name	No. of Shares	% of total shares	% change during the year
National Highways Authority of India	75,00,000	41.38%	Nil

**Ordinary Shares held by the Promoter as at 31st March, 2021**

Promoter Name	No. of Shares	% of total shares	% change during the year
National Highways Authority of India	75,00,000	41.38%	Nil

**3. Reconciliation of the number of equity shares and share capital**

Particulars	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No in Shares	in Lakhs	No in Shares	in Lakhs	No in Shares	in Lakhs
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	181,24,256	1,812.43	181,24,256	1,812.43	181,24,256	1,812.43
Add: Shares Issued during the year	-	-	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	<b>181,24,256</b>	<b>1,812.43</b>	<b>181,24,256</b>	<b>1,812.43</b>	<b>181,24,256</b>	<b>1,812.43</b>

**Note: - 11**

**Other Equity**

Particulars	31 March 2022	31 March 2021	1 April 2020
Retained Earnings	44,240.66	30,002.34	15,399.35
<b>Total</b>	<b>44,240.66</b>	<b>30,002.34</b>	<b>15,399.35</b>

**Note: - 11.1**

Particulars	31 March 2022	31 March 2021	1 April 2020
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**(a) Retained Earnings**

Balance at the beginning of the year	30,002.34	15,399.35	7,579.31
Add: Profit for the year	14,238.03	14,602.87	7,820.04

**Items of Other comprehensive income recognised directly in retained earnings**

Remeasurements of defined benefits plans, net of tax	0.29	0.12	-
Less: Transfer to Reserve	-	-	-
<b>Balance at the end of the year</b>	<b>44,240.66</b>	<b>30,002.34</b>	<b>15,399.35</b>



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**

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Notes forming part of the Financial Statements for the year ended on March 31, 2022

(All amounts in ₹ lacs, unless otherwise stated)

**Note:- 12 Other non current financial liability**

	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Performance Security	68.16	-	-
	<b>68.16</b>	<b>-</b>	<b>-</b>

**Note:- 13 Non Current Provisions**

	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Provision for Leave Encashment (Refer note-29)	17.81	12.94	8.03
Provision for Gratuity (Refer note-29)	12.69	9.44	6.50
	<b>30.50</b>	<b>22.38</b>	<b>14.53</b>

**Note: - 14 Deferred Tax Liabilities**

Particulars	31 March 2022	31 March 2021	1 April 2020
Deferred tax assets	7.81	5.73	1.47
Deferred tax liabilities	(20.77)	(21.54)	(17.22)
Deferred tax Liabilities (net of deferred tax Assets)	<b>(12.96)</b>	<b>(15.81)</b>	<b>(15.75)</b>

**The balance comprises to temporary differences attributable to:**

(a) Employee Benefits	7.81	5.73	1.47
(b) Depreciation and amortisation	(20.77)	(21.54)	(17.22)
	<b>(12.96)</b>	<b>(15.81)</b>	<b>(15.75)</b>

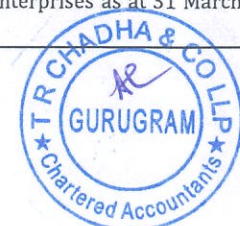
**Movement in Deferred Tax Liability/(Asset)**

Particulars	Property, Plant and Equipment Intangible Assets	Employee Benefits	Total
<b>1 April 2020</b>	<b>(17.22)</b>	<b>1.47</b>	<b>(15.75)</b>
Charged/(credited)			
To Profit & Loss	(4.32)	4.10	(0.22)
To other comprehensive income		0.16	0.16
<b>31 March 2021</b>	<b>(21.54)</b>	<b>5.73</b>	<b>(15.81)</b>
Charged/(credited)			
To Profit & Loss	0.77	1.70	2.47
To other comprehensive income	-	0.38	0.38
<b>31 March 2022</b>	<b>(20.77)</b>	<b>7.81</b>	<b>(12.96)</b>

**Note:- 15 Trade Payables**

	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Total outstanding dues of micro enterprises and small enterprises	292.81	806.33	1,625.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,710.83	4,404.17	7,845.01
	<b>4,003.64</b>	<b>5,210.50</b>	<b>9,470.79</b>

The ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information received and available with the Company, the amounts payable to Micro and Small Enterprises as at 31 March 2022 and 31 March 2021 are disclosed separately.



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Notes forming part of the Financial Statements for the year ended on March 31, 2022

(All amounts in ₹ lacs, unless otherwise stated)

**For the year ended 31st March, 2022**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	215.54	37.64	24.20	15.43	292.81
(ii) Others- Payable on behalf of NHAI	1,249.61	1,800.39	238.48	422.35	3,710.83
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
<b>Total</b>	<b>1,465.15</b>	<b>1,838.03</b>	<b>262.68</b>	<b>437.78</b>	<b>4,003.64</b>

**For the year ended 31st March, 2021**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	527.89	263.01	-	15.43	806.33
(ii) Others	2,754.66	1,153.53	1.89	494.09	4,404.17
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
<b>Total</b>	<b>3,282.55</b>	<b>1,416.54</b>	<b>1.89</b>	<b>509.52</b>	<b>5,210.50</b>

**Note:- 16 Other Current Financial Liability**

	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Receipts on account of Over Weight and Over Dimensional Vehicles*	868.06	2,567.59	1,623.48
Liability for cashback to customers	-	-	8,401.21
Earnest Money Deposit	20.50	145.00	96.00
	<b>888.56</b>	<b>2,712.59</b>	<b>10,120.69</b>

\* In terms of MoRTH notification No. RW-NH-35072/1/2010-S&R(B) dated 20.09.2013 user fee for movement of Over Weight and Over Dimensional (OW/OD) Consignments levied by MoRTH is being deposited in IHMCL Bank A/c. The amount has been shown under current financial liabilities as Receipts on behalf of Government of India.

**Note:- 17 Other Current Liabilities**

	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Duties & Taxes Payable	175.46	244.65	463.75
Expenses Payable	945.82	1,415.84	6,252.52
Advance Received against Penalty by IDFC Bank	10.58	5.00	5.00
	<b>1,131.86</b>	<b>1,665.49</b>	<b>6,721.27</b>

**Note:- 18 Short Term Provisions**

	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Provision for Leave Encashment (Refer note-29)	0.35	0.23	0.13
Provision for Gratuity (Refer note-29)	0.17	0.13	0.06
	<b>0.52</b>	<b>0.36</b>	<b>0.19</b>



