

8th
ANNUAL REPORT
2019-20



INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

(An Initiative of NHAI)

CIN: U74140DL2012PLC246662

website:-www. ihmcl.com

Tel.:+91-11-28042710

Registered Office: NHAI HQ, Plot No. G-5&6, Sector-10, Dwarka, New Delhi-110075

Corporate Office: MTNL Building, 2nd Floor, Sector-19, Dwarka, New Delhi-110075

BOARD OF DIRECTORS

Sh. Mahabir Singh	:	Chairman & Managing Director
Sh. Ramsekhar Manchikalapati	:	Independent Director
Sh. A.K. Srivastava	:	Director
Sh. Sudipta Roy	:	Director
Sh. T.R. Rao	:	Director
Sh. Amitabh Jha	:	Director
Sh. Vivek Gupta	:	Director

CHIEF FINANCIAL OFFICER

SHRI SUBHASH KHURANA

COMPANY SECRETARY

SHRI G.B. MISHRA

AUDITORS

M/s T.R. CHADHA & CO. LLP
CHARTERED ACCOUNTANTS
B-30, CONNAUGHT PLACE
NEW DELHI-110001

REGISTERED OFFICE

NHAI HQ, PLOT NO. G-5&6, SECTOR-10, DWARKA, NEW DELHI-110075

NOTICE

NOTICE IS HEREBY GIVEN THAT THE EIGHTTH ANNUAL GENERAL MEETING OF THE MEMBERS OF "INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED" will be held on Tuesday, the 29th December 2020 at 4.00 P.M. through Video Conferencing to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Dinesh Chandra Agrawal (DIN-00359519) who retires by rotation.
3. To appoint the Statutory Auditors of the Company and to fix their remuneration and for this purpose 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 for the appointment of M/s T.R. Chadha & Co. LLP, Chartered Accountants (Firm registration No. FRN:006711N/N500028) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 9th Annual General Meeting of the Company (i.e. the Annual General Meeting to be held for financial year 2020-21) at such remuneration as may be decided by the Board of Directors with the consent of the Auditors."

SPECIAL BUSINESS:

4. Regularization of Shri Ramsekhar Manchikalapati (DIN:00738648) as 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 161 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 16th January, 2020 to 15th January, 2022 be and is hereby approved.

5. Regularization of Shri Talluri Raghupati Rao, (DIN: 01207205) 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 Talluri Raghupati Rao, (DIN: 01207205) who was appointed as a Director of the Company w.e.f 21st May, 2019 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.”

6. Regularization of Shri Akhilesh Kumar Srivastava, (DIN:08792874) 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 Akhilesh Kumar Srivastava,(DIN:08792874) who was appointed as a Director of the Company w.e.f 27th August, 2020 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.”

7. Regularization of Shri Mahabir Singh, (DIN:08967354) as Managing Director.

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

“RESOLVED THAT Shri Mahabir Singh, (DIN:08967354) who was appointed as a Managing Director of the Company w.e.f 1st October, 2020 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 Managing Director of the Company not liable to retire by rotation for a period of 2 years from the date of appointment.”

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

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

Place: New Delhi
Date: 05th December, 2020

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING AND MUST BE IN WRITING IN THE PRESCRIBED FORM NO. MGT.11 (ATTACHED) AND IN THE MANNER AS SPECIFIED IN SECTION 105 OF THE COMPANIES ACT, 2013 AND RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014.
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBERS HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 15(3) OF THE COMPANIES (MEETING OF THE BOARD AND ITS POWERS RULES), 2014; IN RESPECT OF SPECIAL BUSINESS MENTIONED AT ITEM NO. 5 & 6 IS ANNEXED HERETO.
5. INFORMATION PURSUANT TO SECRETARIAL STANDARD II-NEAREST LAND MARK TO THE VENUE OF THE MEETING IS DWARKA SECTOR 10 METRO STATION.

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, READ WITH RULE 15(3) OF THE COMPANIES (MEETING OF THE BOARD AND ITS POWERS RULES), 2014.

ITEM NO. 4

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 Sh. Ramsekhar Manchikalapati as an Independent Director of the Company for a period of two years with effect from 16th January, 2020. 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.

Sh. Ramsekhar Manchikalapati had submitted the prescribed declaration regarding meeting the criteria of independence as provided in subsection (6) of section 149 of the Companies Act, 2013. Sh. Ramsekhar Manchikalapati 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 Sh Ramsekhar Manchikalapati as the Independent Director of the Company for a period of two years w.e.f. 16th January, 2020 till 15th January, 2022.

ITEM NO. 5

Information pursuant to Section 102(1)(b)

Information and facts to enable members to understand the meaning, scope and implications of the item

Shri Talluri Raghupati Rao, (DIN:01207205) was appointed as Director of the company u/s 161(3) of Companies Act, 2013 on 21st May, 2019. Notice has been received from a shareholder proposing his candidature for the office of Director. As per the provisions of the Companies Act, matter is being placed before the members for their approval at the forthcoming Annual General Meeting.

The resolution, if passed by the members at the ensuing Annual General Meeting will result in appointment of Shri Talluri Raghupati Rao, (DIN:01207205) was Director of the Company liable to retire by rotation.

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 Shri Talluri Raghupati Rao himself and his relatives are interested or concerned in the resolution.

ITEM NO. 6

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

Shri Akhilesh Kumar Srivastava, (DIN:08792874) was appointed as Director of the company u/s 161(3) of Companies Act, 2013 on 27th August, 2020. Notice has been received from a shareholder proposing his candidature for the office of Director. As per the provisions of the Companies Act, matter is being placed before the members for their approval at the forthcoming annual general meeting.

The resolution, if passed by the members at the ensuing annual general meeting will result in appointment of Shri Akhilesh Kumar Srivastava, (DIN:08792874) was Director of the Company liable to retire by rotation.

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 Shri Akhilesh Kumar Srivastava, (DIN:08792874) himself and his relatives are interested or concerned in the resolution.

ITEM NO. 7

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

Shri Mahabir Singh was appointed as Director of the company u/s 161(3) of Companies Act, 2013 on 1st October, 2020. Notice has been received from a shareholder proposing his candidature for the office of Managing Director. As per the provisions of the Companies Act, matter is being placed before the members for their approval at the forthcoming annual general meeting.

The resolution, if passed by the members at the ensuing annual general meeting, will result in appointment of Shri Mahabir Singh as Managing Director of the Company not liable to retire by rotation for a period of 2 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 Shri Mahabir Singh, (DIN:08967354) 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: 05th December, 2020

Form No. MGT-11

Proxy form

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

Name of the Member(s):

Registered Address:

E-mail ID:

Folio No.

I/We, being the member (s) of Equity shares of Rs. 10/- each of the above named company, hereby appoint:

1. Name: _____ E-mail Id: _____
Address: _____
Signature: _____
or failing him
2. Name: _____ E-mail Id: _____
Address: _____
Signature: _____
or failing him
3. Name: _____ E-mail Id: _____
Address: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventh Annual General Meeting of the Company, to be held on the 29th day of December 2020 at 4.00 P.M. through Video Conferencing and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2020, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Dinesh Chandra Agrawal (DIN-00359519) who retires by rotation.
3. To appoint the Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

4. Regularization of appointment of Shri Ramsekhar Manchikalapati (DIN:00738648) as Director.
5. Regularization of appointment of Shri Talluri Raghupati Rao (DIN:01207205) as Director.
6. Regularization of appointment of Shri Akhilesh Kumar Srivastava (DIN: 08792874) as Director.
7. Regularization of appointment of Shri Mahabir Singh (DIN: 08967354) as Managing Director.

Signed this _____ day of _____ 2020

Signature of Member(s): _____

Signature of Proxy holder(s): _____



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

The Members,

Your Directors are pleased to present the 8th Annual Report of your Company together with the Audited Financial Statements and the Auditors' Report for the financial year ended, 31st March 2020.

IHMCL was incorporated on 26th December, 2012 with equity participation from NHAI, Concessionaries and Financial Institutions primarily to establish, organize, manage, run, conduct, contract, develop, handle, own and operate e-governance activities for Highways and Transportation sector.

The updates on various projects carried out by IHMCL is covered in subsequent sections.

1. National Electronic Toll Collection (NETC) Programme

1.1 Project Background

National Electronic Toll Collection (NETC) programme, the flagship initiative of MoRT&H, has been implemented on pan India basis in order 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. Every ETC enabled toll plaza will have earmarked lanes (at least one in either direction) for ETC. 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.

Phase I of Nation-wide Electronic Toll Collection (NETC) Program was launched in 2014.

Phase 2 of NETC was launched in Dec 2016 with National Payment Corporation of India (NPCI) functioning as the Central Clearing House (CCH). 22 banks (including Public and Private sector banks) have been engaged as issuer Banks to issue FASTag to road users and 8 acquirer banks are also engaged to process transactions at toll plazas. A cashback of 2.5% is being offered for the FY 2019-20 to incentivize road users for usage of FASTag.

1.2 Project Objectives

- To implement Electronic Toll Collection (ETC) solution for National Highways in India based on RFID technology .
- To facilitate seamless movement by offering ETC services across all tolled roads in India

1.3 Benefits of FASTag

Some salient features of FASTag programme are as below -

- Reduced travel time: ETC enables greater throughput of vehicles thereby reducing congestion and transit time for ETC-enabled vehicles.
- Increased transparency and accounting: By enabling electronic payments, the drivers need to carry less cash. This reduces the risk of cash handling and gives fleet owners greater control over the out-of-pocket expenses of freight transit.

- Fleet tracking via SMS: Fleet owners are notified every time a FASTag account is debited due to a transaction at a toll plaza along with toll amount, vehicle number and plaza name, thus enabling easier tracking of vehicles for fleet owners.
- Cashback Scheme - Government is also offering a promotional Cashback of 2.5% of toll transactions for FY 2019-20 to incentivise the road users for usage of FASTag. Further, in order to extend the service offering to FASTag users, all lanes have been converted into Hybrid ETC.
- Contribution to the Environment – In the conventional Cash tolling, the time taken is much higher than FASTag resulting in high waiting time at toll plaza. This creates high pollution zone to the nearby localities due to the emission of the vehicles. The cash receipts generated at the toll plaza is also accountable for usage of paper. Free flow of the vehicle with FASTag ensures paperless transaction with no stoppage at the toll plaza.
- Increased Fuel Efficiency – Free flow movement at the FASTag lanes allows vehicles to pass through the toll plaza in a non-stop manner. This controls fuels wastage at the toll plaza for waiting in cash lane.

1.4 Key Stakeholders of the NETC Programme

NHAI, IHMCL, NPCI, 24 Issuer banks, 10 Acquirer banks, Toll Operators/Concessionaires, System Integrators, Tag manufacturers, etc.

1.5 Coverage

FASTag is acceptable across national Highways toll plaza (500+) and selected State highways toll plaza (50+). State Toll plazas under Outer Ring Road (Hyderabad), Agra- Lucknow Expressway, Mumbai- Pune Expressway, Madhya Pradesh Road development Corporation (MPRDC), and Maharashtra State Road development Corporation (MSRDC) have already been on-boarded under NETC programme. MoUs have been signed with various other States and process of boarding more toll plazas under state Authority is underway.

The Ministry of Road Transport & Highways has taken progressive step towards enhancing the FASTag penetration by mandating fitment of FASTag by the vehicle manufacturers on all categories M and N vehicles, manufactured or sold post 1st December 2017, vide Gazette Notification GSR 1361(E), dated 2nd November 2017. This has led to increased FASTag issuance & penetration, thereby contributing to the Government of India's mandate of promoting digital payments. Moreover, in direction to increase the penetration of FASTag vehicle at National Highways. Vide NHAI circular dated 16.02.2018, Guidelines issued to all the ROs/PIUs and it has been mandated to use FASTag for monthly pass at National Highway Toll Plazas.

There are 24 issuer 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.