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
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<b>Note:- 19 Revenue From Operations</b>	<b>For The Year Ended March 31, 2022</b>	<b>For The Year Ended March 31, 2021</b>
<b>Sale of Services</b>		
-Revenue from ETC Operations**	1,02,794.79	86,406.68
-Management Fee from NHAI Projects*	39.36	53.61
	<b>1,02,834.15</b>	<b>86,460.29</b>
<p>*1. Management fee @1.5% on the cost incurred by IHMCL on ETC, Traffic Survey projects has been accounted for in the books of IHMCL on the basis of the minutes of the meeting held on 26.03.2015 in the Ministry of Road Transport &amp; Highways (MoRTH). In respect of Green Highways Project, management fees @ 1.5% have been accounted for as per board meeting held on 17.12.2015 in NHAI.</p> <p>**2. Revenue from Electronic toll collection (ETC Operations) @ 4% upto 30th September 2021 of the fee collected electronically for managing the National electronic toll collection program has been accounted in the books of accounts of the company on the basis of office Memorandum issued by MoRTH vide ref no. H-25011/1/2015 dated 16.02.2016 and agreement dated 13th March,2018 between NHAI and the company upto 31st March 2021 which was extended to 30th September 2021. With effect from 1st October 2021, the rate was reduced from 4% to 2.23% with the approval of Ministry of Road Transport &amp; Highways, NHAI revised the Programme Management Fees (PMF) for FASTag programme by issuing a office memorandum vide ref no. NHAI/13013/CO/21-22/E-105990 dated 30.03.2022.</p> <p>3. With respect to toll collection through National electronic toll collection programme (NETC) in certain State/City toll plazas, management fees is not charged vide circular no. IHMCL/OMC/POS/2018 dated 10th January,2019, duly extended till 31.03.2022. According to said circular, the company shall bear a part of electronic toll collection programme management fee to the extent of cost of Fastag issuance, transaction clearing and settlement and any other fees as applicable except for acquiring fees in respect to state/city toll plazas under National electronic toll collection(NETC) programme. Accordingly, no management fees has been charged in such cases.</p> <p>4. With respect to MOU signed between IHMCL &amp; Nandi Economic Corridor Enterprise Limited and Tourism Development Council. IHMCL will be entitled to 0.20% programme management fee of Settled ETC Transaction Value.</p> <p>5. The company has accounted for revenue from Electronic toll collection operations amounted to Rs. 1,02,794.79 lacs (excluding Goods &amp; Service Tax) during FY 2021-22 against which invoices for Rs. 1,02,125.16 lacs (excluding Goods &amp; Service Tax) had been raised on National highways authority of India and for Rs. 527.27 lacs (excluding Goods &amp; Service Tax) have been raised on Hyderabad Growth Corridor Limited, Nandi Economic Corridor Enterprises Limited &amp; Tourism Development Council respectively.</p>		
<b>Note:- 20 Other Income</b>	<b>For The Year Ended March 31, 2022</b>	<b>For The Year Ended March 31, 2021</b>
Interest Income on Deposits	224.12	262.76
Miscellaneous Income	5.31	60.24
	<b>229.43</b>	<b>323.00</b>
<b>Note:- 21 Operating Expenses</b>	<b>For The Year Ended March 31, 2022</b>	<b>For The Year Ended March 31, 2021</b>
Transaction Charges for Managing Central Clearing House-(ETC Project)*	79,509.57	62,581.24
Website Hosting & Maintenance Expenses	3.63	3.75
FASTag Expenses	175.11	186.34
FASTag O & M Charges	-	48.72
Data Storage Server - O & M Charges	39.00	65.00
1033 24*7 Call Centre Expenses	1,052.41	986.23
ETC O & M and Toll Management Expenses**	866.23	1,637.59
ICD 2.5-Firewall	42.06	23.95
SUKHAD YATRA PROJECT - Mobile APP Services	30.77	3.98
MultiLane Free Flow Tolling Project	87.97	38.00
PTZ Camera Installation	-	13.55
State Highways -CAPEX	71.28	-
SUKHAD YATRA PROJECT - Google API Usage Charges	20.38	-
Application Security Assessment Tests	0.35	-
Bandra - Worli Sea Link Project	21.61	-
GNSS PROJECT	16.50	-
Manpower for Development of ICT SERVICES	11.87	-
Web Application Security Audit	0.59	-
	<b>81,949.33</b>	<b>65,588.35</b>



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
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(All amounts in ₹ lacs, unless otherwise stated)

\* Transaction charges for managing central clearing house includes

1. The fee payable to 1.50% of the fee collected electronically to Issuer Banks, 1.25%/0.20%/0.15% of the fee to Acquirer Banks and 0.25% to NPCI till 30.09.21. NHAI vide its Office Memorandum no. NHAI/13013/CO/21-22/E-105990 dated 30.03.2022 has revised programme management fees for NETC on NH Fee Plazas from 01.10.2021 to 31.03.2022. As per revised programme management fees Issuer Banks (1.50%), Acquirer Bank (0.13% as per discovered L1 rate), NPCI (0.20%) & IHMCL (0.40%). The rate of Acquirer Bank was discovered on 14.10.2021 and IHMCL has intimated to NPCI for applicability of revised acquirer fee rate on same date. The fees collected electronically by National Payment Corporation of India (NPCI) for their services as collectors of the fee electronically totalling to Rs. 75,157.54 lacs (Previous Year - Rs. 58,564.32 lacs).

2. With respect to toll collection through National electronic toll collection programme (NETC) in certain State/City toll plazas, the company has borne part of electronic toll collection programme management fee to the extent of cost of Fastag issuance, transaction clearing and settlement and any other fees as applicable except for acquiring fees in respect to state/city toll plazas under National electronic toll collection (NETC) programme vide Circular No. IHMCL/OMC/POS/2018 dated 10th January, 2019, duly extended till 31.03.2022. Due to this, the fees payable of Rs. 4,261.29 lacs (Previous Year- Rs. 1,363.38 lacs) has been charged to profit and loss account.

The National electronic toll collection programme management fee is settled on daily basis by NPCI through Canara Bank on auto debit process. During the Financial Year 2021-22, due to COVID-19 situation as well as lock down of office, it was delayed to provide the funds in the account of Canara Bank by IHMCL/ NHAI for settlement of Hybrid electronic toll collection programme management fee, due to which Canara Bank has charged an amount of Rs. 91.84 lacs (Previous Year- Rs. 2,653.54 lacs), which has been considered as NETC Charges.

\*\* Hybrid electronic toll collection projects (CAPEX & OPEX) were being funded by NHAI. However, it was decided that w.e.f. 01.04.2020 (as proper maintenance of critical equipment's at toll plazas will entail increase in the electronic toll collection transactions which is directly proportional to increased revenue of IHMCL through e-tolling and to achieve the 100% FASTag mandate issued by MORTH), expenditure related to maintenance of electric toll collection equipment and other ancillary projects (OPEX) shall be borne by the company. Following the decision of management vide notesheet dated 20th March, 2020 approved by the CMD of the company, operation & maintenance expenditure of the electronic toll collection equipment (OPEX), amounting to Rs. 866.23 lacs (Previous Year-1,633.84 lacs) has been charged in the books of account without charging of management fees @1.5 % and reimbursement of OPEX from NHAI. The management is also in the process of revising the agreement for management fee with NHAI in this regard.

Note:- 22 Employees Benefit Expenses	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Salaries and Wages	187.16	161.24
Gratuity Expenses	3.67	3.17
Compensated absences	4.99	5.56
Contribution to provident fund	6.83	5.65
Staff welfare expenses	1.63	1.06
	<u>204.28</u>	<u>176.68</u>
Note:- 23 Finance Cost	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Interest expense	-	0.01
	<u>-</u>	<u>0.01</u>
Note:- 24 Depreciation and Amortization	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Depreciation on Property Plant and equipment	40.36	40.48
	<u>40.36</u>	<u>40.48</u>
Note:- 25 Other Expenses	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Compensation-Arbitration Order	1,141.96	-
Rates & Taxes	288.31	-
CSR Expenses	175.08	68.88
Professional & Consultancy Charges	126.29	89.86
Advertisement Expenses	-	919.37
Travelling Expenses	13.36	10.15
Arbitration Fees	12.76	23.15
Miscellaneous Expenses	8.88	17.88
Taxi Hire Charges	6.43	10.70
Insurance	4.78	2.78
Payment to Auditor		
-As Auditor	3.50	2.50
-For reimbursement of expenses	0.25	0.50
Sitting Fee to Directors	1.80	0.30
Printing and Stationery	0.79	0.91
	<u>1,784.19</u>	<u>1,146.98</u>



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
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**Notes forming part of the Financial Statements for the year ended on March 31, 2022**  
**(All amounts in ₹ lacs, unless otherwise stated)**

<b>Note:- 26 Tax Expense</b>	<b>For The Year Ended March 31, 2022</b>	<b>For The Year Ended March 31, 2021</b>
<b>Current income tax:</b>		
Current income tax charge	4,850.33	5,227.90
Adjustments in respect of current income tax of previous year	-	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(2.94)	0.02
	<u>4,847.39</u>	<u>5,227.92</u>
<b>Reconciliation of Estimated Income Tax Expense at Indian Statutory Income Tax Rate to Income Tax Expense reported in Statement of Profit and Loss</b>		
Profit / (loss) for the year before income tax	19,085.42	19,830.79
Indian Corporate Income tax Rate*	25.168%	25.168%
Estimated Income tax expenses	4,803.42	4,991.01
Tax effect of items that are not deductible/ allowable for tax purpose	46.91	236.88
<b>Current Income tax expenses recognized in profit or loss</b>	<u>4,850.33</u>	<u>5,227.90</u>
<b>Deferred Tax</b>		
Income tax related to items charged or credited directly to profit or loss during the year:		
Accelerated Depreciation for tax purpose	(0.76)	4.31
Expenses allowable on payment basis	(2.18)	(4.29)
<b>Deferred tax expenses</b>	<u>(2.94)</u>	<u>0.02</u>
<b>Total</b>	<u>4,847.39</u>	<u>5,227.92</u>
<b>Effective Tax Rate</b>	25.398%	26.363%
* The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (previous year 25.168%) payable by corporate entities in India on taxable profits under the Indian tax law.		
<b>Note:- 27 Other Comprehensive Income section</b>	<b>For The Year Ended March 31, 2022</b>	<b>For The Year Ended March 31, 2021</b>
<b>Deferred tax related to items recognised in OCI during the year:</b>		
Net loss/(gain) on remeasurements of defined benefit plans	0.29	0.12
	<u>0.29</u>	<u>0.12</u>
<b>Components of Other Comprehensive Income (OCI)</b>	<b>For The Year Ended March 31, 2022</b>	<b>For The Year Ended March 31, 2021</b>
The disaggregation of changes to OCI by each type of reserve in equity is shown below		
Remeasurement of Defined benefit plans	0.38	0.16
Income Tax relating to Items that will not be reclassified to profit and loss	(0.09)	(0.04)
	<u>0.29</u>	<u>0.12</u>
<b>Note:- 28 Earning Per Share</b>	<b>Current Year</b>	<b>Previous Year</b>
Number of Equity Shares of ₹ 10 each fully paid up at the beginning of the year	181,24,256	181,24,256
Number of Equity Shares of ₹ 10 each fully paid issued during the year	-	-
Number of Equity Shares of ₹ 10 each fully paid up at the end of the year	181,24,256	181,24,256
Weighted Average number of Equity Shares of Rs10/- each outstanding during the year	181,24,256	181,24,256
<b>Net Earning after tax for the year (₹)</b>	<u>14,238.32</u>	<u>14,602.99</u>
<b>Earning Per Equity Share of ₹ 10 each</b>		
- Basic	78.56	80.57
- Diluted	78.56	80.57



INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

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Notes forming part of the Financial Statements

(All amounts in ₹ lacs, unless otherwise stated)

29. As per Ind As 19 " Employee benefits", the disclosures as defined in the Accounting Standard are given below:

**Defined Contribution Plan:**

During the year, company has recognized the following amount in the statement of Profit and Loss:

Particulars	2021-22	2020-21
Employers Contribution to Provident Fund	6.48	5.37
<b>Defined Benefit Plans:</b>		
In respect of Gratuity, provision is made based on the actuarial valuation by an independent Actuary. The following information as required under Ind AS-19 are based on the report of the Actuary.		
	<b>Gratuity (Unfunded)</b>	
	<b>2021-22</b>	<b>2020-21</b>
<b>Particulars</b>		
<b>Major Assumptions</b>		
a Discount Rate (per annum)	7.50%	7.09%
b Future Salary Increase	8%	8%
c Rate of Return on Plan Assets	NA	NA
d Expected Average remaining working lives of employees in number of years	21.62	22.62
<b>1 Changes in the Defined Benefit Obligation</b>		
a Defined Benefit obligation as at beginning of the year	9.57	6.56
b Interest Cost DBO	0.72	0.47
c Net Current Service Cost	2.95	2.70
d Benefits Paid	-	-
e Actuarial (Gain) / Loss on Obligation	(0.38)	(0.16)
<b>Defined Benefit Obligation, End of Period</b>	<b>12.86</b>	<b>9.57</b>
<b>2 Net Defined Benefit Cost/(Income) included in Statement of Profit &amp; Loss at Period-End</b>		
a Service Cost	2.95	2.70
b Net Interest Cost	0.72	0.47
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>	<b>3.67</b>	<b>3.17</b>
<b>3 Analysis of Amount Recognized in Other Comprehensive (Income)/Loss at Period - End</b>		
<b>Remeasurements Due to :</b>		
a Effect of Change in Financial Assumptions	(0.84)	(0.51)
b Effect of Experience Adjustments	0.46	0.35
c (Gain)/Loss on Curtailments/Settlements	-	-
d Return on Plan Assets (Excluding Interest)	-	-
e Changes in Asset Ceiling	-	-
<b>Amount Recognized in OCI (Gain)/Loss, End of Period</b>	<b>(0.38)</b>	<b>(0.16)</b>
<b>4 Total Defined Benefit Cost/(Income) included in Profit &amp; Loss and Other Comprehensive Income)</b>		
a Amount recognized in P&L, End of Period	3.67	3.17
b Amount recognized in OCI, End of Period	(0.38)	(0.16)
<b>Total Net Defined Benefit Cost/(Income) Recognized at Period - End</b>	<b>3.29</b>	<b>3.01</b>
<b>Particulars</b>	<b>Gratuity</b>	
	<b>2021-22</b>	<b>2020-21</b>
<b>5 Reconciliation of Balance Sheet Amount</b>		
a Balance Sheet (Asset)/Liability, Beginning of Period	9.57	6.56
b True-up	-	-
c Total Charge/(Credit) Recognised in Profit and Loss	3.67	3.17
d Total Remeasurements Recognised in OC (Income) / Loss	(0.38)	(0.16)
e Benefits Paid	-	-
<b>Balance Sheet (Asset)/Liability, End of Period</b>	<b>12.86</b>	<b>9.57</b>





**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements

(All amounts in ₹ lacs, unless otherwise stated)

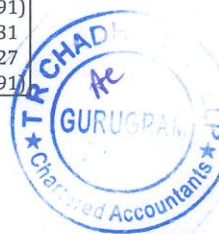
<b>6 Current / Non Current Bifurcation</b>		
a Current liability	0.17	0.13
b Non-Current liability	12.69	9.44
<b>Net Liability</b>	<b>12.86</b>	<b>9.57</b>
<b>7 Sensitivity Analysis</b>		
a Defined Benefit Obligation - Discount Rate +100 Basis Points	<b>(1.81)</b>	<b>(1.41)</b>
b Defined Benefit Obligation - Discount Rate -100 Basis Points	<b>2.16</b>	<b>1.70</b>
c Defined Benefit Obligation - Salary Escalation Rate +100 Basis Points	<b>2.13</b>	<b>1.67</b>
d Defined Benefit Obligation - Salary Escalation Rate -100 Basis Points	<b>(1.81)</b>	<b>(1.41)</b>
<b>Expected Cashflows for the Next Ten Years</b>		
a Year - 2023	<b>0.18</b>	<b>0.14</b>
b Year - 2024	<b>0.20</b>	<b>0.16</b>
c Year - 2025	<b>0.45</b>	<b>0.20</b>
d Year - 2026	<b>0.62</b>	<b>0.45</b>
e Year - 2027	<b>0.81</b>	<b>0.62</b>
f Year - 2028 to 2032	<b>7.26</b>	<b>6.16</b>

**Defined Benefit Plans:**

In respect of Leave Encashment, provision is made based on the actuarial valuation by an independent Actuary. The following information as required under Ind AS-19 are based on the report of the Actuary.