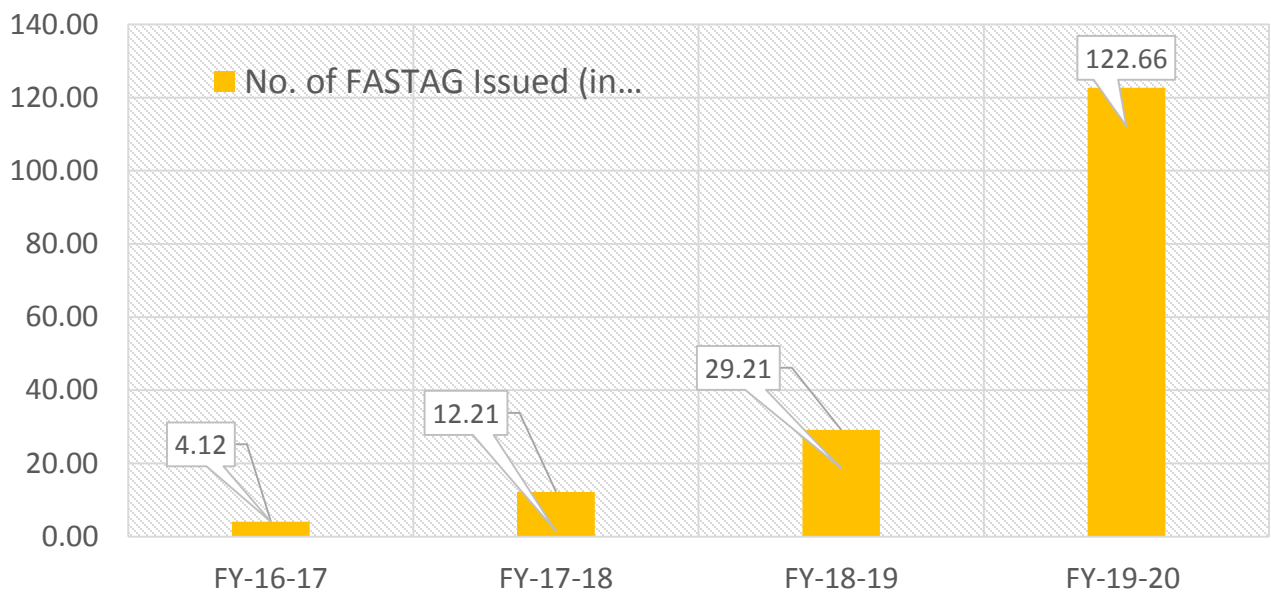
ICICI Bank	IndusInd Bank
IDFC FIRST Bank	City Union Bank
Paytm Payments Bank	Federal Bank
State Bank of India	South Indian Bank
HDFC Bank	Saraswat Bank
Axis Bank	Punjab National Bank

Karur Vysya Bank	Nagapur NagarikSahakari Bank
Equitas Small Finance Bank	Union Bank of India
Kotak Mahindra Bank	Syndicate Bank
YES Bank	Canara Bank
Airtel Payments Bank	FINO Payments Bank
Bank of Baroda	PMC Bank

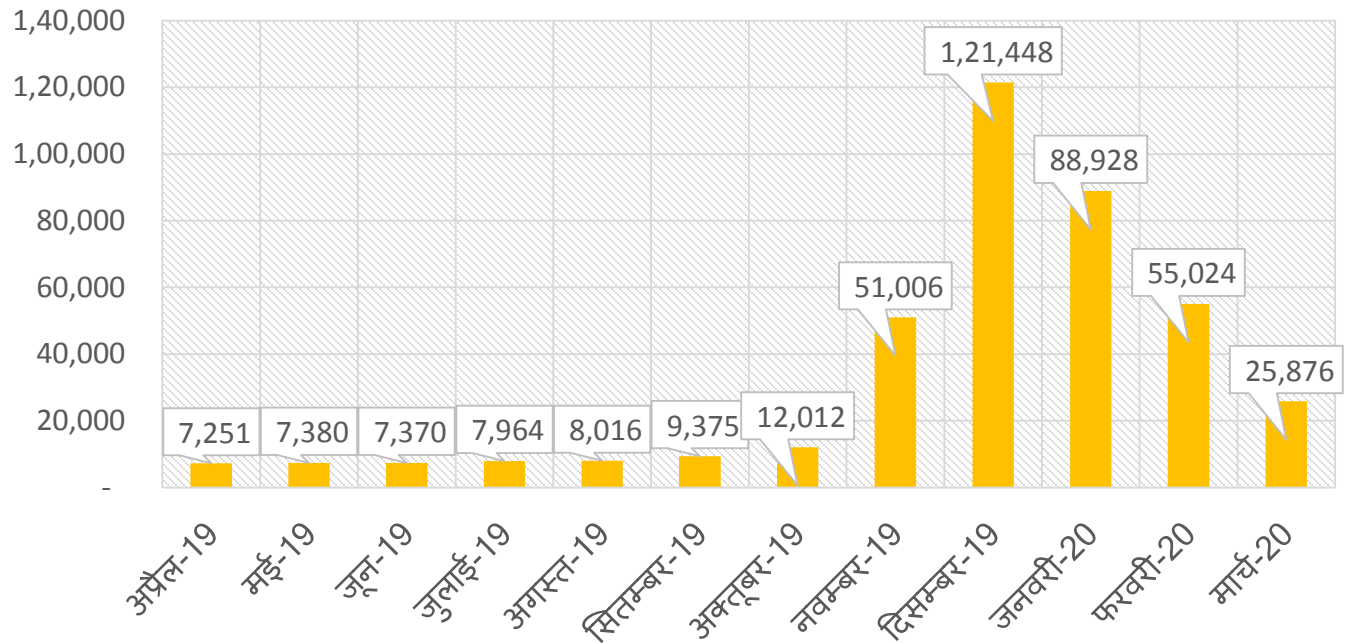
1.6 FASTag Performance in FY 2019-20

1.6.1 Growth in FASTag issuance

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



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

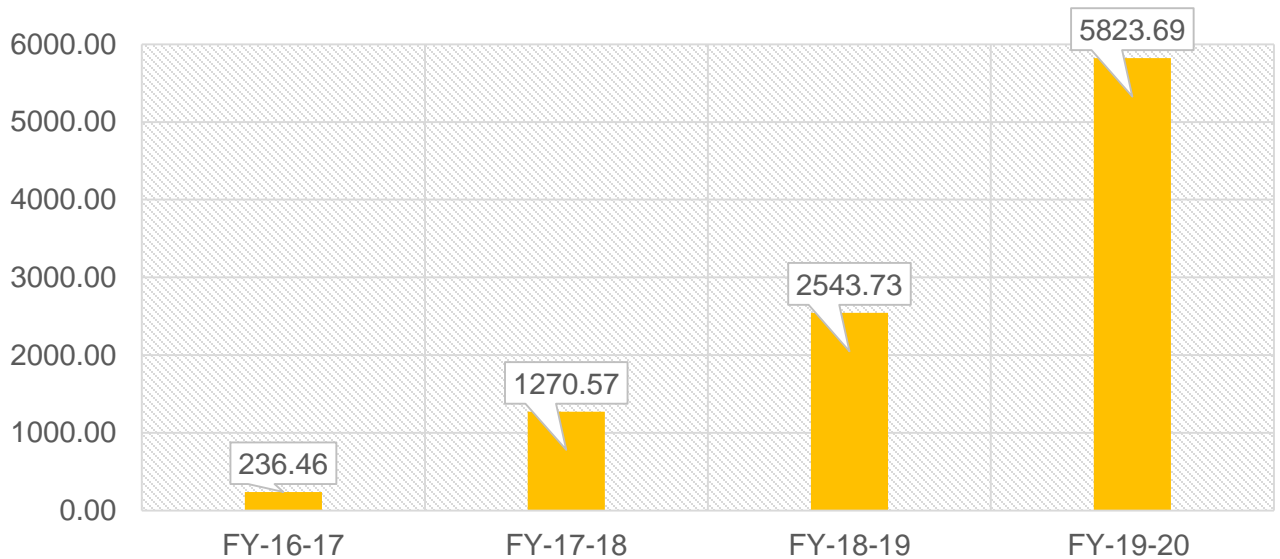


Important points –

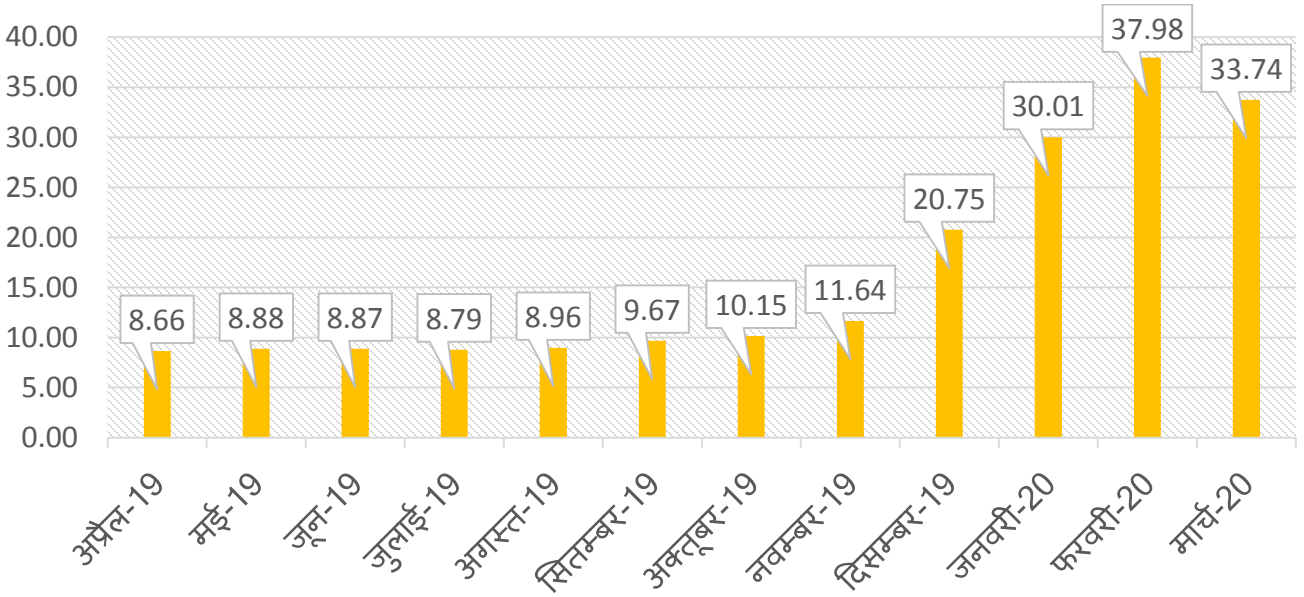
- FASTag mandate w.e.f. Dec 2019 was announced in July 2019
- Toll suspension announced w.e.f. 26 March 2020 in the wake of outbreak of COVID-19