Particulars	Leave Encashment (Unfunded)	
	2021-22	2020-21
<b>Major Assumptions</b>		
a Discount Rate (per annum)	7.50%	7.09%
b Future Salary Increase	8%	8%
c Rate of Return on Plan Assets	NA	NA
d Expected Average remaining working lives of employees in number of years	21.62	22.62
<b>1 Change in Defined Benefit Obligation</b>		
a Defined Benefit obligation, beginning of period	13.17	8.16
b Interest Cost on DBO	0.99	0.58
c Net Current Service Cost	4.16	3.81
d Benefits Paid	-	(0.54)
e Actuarial (Gain)/Loss on obligation	(0.16)	1.16
<b>Defined Benefit Obligation, End of Period</b>	<b>18.16</b>	<b>13.17</b>
<b>2 Amounts Recognised in Statement of Profit &amp; Loss at Period End</b>		
a Service Cost	4.16	3.81
b Net Interest Cost	0.99	0.58
c Remeasurements	(0.16)	1.16
<b>Total Expense / (Income) included in "Employee Benefit Expense"</b>	<b>4.99</b>	<b>5.55</b>
<b>3 Analysis of Amounts Recognized in Remeasurements of the Net Defined Benefit Liability / (asset) during the period</b>		
Remeasurements Due to :		
a Effect of Change in Financial Assumptions	(1.17)	(0.70)
b Effect of Experience Adjustments	1.01	1.86
<b>Total Remeasurements Recognised (Gains) / Losses</b>	<b>(0.16)</b>	<b>1.16</b>
<b>4 Reconciliation of Balance Sheet Amount</b>		
a Balance Sheet (Asset)/Liability, Beginning of Period	13.17	8.16
b Total Charge/(Credit) Recognised in Profit and Loss	4.99	5.55
c Benefit Payouts	-	(0.54)
<b>Balance Sheet (Asset)/Liability, End of Period</b>	<b>18.16</b>	<b>13.17</b>

Particulars	Leave Encashment (Unfunded)	
	2021-22	2020-21
<b>5 Current / Non Current Bifurcation</b>		
a Current liability	0.35	0.23
b Non-Current liability	17.81	12.94
<b>Net Liability</b>	<b>18.16</b>	<b>13.17</b>
<b>6 Sensitivity Analysis</b>		
a Defined Benefit Obligation - Discount Rate +100 Basis Points	(2.52)	(1.91)
b Defined Benefit Obligation - Discount Rate -100 Basis Points	3.02	2.31
c Defined Benefit Obligation - Salary Escalation Rate +100 Basis Points	2.97	2.27
d Defined Benefit Obligation - Salary Escalation Rate -100 Basis Points	(2.53)	(1.91)



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(All amounts in ₹ lacs, unless otherwise stated)

30 Capital Management

The Companies objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal Capital Structure to reduce the Cost of Capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

31 Fair Value measurements

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(i) Financial Instruments by Category

Particulars	31 March 2022			31 March 2021			01 April 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>									
Trade Receivables	-	-	35,495.93	-	-	16,316.44	-	-	17,362.74
Cash and Cash Equivalents	-	-	1,288.69	-	-	7,168.36	-	-	1,981.05
Other Financial Assets			5,744.44			14,786.79			20,169.12
<b>Total Financial Assets</b>	-	-	<b>42,529.06</b>	-	-	<b>38,271.59</b>	-	-	<b>39,512.91</b>
<b>Financial Liabilities</b>									
Trade Payables	-	-	4,003.65	-	-	5,210.50	-	-	9,470.79
Other financial liabilities			888.56			2,712.59			10,120.69
<b>Total Financial Liabilities</b>	-	-	<b>4,892.21</b>	-	-	<b>7,923.09</b>	-	-	<b>19,591.48</b>

Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived form prices)

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at amortised cost:-

As at 31-03-2022

Particulars	Carrying Value	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Trade Receivables	35,495.93	-	-	-	
Cash and Cash Equivalents	1,288.69	-	-	-	
Other Financial Assets	5,744.44	-	-	-	
<b>Total financial Assets</b>	<b>42,529.06</b>				
<b>Financial Liabilities</b>					
Trade Payables	4,003.65				
Other financial liabilities	888.56				
<b>Total financial liabilities</b>	<b>4,892.21</b>				

As at 31-03-2021

Particulars	Carrying Value	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Trade Receivables	16,316.44	-	-	-	
Cash and Cash Equivalents	7,168.36	-	-	-	
Other Financial Assets	14,786.79	-	-	-	
<b>Total financial Assets</b>	<b>38,271.59</b>				
<b>Financial Liabilities</b>					
Trade Payables	5,210.50				
Other financial liabilities	2,712.59				
<b>Total financial liabilities</b>	<b>7,923.09</b>				

As at 1-04-2020

Particulars	Carrying Value	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Trade Receivables	17,362.74	-	-	-	
Cash and Cash Equivalents	1,981.05	-	-	-	
Other Financial Assets	20,169.12	-	-	-	
<b>Total financial Assets</b>	<b>39,512.91</b>				
<b>Financial Liabilities</b>					
Trade Payables	9,470.79				
Other financial liabilities	10,120.69				
<b>Total financial liabilities</b>	<b>19,591.48</b>				



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
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**32 Financial Risk Management**

The Company's activities are not significantly affected by market risk, liquidity risk and credit risk. Therefore, the disclosure relating to maturity profile of financial liabilities, borrowing limits, gearing ratios etc. have not been furnished.

**33** The company does not have any transaction and balances with Struked off companies.

**34** No proceedings are initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

**35** The company is not a declared willful defaulter by any bank or financial Institution or other lender.

**36** There is no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

**38** There are no subsidiaries therefore compliance with respect to Section 2(87) of the Companies Act, 2013

**39 Related Party disclosures as required by Ind-AS 24 "Related party Disclosure"**

**39.1 Key Management Personnel**

**A** Related parties and transactions with them as identified by the management are given below:

**Parties which exercise/ can exercise significant influence over the company**  
National Highway Authority of India

**Key Managerial Personnel (KMP)**

Mr. Mahabir Singh (Chairman and Managing Director) (Appointed as CMD on 01.10.2020)  
Mr. Ajay Mishra ( Chief Operating Officer ) (Appointed as COO on 19.07.2021, Cessation date 31.12.2021)  
Mr. Subhash Khurana - Chief Financial Officer (Appointed as CFO on 15.05.2020)  
Mr. Gopabandhu Mishra - Company Secretary

**Directors of the Company**

Mr. Mahabir Singh  
Mr. Kushal Veer Singh (Appointed on 25.02.2022)  
Mr. Ramsekhar Manchikalepati, IAS (Retd.)  
Dr. Amita Prasad, IAS (Retd.) (Appointed on 09.06.2022)  
Mr. Bangaru Raju Obbillisetty (Appointed on 25.02.2022)  
Mr. Hardik Dinesh Chandra Agrawal  
Mr. Amitabh Jha  
Mr. Vivek Gupta  
Mr. Raju Francis Dotti (Appointed on 25.02.2022)  
Mr. T.R. Rao (Cessation date 30.09.2021)  
Mr. Sudipta Roy (Cessation date 30.09.2021)  
Mr. Akhilesh Srivastava (Cessation Date 18.05.2021)

**39.2 Disclosure of transactions with related parties**

Particulars	Transactions		
	31-Mar-22	31-Mar-21	01-Apr-20
Management Fee	39.36	53.61	241.97
Electronic toll collection	1,02,125.16	85,364.38	44,506.35
<b>Balance outstanding as at year end</b>			
Trade Receivable- NHAI	32,084.49	13,443.18	14,891.50
Other Receivable- NHAI	5,744.44	14,691.67	19,168.32
<b>Transactions with KMP</b>			
<b>Remuneration</b>	12.12	11.23	10.75
Mr. Gopabandhu Mishra			
<b>Balance outstanding as at year end</b>			
Mr. Gopabandhu Mishra			
a) Remuneration	1.08	0.99	0.90
b) Expense Payable	-	0.06	-

**40 Segment information (Ind As - 108)**

In the opinion of the management, the company is in operation is to provide services to National Highways Authority of India in implementation of various projects and operating in India, therefore there is one reporting segment. Accordingly, no disclosure for segment reporting has been made in the financial statements as specified in Companies (Accounts) Rules,

**41** In the opinion of the management, there is no impairment of assets requiring provision in accordance with Ind AS-36.

**42** As per Section 135 of the Companies Act, 2013 read with guidelines issued by DPE, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expense required to be made by company are as under:-

Particulars	31-Mar-22	31-Mar-21	01-Apr-20
Amount need to spent during the year	241.48	132.19	68.88
Amount accumulated for previous year	175.08	111.77	42.89
Accumulated amount	416.56	243.96	111.77
<b>Amount spent (PM cares fund)</b>	175.08	68.88	-
Forward to next year	241.48	175.08	111.77

The company is required to spent Rs. 416.56 lacs (Rs. 243.96 lacs for FY 2020-21) on CSR activities. During the current year, the company has spent Rs. 175.08 lacs on CSR expenses (PM CARES FUND) and Rs. 241.48 lacs have been deposited with PM Cares fund Subsequent to balance sheet date.



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<b>43 Disclosures as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006</b>			
<b>Particulars</b>			
	<b>31-Mar-22</b>	<b>31-Mar-21</b>	<b>01-Apr-20</b>
a (i) the principal amount remaining unpaid to any supplier	292.81	217.41	1,780.46
(ii) interest due thereon	9.49	16.08	102.46
b interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
c interest due and payable for the period of delay in making payment other than the interest specified	-	-	-
d interest accrued and remaining unpaid	128.03	118.54	102.46
e further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Balances of the certain parties are subject to confirmation/reconciliation. In the opinion of management current assets, non-current assets, loans and advances and trade receivables have an approximate realizable value equal to amount stated in the Financial Statements, unless otherwise stated. The provision for all liabilities is adequate and not in excess of the amount reasonably necessary.

<b>44 Disclosure relating to various Ratios:</b>			
<b>Particulars</b>			
	<b>31-Mar-22</b>	<b>31-Mar-21</b>	<b>Variance</b>
(i) Current Ratio (Current Assets / Current Liabilities) Reason for Variation: Delay in recovery of trade receivables.	7.15	4.04	76.86%
(ii) Return on Equity (Net profit after tax / Average Shareholder's equity) Reason for Variation: Due to increase in other equity resulting from accumulation of profits over the years.	18.28%	29.79%	-38.61%
(iii) Trade Receivable Turnover Ratio (Sale of Services / Average Trade Receivables)	1.98	2.57	-22.69%
(iv) Trade Payable Turnover Ratio [(Total Expenses-Depreciation-Employee Benefit Expense-Finance Costs] / Average Trade Payable Reason for Variation: Increase in transaction charges which have been paid before the reporting date.	4.56	2.27	100.82%
(v) Net Capital Turnover Ratio (Sale of Service / [Current Assets-Current Liabilities])	2.77	2.96	-6.33%
(vi) Net Profit Ratio (Net Profit after Tax / Sale of Services)	13.85%	16.89%	-18.02%
(vii) Return on Capital Employed (Earnings before interest, tax & depreciation / Average Capital Employed)	38.51%	50.15%	-23.21%
(viii) Return on Investment (Income Generated From Investments / Time Weighted Average Investments)	4.89%	5.65%	-13.45%

- Note:**
- During the Current year and previous year the company has no borrowings from any corporate, bank or financial institution. Hence, Debt-Equity Ratio and Debt-Service Coverage Ratio is not reported.
  - The Company is engaged in the business of National Election Toll Collection Services and there is no inventory of Goods. Hence, Inventory turnover Ratio is not applicable to Company.

**45** The company has received Rs. 1,52,191.55 lacs till 31.03.2022 from National Highways Authority of India and Government of India- Ministry of Road Transport and Highways (MoRTH) for execution of Nine projects namely Traffic survey, Electronic Toll Collection, Toll Management System, Road User Helpline, Wayside Amenities. The company has spent a sum of Rs. 1,57,935.99 lacs till 31.03.2022 for implementing these projects including purchase of Electronic Toll Collection (ETC) and other project expenses through contractors on behalf of NHAI and an amount of Rs. 5,744.44 lacs is receivable as on 31.03.2022 on account of amount spent by the company on behalf of NHAI which has been shown as "Receivable from NHAI" under Other current assets. In the opinion of the management, the amount is recoverable from NHAI. However, the confirmation of the receivable amount is not received by NHAI. The invoices for Electronic Toll Collection(ETC) equipments and other project expenses are in the name of the company. However, in accordance with the understanding between NHAI and company, ETC equipments are not the assets of the company and have, therefore not been recorded in the books of company.

**46 Contingent Liabilities**

<b>Particulars</b>	<b>Refer Note</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>	<b>01-Apr-20</b>
Matters relating to:-				
- Matter in CIT(Appeals) F.Y. 2015-16	a	729.35	729.35	729.35
- Claims against the Company, not acknowledged as debts	b	968.90	-	-

The income tax Assessing Officer has considered an amount of Rs. 1,870.81 lacs payable to MORTH recovered by the company on account of penalty on oversized/overweighted vehicles as income during assessment related to Financial year 2015-16 & raise the additional demand of Rs. 654.98 lacs which has been adjusted against the income tax deposits of Rs. 890.50 lacs. The MORTH has clarified that this amount is payable to them and has been paid by the company to MORTH in subsequent period. Further, the Company has filed an appeal before Commissioner of Income Tax (Appeals) for refund of Rs 654.98 lacs and on the basis of current status and as per legal advice obtained by Company, Management is confident that aforesaid sum adjusted by Assessing Officer shall be refunded to company and no provision is required in respect of this demand.

The Arbitrator has passed the order for IHMCL to pay Rs. 929.21 lacs plus simple interest @9% with effect from 21.11.2018 till actual realisation to Efkon India Private Limited towards loss of anticipated profits and idling cost of its employees.

The Company is also liable to pay costs of Rs. 39.68 lacs within 30 days of the award, failing which it shall be paid with interest @9% simple interest with effect from date of the award till actual payment. However, the company has filed appeal before Hon'ble High Court against the award of arbitrator.