1.6.2 Growth in ETC Transaction Count

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



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

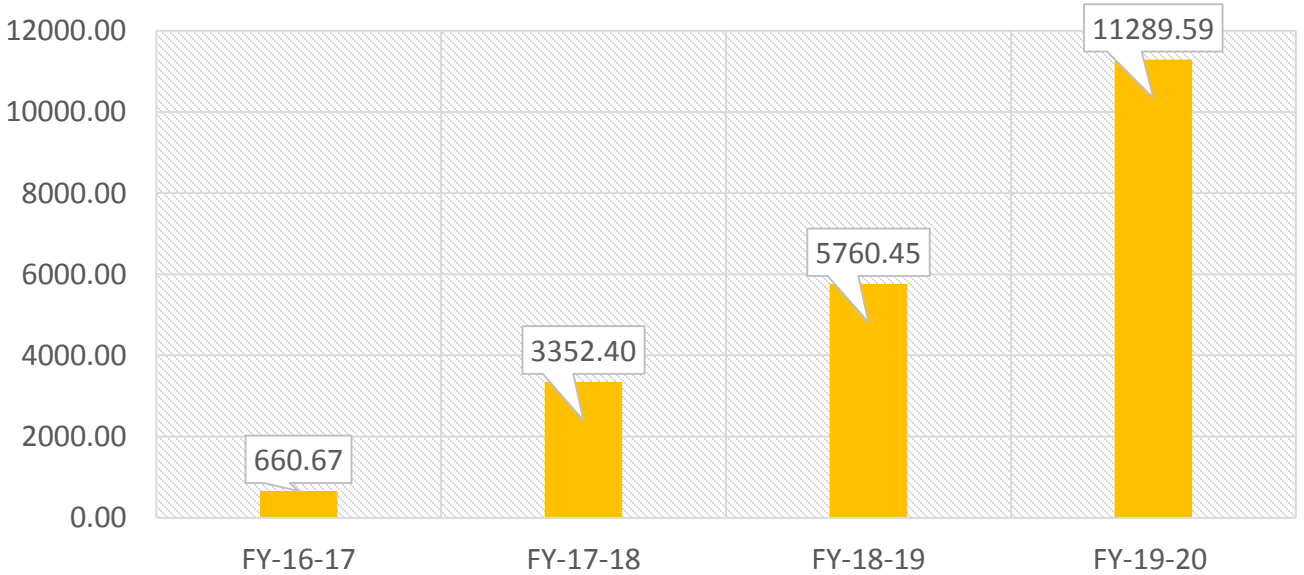


Important point –

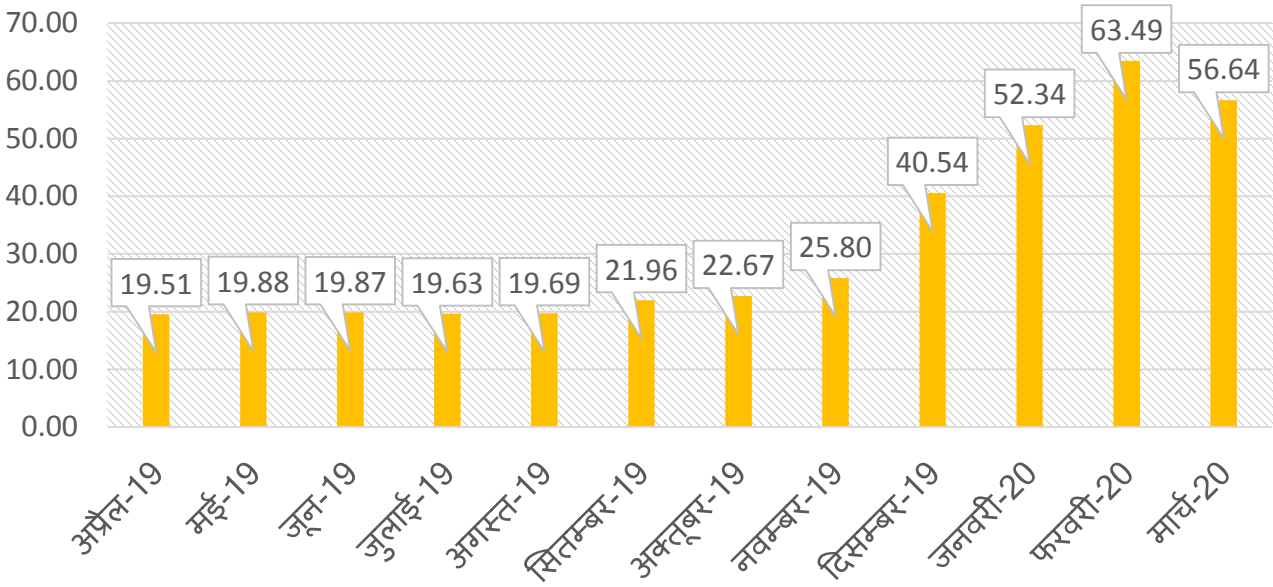
- Daily ETC transaction count touched over 40 lakhs per day in Feb 2020

1.6.3 Growth in Toll Collection via FASTag (ETC)

Year-wise ETC Collection (in Rs. Crores)

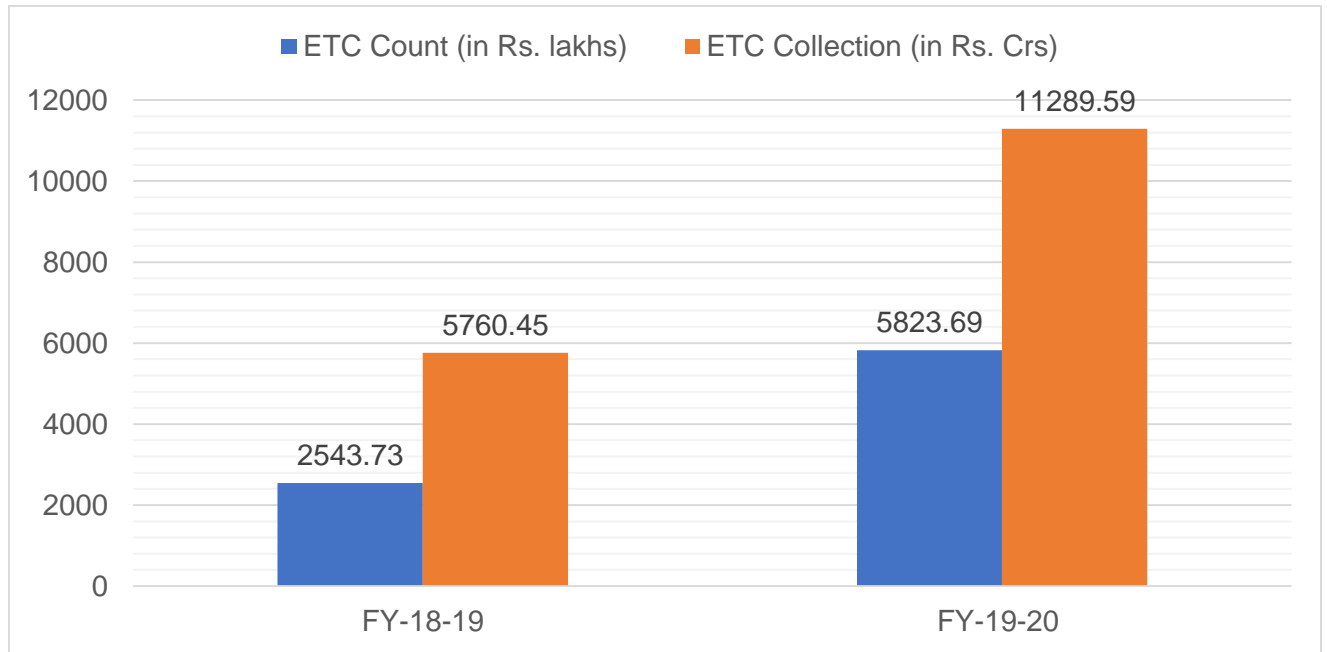


Avg. Daily ETC Collection (in Rs. Crores) in FY 2019-20



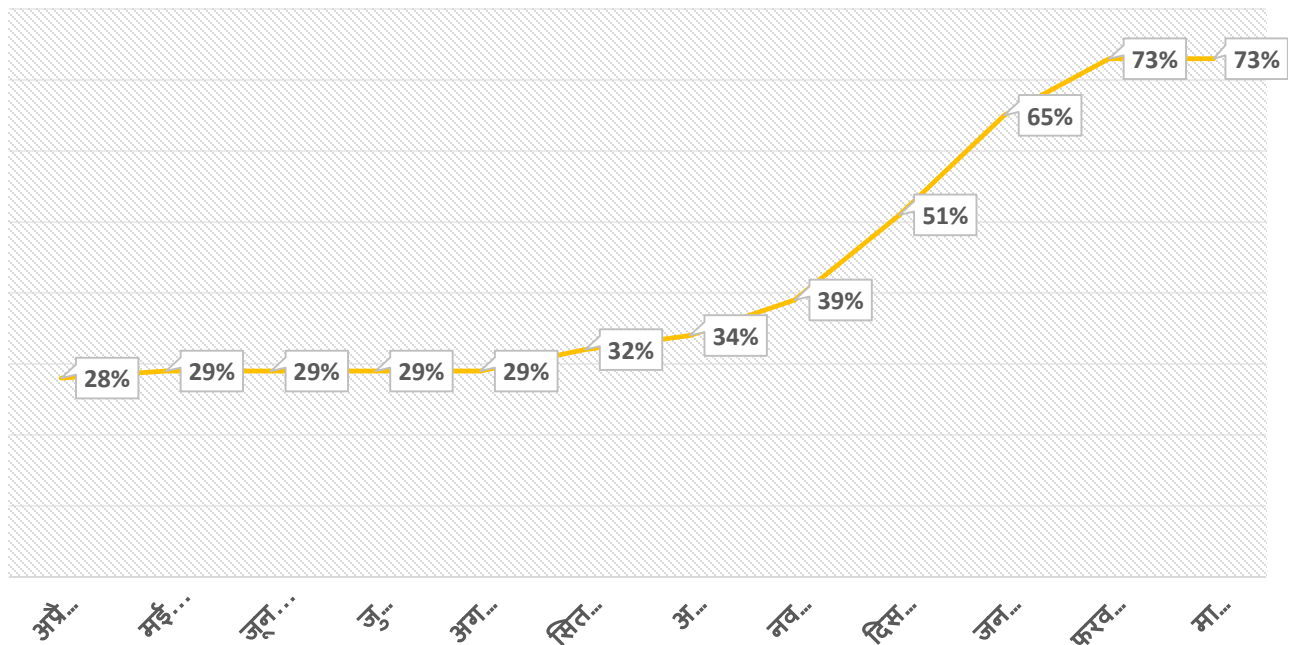
Important points –
Daily ETC collection touched over Rs. 70 crore per day in Feb 2020

1.6.4 Comparison of ETC Parameter (FY 2018-19 vis-a-vis FY 2019-20)



1.6.5 ETC % Penetration – Month-wise in FY 2019-20

% ETC Penetration



Important points –

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

1.6.6 Integration with GST EWB system

MoU has been signed with GST Network (GSTN) for integration of E-Way Bill system with FASTag. This has been done with a view to overcoming the existing challenge in track and trace mechanism for GST E-Way Bill (EWB) System and enhance the efficiency in its monitoring. This integration would become mandatory on an all India basis from April 2020. This will allow for more efficient track and trace system for the GST E-Way Bill System, and check the leakage of revenue at the toll plazas. With this integration revenue authorities will be able to track the goods vehicles to see whether they are actually travelling to the specified destination. The supplier/ transporter will also be able to track their vehicles through SMS alerts generated at each toll plaza.

1.6.7. TV Commercial by Sh. Akshay Kumar, Brand Ambassador for Road Safety Campaign

In December 2019, the Ministry has Released TV Awareness Campaign on FASTag Starring Renowned Cine actor Shri Akshay Kumar. Intertwining humour and social information, the TV Commercial is an attempt to bring in awareness and behavioral change in the toll payments by various road users along NH in India.

1.6.8 Other Salient Initiatives/Achievements

- My FASTag App - To provide single-stop solution to FASTag users, NHAI and IHMCL have developed My FASTag App on Android and iOS platforms. The App provides various services to FASTag users, including easy recharge of FASTag via UPI, linking of NHAI FASTag to bank

accounts/NHAI prepaid wallet etc. The App also provides customer login page for issuer banks, Search for nearby Point-of-Sale location by various banks and IHMCL/NHAI, List of Operational Toll Plazas under NETC programme, and Customer Support Toll-Free numbers.

- NHAI prepaid wallet – NHAI has launched its own prepaid wallet in Oct 2019, which will allow NHAI FASTag customers to create a prepaid wallet via My FASTag App, thereby reducing dependency on banks. Various customer facilities such as Missed Call Alert for balance enquiry, Full KYC completion etc. are provided in the wallet as per RBI guidelines.
- Free FASTag Offer - To popularise FASTag, the Ministry had announced for Free FASTag between 22 Nov to 15 Dec 2019 and also offered security deposit of Rs. 150 as cashback on NHAI prepaid wallet to NHAI FASTag customers during the Offer Period. As a result of this incentives, there has been a huge spike in the sale of NHAI FASTag and within two months' period the number NHAI prepaid wallet created has reach almost 3 lakhs.
- FASTag Availability – In cater to increase in demand of FASTag, approx. 35,000 point-of-sales have been set up at various locations. Multiple POS has been set up at toll plazas to issues FASTag to road users. More number of POS is also made available at petrol pumps along NH, CSC, via online e-Commerce portal etc. The list of POS location is easily available on www.ihmcl.com, My FASTag App and NH Helpline number 1033.
- Easy Recharge – FAST recharge can be easily done online via UPI on BHIM App, My FASTag App, Amazon Pay, Google Pay etc. Very soon easy cash recharge facility via Bharat Bill Payment System is also being enabled for convenience of FASTag users.
- RBI announcement - The Reserve Bank of India (RBI) has announced the enhancing facilitation of National Electronic Toll Collection (NETC) system. In order to further broad base the NETC system, the system will now allow more payment choice for customers, and will now allow all authorized payment systems and instruments which include non-bank PPIs, cards and Unified Payments Interface (UPI). These systems will now be permitted for linking with FASTag, which can be used for various types of payments. Moreover, the transactions in the NETC system can be performed without any additional factor of authentication.
- FASTag affixation during renewal of Motor Insurance – NHAI has written to IRDAI to issue necessary directions to facilitate FASTag affixation on vehicles (categories M and N vehicles) at the time of renewal of motor insurance, as applicable. NHAI is in touch with IRDAI and a meeting with General Insurance Council (GIC) members is being scheduled to pursue the matter further.
- Integration with VAHAN database- Integration of NETC system and VAHAN system of NIC has been approved and is currently underway. Integration of VAHAN and IHMCL Mobile App has

been completed and any NHAI FASTag being issued is validated from VAHAN database at the backend, thereby nullifying any chances of vehicle class and tag class mismatch.

- Collaboration with Oil Marketing Companies for distribution of NHAI FASTag
- MoU signed between IHMCL & Common Service Center (CSC) e-Governance Services India Limited for issuance of NHAI FASTag across India.
- IHMCL has started issuance of NHAI FASTag from E-commerce platform Amazon. The online NHAI FASTag has been conceived in a DIY (“Do-It-Yourself”) concept wherein a customer can self-activate a bank-neutral FASTag by entering customer and vehicle details in My FASTag mobile app. As of now, the online NHAI FASTag shall be available for VC-4 i.e. Car/Jeep/Van only.
- Directions to all banks given to open FASTag POS at RTOs
- Service Providers selected for sale of NHAI FASTag at toll plazas, RTOs, transport hubs etc. Hybrid ETC Infrastructure Implementation

1.7 Project background

The projects Project involves implementation of

- Hybrid ETC infra at Toll Plazas
- Toll Management System (TMS)
- CCTV Surveillance system, Weigh in Motion and Static Weigh

1.8 Current Status

- The status implementation as in March 2020 is as below –
- Implementation completed at 129 toll plazas in all lanes.
- Implementation is in progress at 4 toll plazas including 2 not operational toll plazas.
- Implementation at 8 toll plazas is pending due to dependency at RO/PIU level/temporary toll plaza but live on Handheld Readers.
- 10 toll plazas are not operational.

IHMCL has engaged 7 System Integrators viz. for implementation of Hybrid ETC system at over 140 public funded toll plazas.

Name of System Integrator	Total no. of Toll Plaza allocated	Remarks
M/s IEA Tolling	12	In Opex Model, expiring in 2020
M/s Path	13	In Opex Model, expiring in 2020
M/s KVM	11	In Opex Model, expiring in 2020
M/s Vaaan Infra	25	Capex-based infra installation

M/s DP Jain	10	Capex-based infra installation
M/s Arya	55	Capex-based infra installation
M/s VaaaN & Skylark	20	Capex-based infra installation
Under Allocation	03	
Total	149	

2. Traffic Surveys Using Portable ATCC on National Highways in India

2.1 Project Background

The National Highways Authority of India (NHAI) is responsible for the development, maintenance and management of National Highways entrusted to it and for matters connected thereto. With an objective to assess the volume of traffic and to standardize the process of data collection and creation of central data repository on different sections of the National Highway, the National Highways Authority of India (NHAI) & Ministry of Road Transport and Highways (MoRTH) mandated IHMCL for counting traffic with the help of portable Automatic Traffic Counter & Classifier (ATCC) Systems.

NHAI & MoRTH has mandated IHMCL for counting vehicular traffic at identified locations with portable Automatic Traffic Counter & Classifier (ATCC) Systems

The Main Objective of Traffic Survey project is to assess the volume of traffic and to standardize the process of data collection and creation of central data repository on different sections of the National Highways.

MoRTH had approved and mandated IHMCL to adhere to following parameters for carrying out traffic survey work in above-mentioned meeting: -

System - Portable ATCC system with videography

Accuracy – 98% Count Accuracy, 95% Class Accuracy

Technology Neutral – No particular technology was mentioned

Work should be divided in different zones

Set-up of Control Centre for receiving traffic data

Accordingly, IHMCL engaged ten agencies through competitive bidding process for conducting traffic surveys on National Highways. For this purpose, the country has been divided in sixteen zones. Contract has been signed for all sixteen zones for conducting traffic surveys biannually at around 4700 locations as per requirement of NHAI/MoRTH. Six rounds of traffic surveys have been completed in Phase-1 and Two rounds of survey has been completed in Phase-2 in all nine zones. Seventh round of survey is in progress in Phase-1 and third round of survey is in progress in Phase-2.

Zone-wise distribution of work

PHASE I			PHASE II		
Zone	Agency Involved	States covered	Zone	Agency Involved	States covered
1	M/s Vaaan Infra	Gujarat	1	M/s Samarth - Sitara	Maharashtra West
2	M/s Eikon India Limited	Tamil Nadu	2	M/s Eikon - DC	Maharashtra East
3	M/s VR Techniche	Chhattisgarh & Madhya Pradesh	3	M/s Eikon - DC	Andhra Pradesh & Telangana
4	M/s ATT Systems - Estex	Uttar Pradesh	4	M/s Eikon - DC	Rajasthan
5	M/s Sowil Limited	West Bengal & Odisha	5	Ms/ Metro Estex	Bihar & Jharkhand
6	M/s Eikon India	Karnataka South, Goa & Kerala	6	M/s Samarth - Sitara	Assam & North Eastern States
7	M/s Eikon India	Himachal Pradesh, Uttarakhand & Jammu & Kashmir	7	M/s AJS Dhruv	Karnataka North
			8	M/s Samarth - Sitara	Punjab & Haryana
			9	M/s Vaaan Infra	Himachal Pradesh

Progress of Survey

Survey Round	Start Date	End Date	Total Surveys	Completed Surveys	Surveys not completed/In Progress
Phase I					
First	Nov-14	Dec-15	1610	1560	50
Second	Jan-16	June-16	1629	1578	51
Third	July-16	Dec-16	1844	1738	106
Fourth	Jan-17	June-17	1847	1749	98
Fifth	July-17	Jan-18	1990	1941	49
Sixth	Jan-18	Aug-18	1902	1860	42
Seventh	Feb-19				
Phase II					
First	Nov-17	May-18	2734	2539	195
Second	Jun-18	Nov-18	2684	2519	165
Third	Dec-18				

IHMCL has engaged third party control centre agency (M/s Trinity – Anantchitanya Consortium) for validation of data. If data is not matching with video on random sampling basis, data is automatically rejected by the system. New control centre is also operational for validation and repository of all traffic survey data.

Control Centre for Traffic Survey Project – Solution Highlights

Central repository of all traffic survey data collected by traffic survey agencies Web enabled platform to upload data and retrieve reports Automatic data validation and rejection modules. Samples for validation are automatically generated by system Separate platforms for Data Upload and Report Generation Cloud based solution hosted on MeitY empaneled cloud service provider for easy scalability and secured environment.

24x7 accessibility of service and On-Demand scalability

Automated Back-up facility
 Map Based Survey Tracking & module for Comparison of data of different rounds
 Secure and open source platform (Linux Centos7)
 Data Mining & Compression for easily availability of data and easy to restore

3. 24x7 Helpline (Call Centre)-"1033" for Road Users on National Highways.

3.1 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 an RFP was issued for setting up and operationalising "24x7 Helpline" (Call Centre) for Road Users on National Highways. After evaluation of bids, the LOA for setting up 1033 Helpline was awarded to 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, Shipping, and Water Resources, River Development and Ganga Rejuvenation) on 07.03.2018 and after successfully launch national highway commuters are able to call on 1033 Helpline from across India.

3.2. 1033 Helpline Highlights -

- A single 4-digit Toll Free Universal Access Number (UAN) "1033".
- Location - Noida, Sector – 10, 50 Call Centre Seats (Spread across the day)
- 3 work shifts to ensure 24x7 operation.
- 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.

Type of Complaints/Queries	Total received	Total resolved	Total in Process
FASTag Deduction without Consent/Travel	10,195	9,861	334
Not Able to Pass Toll Plaza - Non-Emergency	8,938	8,676	262

Double deduction	8,881	8,539	342
How to Recharge NHAI Prepaid Wallet	8,166	8,166	-
Bank FASTag - Internal Bank Issues	7,311	7,311	-
Amount in Bank FASTag but Showing Blacklisted/Low Balance	7,240	7,230	10
Bank FASTag Replacement Procedure	6,993	6,993	-
Customer Not Able to Activate NHAI FASTag	6,968	6,644	324
How to Deactivate NHAI FASTag	6,843	6,843	-
How to Check NHAI Prepaid Wallet Balance	6,176	6,176	-
Recharge Done but Amount Not Reflecting in NHAI Prepaid Wallet	6,159	6,125	34
Enquiry About KYC Process - NHAI Prepaid Wallet	5,832	5,832	-
How to Link NHAI FASTag With Bank	4,693	4,693	-
Query About FASTag Mandate Rule	4,274	4,274	-
What is My FASTag APP	4,196	4,196	-
Not Received the FASTag	4,077	3,973	104
Amount in NHAI FASTag But Showing Blacklisted/Low Balance	3,322	3,306	16
How to Deactivate NHAI Prepaid Wallet	3,292	3,292	-
NHAI FASTag Replacement Procedure	3,267	3,267	-
Payment Debited but NHAI Prepaid Wallet Not Created	3,168	3,163	5
Cashback Not Received	2,742	2,742	-
Not Able to Create NHAI Prepaid Wallet	2,706	2,659	47
Charges of Bank FASTag	2,629	2,629	-
UPI Recharge Debited but Not Credited in FASTag	2,565	2,206	359
Delay in FASTag Transactions SMS/SMS Not Received	2,371	2,363	8
NHAI FASTag Deactivation Request	2,269	2,269	-
Charges of NHAI FASTag	2,207	2,207	-
OTP Related Issues - NHAI Prepaid Wallet	2,009	1,990	19
Enquiry About Local Discount/Pass	1,970	1,970	-
Not Able to Link NHAI FASTag With Bank	1,596	1,568	28
Customer Filled Wrong Details/Want to Modify Details - NHAI FASTag	1,569	1,569	-
Not Able to Connect - Issuer Bank FASTag Helpline Number	1,500	1,500	-
Not Able to Recharge NHAI Prepaid Wallet	1,279	1,238	41
Other misc.	15,800	15,509	291

- 1033 Helpline is providing support for Emergency Calls/Accident cases, Non-Emergency (for other NH issues) and FASTag related issues. As on date, approximately 50,000 calls are being received at call center per month with a significant incremental trend. Three work shifts are running at call center to ensure 24x7 operation. All issues reported at 1033 Helpline is getting resolved with coordination with relevant stake holders like toll plaza, PIU and FASTag issuer banks with predefined Standard Operating Procedure (SOP) and issue redressal mechanism.

In order to tackle increased number of calls during 1st December 2019 mandate of the Ministry, the number of call centers FTEs were increased up to 200 FTEs.