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
**CIN: U74140DL2012PLC246662**  
**Notes forming part of the Financial Statements for the year ended on March 31, 2022**

(All amounts in ₹ lacs, unless otherwise stated)

**Note 47 First-time adoption of Ind AS**

These financial statements, for the year ended 31 March 2022, are the first the company has prepared in accordance with Ind-AS. For periods up to and including the year 31 March 2021, the company prepared its financial statements in accordance with the Indian GAAP, including accounting standards notified under the companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly the company has prepared financial statements which comply with Ind-AS applicable for the periods on or after the 31 March 2022, together with the comparative period data as at and for the year ended 31 March 2021, as described in the summary of the significant accounting policies. In preparing these financial statements, the company opening balance sheet was prepared as at 1 April 2020, the company date of transition to Ind-AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2020 and the financial statements as at and for the year ended 31 March 2021.

**Exemptions applied**

Ind-AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS. Company has applied the following exemptions:-

**1- Estimates**

The estimates at 1 April 2020 and at 31 March 2021 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS, reflect conditions at 1 April 2020, the date of transition to Ind-AS and as of 31 March 2021.

**2- Deemed Costs**

Since there is no change in functional currency, the company has elected to continue with the previous GAAP carrying value of all property Plant and Equipment and intangibles assets as recognized in the previous GAAP financials as deemed cost at the transition date.

**3- Classification and measurement of financial assets**

Financial assets are classified and measured on the basis of the conditions existing on the date of the transition to Ind-AS

**Reconciliation of Balance Sheet on 1st April 2020 (at the date of Transition)\***

Particulars		INDIAN (GAAP)	Adjustments	IND AS
I.	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
(a)	Property, Plant and equipment	214.25	-	214.25
(b)	Financial Assets			
(i)	Others	0.32	-	0.32
(c)	Non-Current Tax Asset (Net)	2,945.68	-	2,945.68
		<b>3,160.25</b>	<b>-</b>	<b>3,160.25</b>
2	<b>Current assets</b>			
(a)	Financial Assets			
(i)	Trade Receivables	17,362.74	-	17,362.74
(ii)	Cash and cash balances	1,981.05	-	1,981.05
(iii)	Others	20,169.12	-	20,169.12
(b)	Other current assets	881.84	-	881.84
		<b>40,394.75</b>	<b>-</b>	<b>40,394.75</b>
	<b>Total Assets</b>	<b>43,555.00</b>	<b>-</b>	<b>43,555.00</b>
II.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
(a)	Equity Share Capital	1,812.43	-	1,812.43
(b)	Other Equity	15,399.01	0.34	15,399.35
		<b>17,211.44</b>	<b>0.34</b>	<b>17,211.78</b>
2	<b>Liabilities</b>			
(i)	<b>Non-current liabilities</b>			
(a)	Financial Liabilities			
(i)	Other Financial Liabilities			
(b)	Provisions	14.53	-	14.53
(c)	Deferred Tax Liabilities	15.75	-	15.75
		<b>30.28</b>	<b>-</b>	<b>30.28</b>
(ii)	<b>Current liabilities</b>			
(a)	Financial Liabilities			
(i)	Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	1,625.78	-	1,625.78
	Total outstanding dues of creditors other than micro enterprises and small enterprises	7,845.35	(0.34)	7,845.01
	(ii) Other financial liabilities	10,120.69	-	10,120.69
(b)	Other current liabilities	6,721.27	-	6,721.27
(c)	Provisions	0.19	-	0.19
		<b>26,313.28</b>	<b>(0.34)</b>	<b>26,312.94</b>
	<b>Total Equity and Liabilities</b>	<b>43,555.00</b>	<b>-</b>	<b>43,555.00</b>

\* The previous GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

**Footnotes to the reconciliation of Balance Sheet as on 1 April 2020**

(i) Prior period expenses/income have been recasted in the relevant financial year.



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
Notes forming part of the Financial Statements for the year ended on March 31, 2022  
CIN: U74140DL2012PLC246662

(All amounts in ₹ lacs, unless otherwise stated)

**Reconciliation of Balance Sheet on 31st March 2021\***

Particulars		Footnotes	INDIAN (GAAP)	Adjustments	IND AS
I.	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
(a)	Property, Plant and equipment		175.64	-	175.64
(b)	Financial Assets		-	-	-
(f)	Others		0.03	-	0.03
(c)	Non-Current Tax Asset (Net)		2,479.34	-	2,479.34
			<b>2,655.01</b>	<b>-</b>	<b>2,655.01</b>
2	<b>Current assets</b>				
(a)	Financial Assets				
(i)	Trade Receivables		16,316.44	-	16,316.44
(ii)	Cash and bank balances		7,168.36	-	7,168.36
(iii)	Others		14,786.79	-	14,786.79
(b)	Other current assets		515.30	-	515.30
			<b>38,786.89</b>	<b>-</b>	<b>38,786.89</b>
	<b>Total Assets</b>		<b>41,441.90</b>	<b>-</b>	<b>41,441.90</b>
II.	<b>EQUITY AND LIABILITIES</b>				
1	<b>Equity</b>				
(a)	Equity Share Capital		1,812.43	-	1,812.43
(b)	Other Equity	i	30,006.09	(3.75)	30,002.34
			<b>31,818.52</b>	<b>(3.75)</b>	<b>31,814.77</b>
2	<b>Liabilities</b>				
(i)	<b>Non-current liabilities</b>				
(a)	Financial Liabilities				
(i)	Other Financial Liabilities		-	-	-
(b)	Provisions		22.38	-	22.38
(c)	Deferred Tax Liabilities		15.81	-	15.81
			<b>38.19</b>	<b>-</b>	<b>38.19</b>
(ii)	<b>Current liabilities</b>				
(a)	Financial Liabilities				
(ii)	Trade payables				
	Total outstanding dues of micro enterprises and small enterprises		806.33	-	806.33
	Total outstanding dues of creditors other than micro enterprises and small enterprises	i	4,400.42	3.75	4,404.17
	(iii) Other financial liabilities		2,712.59	-	2,712.59
(b)	Other current liabilities		1,665.49	-	1,665.49
(c)	Provisions		0.36	-	0.36
			<b>9,585.19</b>	<b>3.75</b>	<b>9,588.94</b>
	<b>Total Equity and Liabilities</b>		<b>41,441.90</b>	<b>-</b>	<b>41,441.90</b>

**Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP \***

Particulars	Footnotes	Net Profit	Other Equity	
		Year ended 31st March 2021	As at 31st March 2021	As at 1st April 2020
Net profit/Other equity as per previous Indian GAAP		14,607.08	30,006.09	15,399.01
Prior period adjustment				
ETC	i	(4.09)	(3.75)	0.34
<b>Total Comprehensive Income/Other Equity</b>		<b>14,602.99</b>	<b>30,002.34</b>	<b>15,399.35</b>

\* The previous GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

**Footnotes to the reconciliation of Balance sheet, Profit and Other Equity**

(i) Prior period expenses/income have been recasted in the relevant financial year.