3.3. FASTag complaint/queries received on 1033 (FY 2019-20) – At a glance

A. Status of complaints and queries received on 1033 Helpline during FY 2019-20

Total received	7,92,010
Total resolved	7,88,501
Under process	3,509

B. Top 10 complaints/queries received on 1033 (FASTag related) in FY 2019-20

Type of Complaints/Queries	Total received	Total resolved	Total in Process
Balance and Status enquiry	3,61,719	3,61,719	-
Not able to pass Toll Plaza – (Emergency cases)	80,833	80,833	-
Bank FASTag Recharge Process	57,794	57,794	-
How can I buy FASTag	41,979	41,979	-
Physical payment & tag deduction (double deduction)	19,473	18,477	996
NHAI FASTag Recharge Process	15,767	15,767	-
How to Access NHAI Prepaid Wallet Account	14,584	14,584	-
Bank FASTag Portal Login Credential Related	13,201	13,201	-
How to Activate/Register NHAI FASTag	12,288	12,288	-
Overcharging - FASTag Transaction	11,169	10,880	289

C. Detailed break up of other types of Complaint/Queries in FY 2019-20:

Type of Complaints/Queries	Total received	Total resolved	Total in Process
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Type of Complaints/Queries	Total received	Total resolved	Total in Process
FASTag Deduction without Consent/Travel	10,195	9,861	334
Not Able to Pass Toll Plaza - Non-Emergency	8,938	8,676	262
Double deduction	8,881	8,539	342
How to Recharge NHAI Prepaid Wallet	8,166	8,166	-
Bank FASTag - Internal Bank Issues	7,311	7,311	-
Amount in Bank FASTag but Showing Blacklisted/Low Balance	7,240	7,230	10
Bank FASTag Replacement Procedure	6,993	6,993	-
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How to Deactivate NHAI FASTag	6,843	6,843	-
How to Check NHAI Prepaid Wallet Balance	6,176	6,176	-
Recharge Done but Amount Not Reflecting in NHAI Prepaid Wallet	6,159	6,125	34
Enquiry About KYC Process - NHAI Prepaid Wallet	5,832	5,832	-
How to Link NHAI FASTag With Bank	4,693	4,693	-
Query About FASTag Mandate Rule	4,274	4,274	-
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Delay in FASTag Transactions SMS/SMS Not Received	2,371	2,363	8
NHAI FASTag Deactivation Request	2,269	2,269	-
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Customer Filled Wrong Details/Want to Modify Details - NHAI FASTag	1,569	1,569	-
Not Able to Connect - Issuer Bank FASTag Helpline Number	1,500	1,500	-
Not Able to Recharge NHAI Prepaid Wallet	1,279	1,238	41

Type of Complaints/Queries	Total received	Total resolved	Total in Process
Other misc.	15,800	15,509	291

3.4. Quality assurance measures – 1033 Helpline

- Pre-defined SLAs for call center agency
- Process Manual to drive the project, Pre- defined SOP & guidelines for each category of complaints
- Full-time Call Center Expert consultant appointed to overview the operation & call center QoS, and to carry on necessary task related to helpline call center
- Call Centre Quality Assurance Executive - Dedicated IHMCL resource deployed at call centre premises to keep close watch on call centre operations and to ensure QoS
- Activity Done by Quality Assurance Executive
- Daily Briefing of call centre executives on process updates and call centre hygiene, Do/Don'ts about process.
- Call Audit - Call listening and feedback to agency and concern executive on floor on fatal points.
- Floor management - listening of live calls with call centre executives and overview the operation on floor.

Financial Results

Particulars	Amount in Rs. 2019-20	Amount in Rs. 2018-19
Total Revenue	450,54,74,842	235,57,46,694
Total expenses excluding depreciation	345,44,26,690	176,42,90,240
Profit/(Loss) before Depreciation & Tax	105,10,48,152	59,14,56,724
Depreciation	31,39,803	2,88,754
Profit /(Loss) after depreciation	104,79,08,349	59,11,67,970
Prior period adjustment	3,40,000	79,685
Profit/(Loss) after prior period adjustment	104,75,68,349	59,10,88,015
Provision for Tax	26,55,72,050	17,12,11,315
Profit after tax	78,19,96,299	41,98,76,699

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 Directors recommended no dividend for the financial year ended 31st March, 2020.

Reserves

An amount of Rs. 78,19,96,299/- has been transferred to reserves.

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, 2020, stands at Rs.18,12,42,560/- comprising of 1,81,24,256 equity shares of Rs. 10/- each.

Extract of the Annual Return

The extract of Annual Return as per Section 92 (3) of Companies Act, 2013 is annexed under Annexure I.

Meeting of the Board of Directors

03 (Three) meetings of the Board of Directors of IHMCL were held during the financial year.

Sr. No.	Particulars of the Meeting	Date of the Meeting
1.	34 th Meeting	21.05.2019
2.	35 th Meeting	05.09.2019
3.	36 th Meeting	16.01.2020

Changes in the Board of Directors & Key Management Personnel

Following are the changes in the Board of Directors and Key Management Personnel during the financial year

Name of Director/KMP	Designation	Date of change	Nature of change
Changes in Board of Directors			
Sh. Talluri Raghupati Rao (DIN:01207205)	Director	21.05.2019	Appointment
Sh. Ramsekhar Manchikalapati (DIN: 00738648)	Director	16.01.2020	Appointment
Sh. Dinesh Kumar Gupta	CFO	21.05.2019	Appointment
Sh. Rajesh Sharma	CFO and Director	10.05.2019	Cessation.

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

Statement regarding declaration given by Independent Director u/s 149(7)

Your Directors confirm that Sh. L.K. Joshi and Sh. Ramsekhar Manchikalapati Independent Director have submitted a declaration u/s 149(7) that he/she meets the criteria of independence u/s 149(6) of Companies Act, 2013.

Auditors Report

M/s T.R. Chadha & Co. LLP Chartered Accountants, the Statutory Auditors of the Company have issued their audit report containing few qualification thereof.

Statutory Auditors

M/s T.R. Chadha, Chartered Accountants, were appointed as Statutory Auditors of the company at the 2nd Annual General Meeting held on 30th September, 2014 to hold office till conclusion of 8th Annual General Meeting of the company i.e. Annual General Meeting for financial year 2019-20. M/s T.R. Chadha, Chartered Accountant, have given their consent to continue to act as Statutory Auditors of the Company. In accordance with section 139 (1), the matter shall be placed for ratification by members at the ensuing Annual General Meeting.

Particulars of Loans, Guarantees or Investment under section 186

IHMCL has not given any loan, Guarantee or made any investment to which section 186 applies.

Particulars of Contracts or Arrangements with Related Parties referred to in Section 188(1)

IHMCL 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 NHAJ employees and have been deputed by NHAJ to IHMCL, continue to be governed by NHAJ terms of service and continue to draw salary and remuneration as per NHAJ 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.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

There are no material changes and commitments, if any, which affect the financial position of IHMCL which have occurred between the end of the financial year on 31.03.2020 and the date of the Board 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 process.

Development & Implementation of 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 expend of an amount of Rs. 68,88,451/- 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 31st March 2020, 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
A- Conservation of energy	
i. Steps taken or impact on energy conservation	Efforts are being made to conserve energy in the operations and activities of 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- Technology Absorption	
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
C- Foreign Exchange earnings and outgo	
i. Actual earnings	NIL

ii. Actual outgo	NIL
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Change in Nature of business :

There is no change in nature of business of the IHMCL during the period 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 :

IHMCL is having adequate internal financial control commensurate to its nature and size of business.

Material and Significant Orders Passed By Regulators & Courts :

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

Deposits :

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

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. Formation of Internal Complaints Committee to redress complaints received regarding sexual harassment is under process.

During the period under review, no complaints were received by the Company related to sexual harassment.

Particulars of employees pursuant to Rule 5(2) of 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.

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:-29/12/2020

Place: Delhi

ANNEXURE I

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

[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: 26th 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:-

Sl 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.	Traffic Survey	-	10%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES- IHMCL has no Holding ,Subsidiary or Associate Companies.

Sl No.	Name and Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
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

e. Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f. Sub Total A(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Shareholdin g of Promoter A=A(1) +A(2)	181242 56	NIL	18124256	100	NIL	1812 4256	18124256	100	NIL
B. Public Shareholdi ng 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 a. Bodies Corp i Indian ii Overseas b. Individual s 1. Individual sharehol ders holding	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL						

nominal share capital upto Rs. 1 Lakh									
2. Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh									
3. Other (Specify)									
Sub-Total B(2)									
Total Public Shareholding B=B(1)+B(2)	NIL	NIL							
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	18124256	NIL	18124256	100	NIL	18124256	18124256	100	NIL

2) Shareholding of Promoters

	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	7500000	41.38	NIL	7500000	41.38	NIL	NIL
	Total	7500000	41.38	NIL	7500000	41.38	NIL	NIL

3) Change in Promoters' Shareholding (no change)

S.	Shareholding of the	Increase/Decrease	Cumulative Shareholding
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No	Name of the Promoters Shareholder	beginning of the year		during the year		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	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	
		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	
	For each of the Directors and KMP	No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase/Decrease in shareholding during the	NIL	NIL	NIL	NIL

	year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)				
	At the end of the year				

V. INDEBTEDNESS

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

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

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 a) Salary as per provision contained in section 17(1) of the Income Tax	NIL	NIL		NIL

	Act, 1961 b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 c) Profit in lieu of Salary u/s 17(3) of the Income Tax Act, 1961					
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.)
	1. Independent Directors - Fee for attending board committee meetings - Commission - Others, please specify				L.K. Joshi 40,000/-		40,000/-
	Total (1)	T.R. RAO	ICICI Bank	Ramsekher	Amitabh Jha	T.S. Venkateseen	Total Amount
	2. Other Non-Executive Directors - Fee for attending Board committee meetings - Commission - Others,	20,000/-	10,000/-	10,000/-	10,000/-	10,000/-	60,000/-

	please specify						
	Total (2)						1,00,000/-
	Total B = (1)+(2)						1,00,000/-
	Total Managerial Remuneration						NIL
	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. Asheesh Sharma (CMD)	Sh. Gopabandu Mishra (CS)	Sh. Rajesh Sharma/ Sh. Dinesh Kumar Gupta (CFO)	Total
1.	Gross Salary a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961 b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 c) Profit in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	NIL	11,23,200/-	NIL	11,23,200/-
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	11,23,200/-	NIL	11,23,200/-

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)
A. Company					

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. 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. Asheesh Sharma	Sh. Shiva Raja Raman	Sh. T.S Venkatesan	Sh. Dinesh Chandra Agrawal	Sh. L.K. Joshi	Sh. Sudipta Roy	Sh. Amitabh Jha	Sh. Amarendra Kumar	Sh. Ramsekhar Manchikala pati	Sh. T.R. Rao
21.05.2019	P	P	P	P	L	L	*	**	***	****
05.09.2019	P	P	L	L	P	P	P	P	***	****
16.01.2020	P	-	-	L		P	L	P	P	P

P- Present, L- Leave of absence

* Appointed on 21.05.2019

** Appointed on 05.09.2019

*** Appointed on 16.01.2020

**** Appointed on 05.09.2020





INDEPENDENT AUDITOR'S REPORT

To the Management of Indian Highways Management Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Indian Highways Management Company Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss and 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 "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and its cash flows for the year ended on that date.

Basis for Opinion

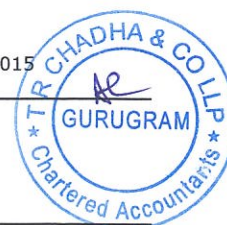
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We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

Emphasis of Matters

1. Attention is invited to note 24(e) of the Notes to financial statements Statement regarding reconciliation of account with National Highway Authority of India (NHAI). The company reports a receivable balance of Rs.3,40,59,81,454 (Under Trade Receivables Rs. 1,48,91,49,643 and Other Receivables Rs. 1,91,68,31,811) is receivable from National Highways Authority of India (NHAI) as on 31.03.2020 2020 but as per the confirmation received from NHAI as sum of Rs.6,01,18,64,181 is outstanding as receivable from the company, resulting in a gross difference of Rs. 9,41,78,45,635. The reconciliation differences are mainly stated to be due to non – passing of entries in NHAI books of account for which the company is following up with NHAI for necessary action. In the opinion of the management, the amount is recoverable from NHAI and no dispute of any nature has been filed by the NHAI to the Company. The reconciliation is an on-going process and necessary entries will be passed by NHAI in forthcoming months. There are no pending entries to be passed by the company as a result of reconciliation.
2. Attention is invited to note 7(a) 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 which is being deposited in Company's Bank Account. the aggregate sum of Rs. 72,97,97,166 received up to March 31, 2020 has been shown under "current liabilities" as "receipt on behalf of Government of India". Documents

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have been furnished to us in respect of repayment of such funds, its repayment are made on dated 19-08-2019 with amounting Rs. 56,74,49,166. Final balance which still pending as a payable to MORTH as on 31st March 2020 are Rs. 16,23,48,000.

3. Attention is invited to note 24h(b) of the financial statement, the income tax Assessing Officer has adjusted the refund against the demand of Rs. 6,54,98,136 for financial year 2014-15 which is appealed against by the company before commissioner of Income tax (appeals).
4. Attention is invited to note 24h(a) of the financial statement, Canara Bank has erroneously deducted an amount of Rs 9,31,85,412 which has been considered as receivable by the company. the management is following up for recovery from the bank in respect of aforesaid deduction which is under review by bank and the Company is of the view that no provision is required at this point of time.

Our opinion is not modified in respect of the above matters.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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.

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

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

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

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

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

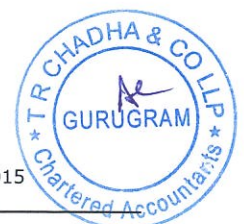
The Company's Board of Directors is responsible for the preparation of the Director's Report and other related information ("other information"). The other information is expected to be made available to us after the date of this auditor's report.

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

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

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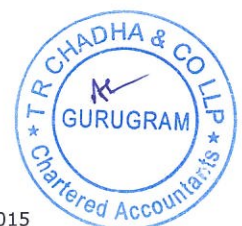




When we read the 'Director's report and other related information', if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 & 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid financial statements.
 - 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 relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
 - 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 the rule 7 of the Companies (Accounts) Rules, 2014.
 - e) The matters described in the Basis for Qualified Opinion and other matters of attention 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, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 over financial reporting 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 best of our information and explanation given to us, the company has not paid remuneration to any of its director during the year 2018-19, therefore compliance with provisions of section 197 is not applicable upon the company.



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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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- 1) The Company does not have any pending litigations which would impact its financial position.
- 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For T R Chadha & Co LLP
Chartered Accountants
FRN: 006711N/N500028

Aashish

Aashish Gupta
Partner

Membership No-097343

UDIN: 20097343AAAAMJ9458



Place: Gurugram
Date: 14-12-2020

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ANNEXURE A

Indian Highways Management Company Limited
Annexure to Independent Auditors' Report for the year ended 31 March 2019
(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our
Report of even date)

(i) Fixed Assets

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size & nature of the company. No material discrepancies were noted on such verification.
- (c) According to the information and explanations given to us, there are no immovable assets held by the company, hence clause C of paragraph 3 (i) of the order is not applicable to the Company.

(ii) Inventories

According to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause (ii) of the Companies (Auditor's Report) Order, 2016 ("the Order") is not applicable.

(iii) Loans given

According to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause (ii) of the Companies (Auditor's Report) Order, 2016 ("the Order") is not applicable.

(iv) Compliance of Sec. 185 & 186

According to the information and explanations given to us and on the basis of our examination of the books of accounts, 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, the Company has not accepted any deposit during the year. There are no unclaimed deposits and hence reporting under clause (v) of the order is not applicable.

(vi) Cost Records

In our opinion and according to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, for the services provided by the company.

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(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 generally been regular in depositing its undisputed statutory dues including Provident Fund, Employee State Insurance, Income-Tax, Goods and Services Tax and cess etc. There are no undisputed dues payable, outstanding as on 31st March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no amounts in respect of Income Tax, Goods and Services 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 and on the basis of our examination of the books of account, the Company has neither taken any loans or borrowings from any financial institutions & banks during the year nor has any outstanding balance at the end/beginning of the year.
- (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 raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, paragraph 3 (ix) of the order is not applicable to the company.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration during the year. Accordingly, clause 3 (xi) of the order is not applicable to the Company.
- (xii) As explained, the company is not a Nidhi Company. Therefore paragraph 3 (xii) of the order is not applicable to the company.
- (xiii) As per the information and explanations given by the management, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) As per the information and explanations given by the management, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore paragraph 3 (xiv) of the order is not applicable to the company.

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- (xv) As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Therefore paragraph 3 (xv) of the order is not applicable to the company.
- (xvi) As per the information and explanations given by the management, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore paragraph 3 (xvi) of the order is not applicable to the company.

For T R Chadha & Co LLP
Chartered Accountants
FRN: 006711N/N500028

Place: Gurugram
Date : 14-12-2020

Aashish Gupta
Partner

Membership No. 097343

UDIN: 20097343AAAMJ9458





ANNEXURE B

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

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

We have audited the internal financial controls over financial reporting of **INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED** ("the Company") as of 31 March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "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". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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



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(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December, 2015



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2020, 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".

Place: Gurugram
Date: 14-12-2020

For T R Chadha & Co LLP
Chartered Accountants
FRN: 006711N/N500028

Aashish Gupta
Partner

Membership No-097343

UDIN: 20097343AAAAMJ9458



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 28th December, 2015

Gurgaon Office: 76E, Udyog Vihar Phase IV, Gurugram-122001 (Haryana)
Phone: 0124-4129900, Fax-011-4114935, E-Mail: gurgaon@trchadha.com
Corporate Office/ Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi - 110001
Phone: 43259900, Fax: 43259930, E-mail: delhi@trchadha.com

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, 2020

(Amount in ₹)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I. EQUITY & LIABILITIES			
(1) Shareholders' Fund			
(a) Share Capital	3	181,242,560	181,242,560
(b) Reserves and Surplus	4	1,539,901,272	757,930,416
		1,721,143,832	939,172,976
(2) Non Current Liabilities			
(a) Long Term Provisions	5	1,452,655	874,678
(b) Deferred Tax Liabilities (Net)	10	1,574,737	-
		3,027,392	874,678
(3) Current Liabilities			
(a) Trade Payables	6		
-Due to micro, small & medium Enterprises		162,577,926	163,708,696
-Due to others		784,535,059	608,726,832
(b) Other Current Liabilities	7	1,684,196,519	1,294,097,358
(c) Short Term Provisions	8	19,808	12,328
		2,631,329,312	2,066,545,214
TOTAL		4,355,500,536	3,006,592,869
II. ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	9		
Tangible Assets		21,425,929	909,102
Intangible Assets		-	18,327
(b) Deferred Tax Assets (Net)	10	-	56,843
(c) Long Term Loans & Advances	11	294,600,224	128,394,574
		316,026,153	129,378,846
2. Current Assets			
(a) Trade Receivables	12	1,587,316,159	1,384,735,025
(b) Cash & Cash Equivalents	13	197,649,597	470,603,100
(c) Short term loans & advances	14	25,709	-
(d) Other Current assets	15	2,254,482,918	1,021,875,898
		4,039,474,383	2,877,214,023
TOTAL		4,355,500,536	3,006,592,869

III. Significant accounting policies 2
Notes referred to above form an integral part of financial statements
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



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

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

Akhilesh Srivastava
(Director)
(DIN:08792874)

Place : Gurugram
Date: 14-12-2020

Subhash Khurana
(Chief Financial Officer)

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, 2020


(Amount in ₹)

Particulars	Note No.	FY-2019-20	FY-2018-19
I. Revenue from Operations	16	4,474,832,416	2,332,154,493
II. Other Income	17	30,642,426	23,592,201
III. Total Revenue (I + II)		4,505,474,842	2,355,746,694
IV. Expenses			
Employee benefits expense	18	18,488,425	13,611,703
Finance Costs	19	142,389	168,229
Depreciation & Amortisation Expense	9	3,139,803	288,754
Operating expenses	20(a)	3,389,080,089	1,725,091,812
Other Expenses	20(b)	46,749,787	25,418,497
Total Expenses		3,457,600,493	1,764,578,994
V. Profit before Prior Period Items and Tax (III-IV)		1,047,874,349	591,167,700
VI. Prior Period Items	21	340,000	79,685
VII. Profit before Tax (V - VI)		1,047,534,349	591,088,015
VIII. Tax Expense			
(1) Current Tax		262,210,123	171,182,077
(2) Deferred Tax		1,631,581	29,238
(3) Previous Year		1,721,790	
IX. Profit after tax (VII - VIII)		781,970,856	419,876,699
X. Basic and Diluted Earnings per equity share of Rs. 10 each	22	43.14	23.17
XI. Significant accounting policies	2		

Notes referred to above form an integral part of financial statements


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



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


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


Akhilesh Srivastava
(Director)
(DIN:08792874)

Place : Gurugram
Date: 14-12-2020


Subhash Khurana
(Chief Financial Officer)


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

Cash Flow Statement for the year ending 31st March, 2020

(Amount in ₹)

Particulars	Year Ended 31st March, 2020		Year Ended 31st March, 2019	
A. Cash Flow from Operating Activities:				
Net Profit before tax		1,047,534,349		591,088,015
Adjustments for:				
a) Depreciation and Amortisation Expenses	3,139,803		288,754	
b) Interest Income	(26,060,936)		(23,577,204)	
c) Provision for Employee benefit	585,457		295,080	
d) Loss on Sale/Discard of Asset	-		-	
e) Finance costs	142,389	(22,193,287)	168,229	(22,825,141)
Operating Cash Profit before Working Capital Changes		1,025,341,062		568,262,874
Changes in Working Capital				
a) Increase/(Decrease) in Other current liability	390,099,161		492,700,203	
b) (Increase)/Decrease in Trade Receivable	(202,581,134)		95,915,117	
c) Increase/(Decrease) in Trade Payable	174,677,457		103,611,438	
d) (Increase)/Decrease in Short-Term Loans & Advances and Other Current and	(1,231,036,658)	(868,841,174)	(762,802,309)	(70,575,552)
Cash Generated/(used in) from operations		156,499,888		497,687,322
Less: Direct taxes Paid		(430,108,822)		(229,788,560)
Net Cash Flow From/(used in) Operating Activities (A)		(273,608,934)		267,898,762
B. Cash Flow from Investing Activities:				
a) Purchase of Property, plant and equipment		(23,638,303)		(868,032)
b) Interest Received		24,436,123		20,341,705
c) Movement in Fixed deposits (net)		-		-
Net Cash Flow From Investing Activities (B)		797,820		19,473,673
C. Cash Flow from Financing Activities:				
a) Finance cost paid		(142,389)		(168,229)
Net Cash Flow From/(used in) Financing Activities (C)		(142,389)		(168,229)
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(272,953,503)		287,204,206
Add: Balance in the beginning of year		420,603,100		133,398,892
Balance at the end of year		147,649,597		420,603,100
Components of Cash and Cash Equivalents (Refer Note 12)				
Balances with banks				
- In Current account	74,506		110,401	
- In deposit accounts with maturity of less than 3 months	147,575,091		420,492,699	
Cash & Cash Equivalents as per financial statements		147,649,597		420,603,100


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

Notes:

- The above cash flow statement has been prepared under the 'Indirect method' as Setout in Accounting Standard-3 specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014.
- Figures in brackets indicate cash outgo
- 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



Aashish Gupta
(Partner)
M. No. 097343

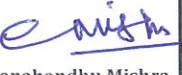


For and on behalf of the Board of Directors
Indian Highways Management Company Limited


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


Akhilesh Srivastava
(Director)
(DIN:08792874)


Subhash Khurana
(Chief Financial Officer)


Gopabandhu Mishra
(Company Secretary)

Place : Gurugram
Date: 14-12-2020

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, 2020

1 Background

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; to provide standardized and hygienic facilities through Ways Side Amenities project; Setting up and operationalizing 24x7 Helpline (Call Centre)-"1033" for Road Users; Implementation of Toll Management System CCTV Surveillance system along with Weigh in Motion and Static Weigh Bridge which helps in regulating the government weigh enforcement policies and prevent overloading of vehicles.

2 Basis of preparation of Financial Statements

These financial statements have been prepared and presented on a going concern basis under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards prescribed by the Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013/Companies Act, 1956, as adopted consistently by the Company.

Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID 19):

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and Investment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

2.1 Fixed Assets and depreciation

a Tangible Assets

Tangible fixed assets are carried at cost of acquisition less amount of depreciation charged on yearly basis. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

b Intangible Assets

Intangible asset represents computer software acquired by the Company carried at cost of acquisition less amortisation. The cost of an item of intangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

c Depreciation

Depreciation on fixed assets is provided pro-rata to the period of use, on the Straight Line Method rates worked out based on the useful life and in the manner prescribed in the Schedule II to the Companies Act, 2013.