**Impact of Ind AS on cash flows for the year ended 31 March 2021**

Particulars	Footnotes	Indian GAAP	Ind AS adjustment	Ind AS
Net cash flow from operating activities		4,952.58	-	4,952.58
Net cash flow from Investing activities		234.74	-	234.74
Net cash flow used in financing activities		(0.01)	-	(0.01)
Net increase in Cash & cash equivalents		<b>5,187.31</b>	<b>-</b>	<b>5,187.31</b>
<b>Cash and cash equivalents as at 31 March 2020</b>		<b>1,981.05</b>	<b>-</b>	<b>1,981.05</b>
<b>Cash and cash equivalents as at 31 March 2021</b>		<b>7,168.36</b>	<b>-</b>	<b>7,168.36</b>



**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
Notes forming part of the Financial Statements for the year ended on March 31, 2022  
CIN: U74140DL2012PLC246662

(All amounts in ₹ lacs, unless otherwise stated)

**Reconciliation of Statement of Profit and Loss for the year ended 31 March 2021\***

Particulars	Foot Notes	INDIAN (GAAP)	Adjustments	IND AS
<b>I. Revenue:</b>				
Revenue from operations		86,460.29	-	86,460.29
Other income		323.00	-	323.00
<b>III. Total Income (I + II)</b>		<b>86,783.29</b>	<b>-</b>	<b>86,783.29</b>
<b>IV. Expenses:</b>				
Expenses on Operations	i	65,584.60	3.75	65,588.35
Employee benefits expenses	ii	176.52	0.16	176.68
Finance Cost		0.01	-	0.01
Depreciation, amortization and impairment		40.48	-	40.48
Other Expenses	i	1,146.64	0.34	1,146.98
Proportionate share of expenses in Jointly Controlled Entities				-
<b>Total Expenses (IV).</b>		<b>66,948.25</b>	<b>4.25</b>	<b>66,952.50</b>
<b>V. Profit/loss Before exceptional items and Tax (I - IV)</b>		<b>19,835.04</b>	<b>(4.25)</b>	<b>19,830.79</b>
<b>VI. Exceptional items</b>				
<b>VII. Profit/(Loss) before tax (V - VI)</b>		<b>19,835.04</b>	<b>(4.25)</b>	<b>19,830.79</b>
<b>VIII. Tax expense:</b>				
(1) Current tax		5,227.90	-	5,227.90
(2) Deferred tax (net)		0.06	(0.04)	0.02
<b>Total Tax Expense (VIII)</b>		<b>5,227.96</b>	<b>(0.04)</b>	<b>5,227.92</b>
<b>IX Profit/(loss) for the period from continuing operation (VII - VIII)</b>		<b>14,607.08</b>	<b>(4.21)</b>	<b>14,602.87</b>
<b>X Profit/(loss) from discontinued operations</b>		-	-	-
<b>XI Tax Expense of discontinued operations</b>		-	-	-
<b>XII Profit/(loss) from discontinued operations (after tax) (X-XI)</b>		-	-	-
<b>XIII Profit/(loss) for the period (IX+XII)</b>		<b>14,607.08</b>	<b>(4.21)</b>	<b>14,602.87</b>
<b>XIV Other Comprehensive Income</b>				
<b>Items that will not be reclassified to profit and loss</b>				
Remeasurement gains (losses) on defined benefit plans	ii	-	0.16	0.16
Income tax effect on Remeasurement gains (losses) on defined benefit plans		-	(0.04)	(0.04)
<b>Total Comprehensive Income for the period (XIII +XIV) (Comprehensive profit and other comprehensive income for the period)</b>		<b>14,607.08</b>	<b>(4.09)</b>	<b>14,602.99</b>
<b>XII. Earnings Per Equity Share:</b>				
(1) Basic		80.59	-	80.59
(2) Diluted		80.59	-	80.59

\* The previous GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

**Footnotes to the reconciliation of profit or loss for the year ended 31 March 2021**

(i) Prior period expenses/income have been recasted in the relevant financial year.

(ii) Employee benefits expense

Under Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, rremeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI). The increase in other income for the year ended 31 March 2021 is Rs. 0.16 lacs

**48 Authorization of Financial Statements**

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors on 15.09.2022. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

Previous Year Figures are regrouped / reclassified wherever required in order to make it comparable in line with the amendments in Schedule III, Division II to the companies Act, 2013 effective from 1st April, 2021.

For T R Chadha & Co LLP  
(Firm Registration No. 006711N/N500028)  
Chartered Accountants

Ashish Gupta  
(Partner)  
M. No. 097343

Place : Gurugram  
Date: 15.09.2022

For and on behalf of the Board of Directors of  
Indian Highways Management Company Limited

Mahabir Singh  
(Chairman and Managing Director)  
(DIN:08967354)

Subhash Khurana  
(Chief Financial Officer)

Kushal Veer Singh  
(Director)  
(DIN:09483690)

Gopabandhu Mishra  
(Company Secretary)



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED.**

**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the accompanying Ind AS Financial statements of **INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements" or "financial statement").

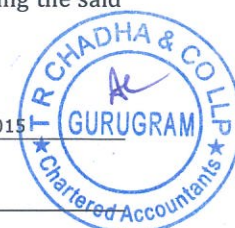
In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- 1) Attention is invited to note no. 8.1 & 8.3 to the Financial Statements regarding the receivable balance with National Highway Authority of India (NHAI). The company reports a receivable balance of Rs. 37,828.93 lacs (under trade receivable Rs. 32,084.49 lacs and other receivable Rs. 5,744.44 lacs) from NHAI as at 31 March 2022 but no confirmation of the recoverable amount is received from the NHAI.
- 2) Attention is invited to note no. 8.1 to the Financial Statements, the company has a receivable balance of Rs.1,320.92 lacs under trade receivables from Hyderabad Growth Corridor Limited (HGCL). There is a dispute with HGCL for the recoverable amount. The company has not provided expected credit loss on the amount.
- 3) Attention is invited to note no 46 of the financial statements, Arbitrator has awarded against the company a sum of Rs. 968.90 lacs and simple interest @9% to Efkon India Private Limited towards loss of anticipated profits and idling cost of its employees due to invalid termination of the contract. The company has filed appeal before Hon'ble High Court against the award of the Arbitrator. The company has not made any provision for the amount.
- 4) Attention is invited to note no 43 of the financial statements, the company has not provided and paid the interest on delayed payments to the Micro, Small and Medium Enterprises (MSMEs) of Rs. 9.49 lacs during the year and accumulated interest amount of Rs. 128.02 lacs.
- 5) NHAI vide its Office Memorandum no. NHAI/13013/CO/21-22/E-105990 dated 30.03.2022 has revised the NETC programme management fees for the period 01.10.2021 to 31.03.2022. As per the office memorandum the revised programme management fees for Acquirer Banks was changed to 0.13% (as per discovered L1 rate). It is noted that the rate of Acquirer Bank was discovered on 14.10.2021 and implemented from the same date. Due to office memorandum dated 30.03.2022 w.e.f. 01.10.2021, the rates charged by the company were lowered by 1.12% for the period 1<sup>st</sup> October 2021 to 13<sup>th</sup> October 2021 as the L1 was discovered on 14.10.2021. Since the rates charged from NHAI are dependent on fee paid by the company to acquirer banks, therefore it has resulted in lower charge @1.2% by the company from NHAI for the aforesaid period. The company has not taken approval of the members as the transaction is not at arm's length during the said period.

T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP  
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28<sup>th</sup> December, 2015

Regd. Office/ Corporate Office : B-30, Connaught Place, Kuthiala Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, E-mail : [delhi@trchadha.com](mailto:delhi@trchadha.com)







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 qualified opinion on the financial statement.

#### **Emphasis of Matter**

Attention is invited to note 16 of the Notes to financial statements that the Company has been assigned the authority to receive, in terms of Ministry of Road Transport and Highway (MORTH) notification no. RW-NH-35072/1/2010-S&R(B) dated 20.09.2013. user fee for movement of overweight and over dimensional (OW/OD) consignments levied by MORTH is being deposited in Company's Bank Account. The company has received Rs. 1,058.16 lacs during the year in this behalf of which Rs. 868.06 lacs are still pending as a payable to MORTH as on 31st March 2022 which has been shown under "current liabilities" as "receipt on behalf of Government of India".

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

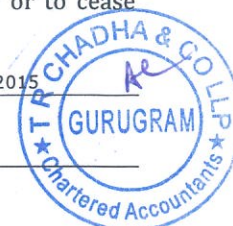
#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act read together with the Companies (Accounts) Rules, 2015, as amended. 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.

T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP  
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28<sup>th</sup> December, 2015

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Phone : 43259900, Fax : 43259930, E-mail : [delhi@trchadha.com](mailto:delhi@trchadha.com)





Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **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.

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

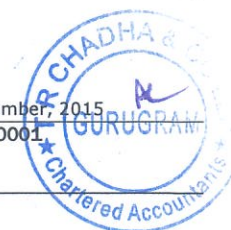
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

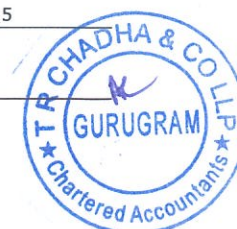
#### **Report on Other Legal and Regulatory Requirements**

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 A", 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, except for the effects of the matters described in the basis for qualified opinion paragraph above, 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 (including Other Comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report agree with the books of account
  - (d) In our opinion, except for the effects of the matters described in the basis for qualified opinion paragraph above, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) The matters described in the Basis for Qualified Opinion and Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) The qualifications relating to certain matters are as stated in the Basis for Qualified Opinion paragraph above
  - (h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (i) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended;  
In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the financial year 2021-2022 and therefore provision of section 197(16) of the Act is not applicable to the company.
  - (j) 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 has pending litigations which would impact its financial position in its financial statement as referred in the note 46 of the financial statements.
  - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - III. There were no amounts which were required to be transferred to the investor's education and protection fund by the company.
  - IV. (a) Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including





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

(b) Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed and information and explanation given, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

V. The Company has not paid dividend during the year.

**For T R Chadha & Co LLP**  
**Firm's Reg. No-: 006711N/N500028**  
**Chartered Accountants**

**Aashish Gupta**  
**Partner**  
**Membership No-097343**

**UDIN: 22097343AWDMHJ7990**



**Place: Gurugram**  
**Date: 15.09.2022**



**ANNEXURE A**  
**INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**  
Annexure "A" to Independent Auditors' Report for the year ended 31 March 2022  
(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

**(i) Property, Plant and Equipment**

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- b) The Property, Plant and Equipment have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, there are no immovable assets held by the company, hence this clause of paragraph 3 (i) of the order is not applicable to the Company.
- d) According to the information and explanations given to us, Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) According to the information and explanations given to us, No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**(ii) Inventories**

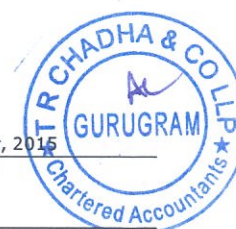
- a) The Company is a service company, engaged in the business of providing services to National Highways Authority of India in implementation of various projects operating in India and there is no inventory in hand at any point of time, hence paragraph 3 (ii) (a) of the order is not applicable to the Company.
- b) According to the information and explanations given to us and as verified by us, during any point of time of the year, the company has not been sanctioned working capital limits, hence paragraph 3 (ii) (a) of the order is not applicable to the Company.

**(iii) Investment made or Loans given**

According to the information and explanations given to us and as verified by us, during the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, hence paragraph 3 (iii) of the order is not applicable to the Company.

**(iv) Compliance of Sec. 185 & 186**

According to the information and explanations given to us and as verified by us, the Company has not entered into any transaction in respect of loans, investments, guarantee and security which attracts compliance to provisions of section 185 & 186 of the Companies Act, 2013, therefore, paragraph 3 (iv) of the order is not applicable to the company.





**(v) Public Deposit**

According to the information and explanations given to us and as verified by us, the Company has not accepted any deposits including amount which are deemed to be deposit from the public and hence directives issued by the Reserve Bank of India and the provisions of the section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under apply are not applicable. Accordingly, the provision of paragraph 3(v) of the Order is not applicable to the Company.

**(vi) Cost Records**

According to the information and explanations given to us and as verified by us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Thus, reporting under clause 3(vi) of the order is not applicable to the company.

**(vii) Statutory Dues**

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing its undisputed statutory dues including Goods & Services Tax, Employees' Provident Fund, Employees' State Insurance, Income-tax, Tax Deducted at Source and Cess etc. There are no undisputed dues payable, outstanding as on 31st March 2022 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 amounts in respect of Income Tax, Goods and Service Tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

**(viii)** According to the information and explanations given to us, No such case where, transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provision of paragraph 3(viii) of the Order is not applicable to the Company.

**(ix)** According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken any loans or borrowings from any lenders. Accordingly, the provision of paragraph 3(ix) of the Order is not applicable to the Company.

**(x) Application of fund raise through public offer**

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year under audit therefore, paragraph 3 (x) (a) of the order is not applicable to the company.

b) As per the information and explanations given by the management and based on our examination of the records, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review Accordingly, compliance of section 42 and 62 of the Act does not arise. Therefore paragraph 3 (x)(b) of the order is not applicable to the company.

**(xi) Fraud**

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the





explanation and information given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.

- b) To the best of our knowledge and according to the information and explanation provided to us, No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- c) Company is not require establishment of whistle-blower mechanism under section 177(9) of the Act. Therefore paragraph 3 (xi)(c) of the order is not applicable to the company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable..
- (xiii) The company entered into transaction with related party (NHAI) which is not at arm's length for the period 1<sup>st</sup> October 2021 to 13<sup>th</sup> October 2021 to NHAI. The Board has not approved the excess amount borne as expense. Hence, the Company has not complied with the provision of section 188 of The Companies Act, 2013.
- (xiv) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business. The report of the internal auditor for the period under audit was available and we have reviewed the same.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause (xvi) of the Order is not applicable to the Company.
- (xvii) Company has not incurred cash losses during the immediately preeceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.





**(xx) Corporate Social Reporting**

According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has contributed the amount required to be spent towards corporate social responsibility and no amount remain unspent.

**(xxi)** Company is not required to prepare consolidated financial statement, therefore, the provision of paragraph 3(xxii) of the Order is not applicable to the Company.

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Regn. No: 006711N / N500028

Place: Gurugram  
Date: 15.09.2022

Aashish Gupta  
Partner  
Membership No. 097343

UDIN: 22097343AWDMHJ7990







**ANNEXURE B**  
**THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS**  
**OF INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED**

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**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 with reference to financial statement of **INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED** ("the Company") as of 31 March, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement 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. 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 with reference to financial statement 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, 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 judgments, 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 with reference to Financial Statements.

**Meaning of Internal Financial Controls With reference to Financial Statements**

A company's internal financial control with reference to financial statement 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 with reference to financial statement 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 authorizations 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 With reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial control with reference to financial statement were operating effectively as at 31 March, 2022, 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 T R Chadha & Co LLP**  
**Chartered Accountants**  
**Firm Regn. No: 006711N / N500028**

**Place: Gurugram**  
**Date: 15.09.2022**

  
**Aashish Gupta**  
**Partner**  
**Membership No. 097343**  
**UDIN: 22097343AWDMA74938**