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

The company follows component approach as envisaged in Schedule II to the Companies Act, 2013. The approach involves identification of components of the asset whose cost is significant to the total cost of the asset and have useful life different from the useful life of the remaining assets and in respect of such identified components, useful life is determined separately from the useful life of the main asset

Depreciation on additions is provided on a pro-rata basis from the month of acquisition/installation. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale/adjustment, as the case may be.

Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

2.2 Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank and fixed deposits with an original maturity period of three months or less.

2.3 Revenue Recognition

a Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. The Revenue recognition is on the basis of specified percentage on the cost incurred by the company on the basis of utilisation of fund for various projects as per contracted terms.

b Interest on deployment of surplus funds is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of Profit and Loss.

2.4 Foreign Currency Transactions

a Initial Recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b Conversion: Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

c Exchange Differences: Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.



2.4 Tax Expenses

Income tax expense comprises current tax (i.e. the amount of tax for the year determined in accordance with the Income-tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of the timing differences between the accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in the future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

2.5 Employee Benefits

a Short Term Benefits

Employee benefits (other than post-employment benefits) which fall due wholly within twelve months after the end of the year in which the employees render the related service are recognized at the amount expected to be paid for it.

b Post-Employment Benefits

a. Gratuity - Defined Benefit plan

The liability is determined based on actuarial valuation using the Projected Unit Credit Method as at the balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

b. Provident Fund

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the company make monthly contributions to the provident fund plan equal to specified percentage of the covered employee's salary.

c. Compensated Absences

The employees of the company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using project unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on the non-accumulating compensated absences is recognized in the period in which the absences occur.

2.6 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

2.7 Provisions, Contingent Liabilities and Contingent Assets

A provision arising from claims, litigation, assessment, fines, penalties, etc. is recognised when the Company has a present obligation as a result of a past event and 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. These are reviewed at each balance sheet date and adjusted to reflect current management estimates. Contingent liabilities are disclosed in respect of possible obligations that have risen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. When there is a possible obligation or present obligation where the likelihood of an outflow is remote, no disclosure or provision is made.

2.8 Earnings Per Share

Basic earnings per equity share is computed by dividing net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding for the period. Diluted earning per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during period.

2.9 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the assets does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognised.

2.10 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non current investment.

Non Current investments are carried in the financial statements are valued at cost. Provision is made if there is a diminution, other than temporary, in the value of investments.

2.11 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.



INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2020

3. SHARE CAPITAL	Amount (₹)	
	As at 31.03.2020	As at 31.03.2019
Authorized Shares		
4,00,00,000 (PY - 4,00,00,000) Equity Shares of ₹ 10/- each	400,000,000	400,000,000
	400,000,000	400,000,000
Shares Issued, Subscribed & Fully Paid up		
1,81,24,256 Equity Shares (PY - 1,81,24,256) of ₹ 10/- each	181,242,560	181,242,560
	181,242,560	181,242,560

3.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2020	As at 31.03.2019
Number of Shares outstanding as at beginning of the year	18,124,256	18,124,256
Add: Shares issued/(redeemed) during the year	-	-
Number of Shares outstanding as at end of the year	18,124,256	18,124,256

3.2 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.

3.3 Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held is as given below:

Name of Shareholder	As at 31.03.2020		As at 31.03.2019	
	No of Shares	Percentage	No of Shares	Percentage
National Highways Authority of India	7,500,000	41.38%	7,500,000	41.38%
ICICI Bank Limited	1,500,000	8.27%	1,500,000	8.27%
Axis Bank Limited	1,500,000	8.27%	1,500,000	8.27%
L & T Infrastructure Finance Company Limited	1,500,000	8.27%	1,500,000	8.27%
Total	12,000,000	66.19%	12,000,000	66.19%



INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED CIN: U74140DL2012PLC246662 Notes forming part of the Financial Statements for the year ended on March 31, 2020		
(Amount in ₹)		
4. RESERVES AND SURPLUS	As at March 31, 2020	As at March 31, 2019
Surplus		
Opening Balance	75,79,30,416	33,80,53,717
Add: Profit during the year	78,19,70,856	41,98,76,699
Balance at the end of the year	1,53,99,01,272	75,79,30,416
5. LONG TERM PROVISIONS	As at March 31, 2020	As at March 31, 2019
Provision for Leave Encashment*	8,02,626	4,72,339
Provision for Gratuity*	6,50,029	4,02,339
	14,52,655	8,74,678
*Refer Note 23		
6. Trade Payables	As at March 31, 2020	As at March 31, 2019
-Due to micro, small & medium enterprises	16,25,77,926	16,37,08,696.00
-Due to others	78,45,35,059	60,87,26,832
	94,71,12,985	77,24,35,528
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, there are no amounts payable to Micro and Small Enterprises as at 31 March 2019 and 31 March 2018.		
7. OTHER CURRENT LIABILITIES	As at March 31, 2020	As at March 31, 2019
a) Receipts on account of Over Weight and Over Dimensional Vehicles**	16,23,48,000	60,29,21,166
b) Duties & Taxes Payable	4,63,75,008	3,33,81,969
c) Expenses Payable	62,52,52,359	99,62,097
d) Book Overdraft	-	-
e) Earnest Money Deposit	96,00,000	5,18,00,000
f) Others payables		
-Liability for cashback to customers	84,01,21,152	59,60,32,126
g) Advance Received against Penalty by IDFC Bank	5,00,000	-
	1,68,41,96,519	1,29,40,97,358
*Amount payable to related party (National Highways Authority of India)		
** 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 liabilities as Receipts on behalf of Government of India.		
8. SHORT TERM PROVISIONS	As at March 31, 2020	As at March 31, 2019
Provision for Leave Encashment*	13,340	9,244
Provision for Gratuity*	6,468	3,084
	19,808	12,328
*Refer note 23		
10. DEFERRED TAX ASSETS (NET)	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liability		
Difference between depreciation as per Companies Act, 2013 and Income Tax Act, 1961	17,22,097	28,258
Deferred Tax Assets		
Disallowances of Gratuity expense & Leave Encashment	1,47,360	85,101
Deferred Tax Asset (Net)	(15,74,737)	56,843
11. LONG TERM LOANS & ADVANCES	As at March 31, 2020	As at March 31, 2019
(Unsecured, considered good)		
Security Deposit	32,200	3,000
Income Tax Advances	29,45,68,024	12,83,91,574
	29,46,00,224	12,83,94,574



INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
CIN: U74140DL2012PLC246662
Notes forming part of the Financial Statements for the year ended on March 31, 2020

	As at March 31, 2020	As at March 31, 2019
12. TRADE RECEIVABLE		
<i>(Unsecured, Considered good)</i>		
Outstanding exceeding six months from due date*	-	-
Others*	1,58,73,16,159	1,38,47,35,025
<i>(Unsecured, Considered doubtful)</i>		
Others	-	28,13,398
Provision for doubtful debts	-	(28,13,398)
	1,58,73,16,159	1,38,47,35,025
* Includes receivable from related party ₹ 1,48,91,49,643 (Previous Year ₹ 1,34,67,78,556).		
13. CASH AND BANK BALANCES	As at March 31, 2020	As at March 31, 2019
a) Cash & Cash Equivalents		
Cash on Hand	300	300
Balances with Banks		
- in Current Accounts	74,206	1,10,101
- in deposit account with maturity of less than 3 months	14,75,75,091	42,04,92,699
	14,76,49,597	42,06,03,100
b) Other Bank Balance (Fixed Deposits with original maturity more than 3 months but less than 12 months)	5,00,00,000	5,00,00,000
	19,76,49,597	47,06,03,100
14. SHORT TERM LOANS & ADVANCE	As at March 31, 2020	As at March 31, 2019
<i>(Unsecured, considered good)</i>		
Other Advances (Imprest)	25,709	-
	25,709	-
15. OTHER CURRENT ASSETS	As at March 31, 2020	As at March 31, 2019
<i>Unsecured, Considered good</i>		
Interest Receivable on Fixed Deposits	73,50,139	57,24,871
Unbilled Revenue	35,85,002	80,51,593
Unbilled Revenue-NHAI	14,53,73,068	-
Prepaid Expenses	1,53,770	3,57,610
Input Tax Credit Carried forward	8,80,03,716	39,34,212
Receivable from National Highways Authority of India (NHAI)*	1,91,68,31,811	1,00,38,07,612
Other Receivable	9,31,85,412	-
<i>Unsecured, Considered doubtful</i>		
Service Tax Refund Due	4,30,779	4,30,779
Provision for doubtful debts	(4,30,779)	(4,30,779)
	2,25,44,82,918	1,02,18,75,898

*** 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, Way Side Amenities, Road User Helpline & Toll Management System*

Name of the project	Opening balance as on 01.04.2019	Fund received during the year	Funds utilised during the year	Closing balance as on 31.03.2020
i) Electronic Toll Collection	(56,60,34,968)	1,00,55,89,169	61,21,17,598	(17,25,63,397)
ii) Traffic Survey	(50,88,98,667)	65,64,08,812	52,79,45,098	(38,04,34,953)
iii) Way Side Amenities	(2,84,85,115)	-	-	(2,84,85,115)
iv) Road User Helpline	1,40,95,778	-	2,56,89,903	(1,15,94,125)
v) Toll Management System	7,97,54,702	-	59,08,35,928	(51,10,81,226)
vi) ETC Pool	(1,00,66,219)	1,91,92,52,286	2,73,76,85,939	(82,84,99,872)
vii) Citizen Centric App-You Report	(24,12,165)	-	-	(24,12,165)
viii) Time & Motion Study	(42,02,858)	-	-	(42,02,858)
ix) Green Highways Mission	2,24,41,900	-	-	2,24,41,900
Total	(1,00,38,07,612)	3,58,12,50,267	4,49,42,74,466	(1,91,68,31,811)
Previous year figures	(24,44,15,686)	3,54,83,60,026	4,30,77,51,952	(1,00,38,07,612)



Indian Highways Management Company Limited
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PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION/AMORTIZATION				NET CARRYING AMOUNT	
	As on 01.04.2019	Addition during the year	Deletion during the year	As on 31.03.2020	As on 01.04.2019	Charge for the year	Deletion during the year	As on 31.03.2020	As on 31.03.2020	As on 31.03.2019
Property, Plant and Equipments and										
Furniture & Fixtures	300,700	35,593	-	336,293	64,124	30,820	-	94,944	241,349	236,576
Computer	623,007	23,596,185	-	24,219,192	219,921	3,023,184	-	3,243,105	20,976,087	403,086
Office Equipments	350,620	6,525	-	357,145	81,180	67,472	-	148,652	208,493	269,440
Total	1,274,327	23,638,303	-	24,912,630	365,225	3,121,476	-	3,486,701	21,425,929	909,102
Previous year	406,295	868,032	-	1,274,327	106,944	258,281	-	365,225	909,102	299,351
Intangible Assets										
Website	98,366	-	-	98,366	90,011	8,355	-	98,366	-	8,355
Computer Software	54,000	-	-	54,000	44,028	9,972	-	54,000	-	9,972
Total	152,366	-	-	152,366	134,039	18,327	-	152,366	-	18,327
Previous year	152,366	-	-	152,366	103,566	30,473	-	134,039	18,327	48,800
Grand Total	1,426,693	23,638,303	-	25,064,996	499,264	3,139,803	-	3,639,067	21,425,929	927,429
Previous year	558,661	868,032	-	1,426,693	210,510	288,754	-	499,264	927,429	348,151

Note : As per internal assessment of the company there is no asset requiring provision for impairment as on 31-03-2020 as per AS 28 on "Impairment of Assets".



INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
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Notes forming part of the Financial Statements for the year ended on March 31, 2020

(Amount in ₹)

16. REVENUE FROM OPERATIONS	For The Year Ended March 31, 2020	For The Year Ended March 31, 2019
Sale of Services		
-Management Fee from NHAI Projects*	24,197,444	22,266,370
Other Operating Revenue		
-Revenue from ETC Operations***	4,450,634,972	2,309,888,123
	4,474,832,416	2,332,154,493
*Management Fees @ 1.5% on cost incurred by IHMCL on NHAI Projects. **Revenue from ETC Operations @ 4% on Monthly Toll Transaction.		
17. OTHER INCOME	For The Year Ended March 31, 2020	For The Year Ended March 31, 2019
Interest Income on Deposits	26,060,936	23,577,204
Miscellaneous Income	4,581,490	14,997
	30,642,426	23,592,201
18 EMPLOYEES BENEFIT EXPENSES	For The Year Ended March 31, 2020	For The Year Ended March 31, 2019
Salaries and Wages	17,194,105	12,762,921
Gratuity Expenses	251,074	101,405
Compensated absences	382,436	256,610
Contribution to provident fund	621,843	461,229
Staff welfare expenses	38,967	29,538
	18,488,425	13,611,703
19. FINANCE COST	For The Year Ended March 31, 2020	For The Year Ended March 31, 2019
Interest expense	142,389	168,229
	142,389	168,229
20a. OPERATING EXPENSES	For The Year Ended March 31, 2020	For The Year Ended March 31, 2019
Transaction Charges for Managing Central Clearing House-(ETC Project)- (Refer note 24 c)	3,323,520,688	1,723,903,445
Website Hosting & Maintenance Expenses	349,496	227,472
FAStag Expenses	18,529,627	960,895
FAStag O & M Charges	5,182,467	-
Data Storage Server - O & M Charges	3,900,000	-
1033 24*7 Call Centre Expenses	37,597,811	-
	3,389,080,089	1,725,091,812
20(b). OTHER EXPENSES	For The Year Ended March 31, 2020	For The Year Ended March 31, 2019
Professional & Consultancy Charges	3,764,404	5,440,535
Manpower Hiring Expenses	-	2,717,270
Taxi Hire Charges	1,133,789	626,941
Travelling Expenses	474,627	1,567,889
Payment to Auditor		
-As Auditor	250,000	165,480
-For reimbursement of expenses	40,000	49,050
Sitting Fee to Directors	100,000	210,000
Insurance	231,666	186,662
Advertisement Expenses	35,802,993	10,156,509
Printing and Stationery	262,740	152,401
Provision for doubtful receivables	34,924	2,077,612
Arbitration Fees	1,537,589	975,000
Miscellaneous Expenses	1,043,680	1,002,023
Fees & Subscription	2,073,375	91,125
	46,749,787	25,418,497
21. PRIOR PERIOD ITEMS	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Advertisement Expenses	340,000	79,568
	340,000	79,568
22. EARNING PER SHARE	Current Year	Previous Year
Number of Equity Shares of ₹ 10 each fully paid up at the beginning of the year	18,124,256	18,124,256
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	18,124,256	18,124,256
Weighted Average number of Equity Shares of Rs10/- each outstanding during the year	18,124,256	18,124,256
Net Earning after tax for the year (₹)	781,970,856	419,876,699
Earning Per Equity Share of ₹ 10 each		
- Basic	43.14	23.17
- Diluted	43.14	23.17



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23. As per Accounting Standard 15 " Employee benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Benefit Plans:

Valuations in respect of Gratuity have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

	(Amount in ₹)	
	Gratuity (Unfunded)	
	2019-20	2018-19
(i) Major Assumptions		
(a) Discount Rate (per annum)	6.77%	7.82%
(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	23.54	22.43
(ii) Changes in the Present Value of Obligation		
(a) Present Value of obligation as at beginning of the year	405,423	304,018
(b) Acquisition out: Liability transferred	-	-
(c) Interest Cost	27,447	23,774
(d) Past Service Cost	-	-
(e) Current Service Cost	232,555	165,947
(f) Benefits Paid	-	-
(g) Actuarial (Gain)/Loss	(8,928)	(88,316)
(h) Present Value of obligation as at end of the year	656,497	405,423
(iii) Changes in the Fair value of Plan Assets		
(a) Present Value of Plan Assets as at beginning of the year	-	-
(b) Expected Return on Plan Assets	-	-
(c) Employers' Contributions	-	-
(d) Last year's settlement	-	-
(e) Benefits Paid	-	-
(f) Actuarial gain/ (loss) on plan assets	-	-
(g) Fair Value of Plan Assets as at end of the year	-	-
(iv) Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets		
(a) Present Value of Funded Obligation as at end of the year	-	-
(b) Fair Value of Plan Assets as at end of the year	-	-
(c) Funded (Asset)/Liability recognised in the Balance Sheet	-	-
(d) Present Value of Unfunded Obligation as at end of the year	656,497	405,423
(e) Unrecognised Past Service Cost	-	-
(f) Unrecognised Actuarial Gains/(Losses)	-	-
(g) Unfunded Net Liability recognised in the Balance Sheet	656,497	405,423
(v) Actuarial gain / (loss) recognized		
a) Actuarial gain/(loss) for the year - obligation	8,928	88,316
b) Actuarial (gain)/loss for the year - plan assets	-	-
c) Total (gain)/loss for the year	(8,928)	(88,316)
d) Actuarial (gain)/loss recognized in the year	(8,928)	(88,316)
e) Unrecognized actuarial (gain)/Loss at the end of the year	-	-
(vi) Amount recognised in the Balance Sheet		
(a) Present Value of Obligation as at end of the year	656,497	405,423
Long Term Provisions	650,029	402,339
Short Term provisions	6,468	3,084
(b) Fair Value of Plan Assets as at end of the year	-	-
(c) (Asset)/Liability recognised in the Balance Sheet	656,497	405,423
(vii) Expenses recognised during the year		
(a) Current Service Cost	232,555	165,947
(b) Past Service Cost	-	-
(c) Interest Cost	27,447	23,774
(d) Expected Return on Plan Assets	-	-
(e) Net actuarial (Gain)/Loss	(8,928)	(88,316)
(f) Employees' Contribution	-	-
(g) Total Expenses recognised during the year	251,074	101,405
(h) Expenses recognised in the Statement of Profit and Loss	251,074	101,405
(viii) Expected Employer's Contribution for the next year		
	-	-

**(ix) Other Disclosure
Gratuity ((Unfunded)**

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Present Value of Obligation at the end of the year	656,497	405,423	304,018	162,387	96,985	-
Fair Value of Plan Assets at the end of the year	-	-	-	-	-	-
Surplus/(Deficit)	(656,497)	(405,423)	(304,018)	(162,387)	(96,985)	-
Experience adjustments on plan liabilities (Gain)/Loss	80,956	90,587	23,014	41,935	28,337	-
Experience adjustments on plan assets (Gain)/Loss	-	-	-	-	-	-



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Defined Benefit Plans:

Valuations in respect of Leave Encashment have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	(Amount in Rs.) Leave Encashment	
	2019-20	2018-19
(i) Major Assumptions		
(a) Discount Rate (per annum)	6.77%	7.82%
(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	23.54	22.43
(ii) Changes in the Present Value of Obligation		
(a) Present Value of obligation as at beginning of the year	481,583	287,908
(b) Acquisition out: Liability transferred	-	-
(c) Interest Cost	32,603	22,514
(d) Past Service Cost		
(e) Current Service Cost	280,390	173,969
(f) Benefits Paid	(48,053)	(62,935)
(g) Actuarial (Gain)/Loss	69,443	60,127
(h) Present Value of obligation as at end of the year	815,966	481,583
(iii) Changes in the Fair value of Plan Assets		
(a) Present Value of Plan Assets as at beginning of the year	-	-
(b) Expected Return on Plan Assets	-	-
(c) Employers' Contributions	-	-
(d) Last year's settlement	-	-
(e) Benefits Paid	-	-
(f) Actuarial gain/ (loss) on plan assets	-	-
(g) Fair Value of Plan Assets as at end of the year	-	-
(iv) Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets		
(a) Present Value of Funded Obligation as at end of the year	-	-
(b) Fair Value of Plan Assets as at end of the year	-	-
(c) Funded (Asset)/Liability recognised in the Balance Sheet	-	-
(d) Present Value of Unfunded Obligation as at end of the year	815,966	183,874
(e) Unrecognised Past Service Cost	-	-
(f) Unrecognised Actuarial Gains/(Losses)	-	-
(g) Unfunded Net Liability recognised in the Balance Sheet	815,966	183,874
(v) Actuarial gain / (loss) recognized		
a) Actuarial gain/(loss) for the year - obligation	(69,443)	(60,127)
b) Actuarial gain/(loss) for the year - plan assets	-	-
c) Total (gain)/loss for the year	69,443	60,127
d) Actuarial (gain) /loss recognized in the year	69,443	60,127
e) Unrecognized actuarial (gain)/Loss at the end of the year	-	-
(vi) Amount recognised in the Balance Sheet		
(a) Present Value of Obligation as at end of the year	815,966	481,583
Long Term Provisions	802,626	472,339
Short Term provisions	13,340	9,244
(b) Fair Value of Plan Assets as at end of the year	-	-
(c) (Asset)/Liability recognised in the Balance Sheet	815,966	183,874
(vii) Expenses recognised during the year		
(a) Current Service Cost	280,390	173,969
(b) Past Service Cost		
(c) Interest Cost	32,603	22,514
(d) Expected Return on Plan Assets	-	-
(e) Net actuarial (Gain)/Loss	(69,443)	(60,127)
(f) Employees' Contribution	-	-
(g) Total Expenses recognised during the year	382,436	256,610
Less: Amount apportioned to a group		
(h) Expenses recognised in the Statement of Profit and Loss	382,436	256,610
(viii) Expected Employer's Contribution for the next year		
	-	-

(ix) Other Disclosure

Gratuity ((Unfunded)

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Present Value of Obligation at the end of the year	815,966	481,583	287,908	183,874	-	-
Fair Value of Plan Assets at the end of the year	-	-	-	-	-	-
Surplus/(Deficit)	(815,966)	(481,583)	(287,908)	(183,874)	-	-
Experience adjustments on plan liabilities (Gain)/Loss	20,085	(57,432)	(103,140)	-		
Experience adjustments on plan assets (Gain)/Loss						



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24 Other Notes

- a The company has received ₹ 14,01,77,65,714 till 31.03.2020 from NHAI 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, Time & Motion Study, Road User Helpline, Wayside Amenities, Citizen Centric – You Report, Green Highways Mission and ETC Pool (Cash Back). Against the funds received, the company had utilized sum of ₹ 15,20,49,22,988 till 31.03.2020 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 56,74,49,166 has been returned to Government of India- Ministry of Road Transport and Highways. The invoices for 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.
- b Management fee @1.5% on the cost incurred by IHMCL on ETC, Traffic Survey projects, Road User Helpline, Way Side Amenities, Toll Management System, Time & Motion Study, Citizen Centric – You Report (on behalf of NHAI), 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 & 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.
- c Revenue from Electronic toll collection (ETC Operations) @ 4% of the fee collected electronically for managing the National ETC program has been accounted in the books of accounts of IHMCL on the basis of office Memorandum issued by MoRTH vide ref no. H-25011/1/2015 dated 16.02.2016. The company is paying 1.50% of the fee collected electronically to Issuer Banks, 1.25%/0.96%/0.89%/0.73%/0.15% of the fee to Acquirer Banks and 0.25% of the fee collected electronically to National Payment Corporation of India (NPCI) as a fee for their services as collectors of the fee electronically.
- d In the process of Implementation of Electronic Toll Collection, Ministry of Road Transport and Highways (MoRTH) issued an Office Memo dated 16.02.2016 indicating NHAI's proposal to give 10% discount (cash back) to toll road users on electronically paid fee for financial year 2016-17, 7.5% for 2017-18, 5% for 2018-19, 2.5% for 2019-20 and no discount from 2020-2021 onwards. During FY 2019-20, total of ₹ 2,73,76,85,939 has been adjusted from project advance received from NHAI as cash back to toll road user.
- e As per the books of account of the company, a total sum of ₹ 3,40,59,81,454 (Under Trade Receivables Rs. 1,48,91,49,643 and Other Receivables Rs. 1,91,68,31,811) is receivable from National Highways Authority of India (NHAI) as on 31.03.2020. But as per the confirmation received from NHAI a sum of ₹ 6,01,18,64,181 is outstanding as receivable from the company, resulting in a gross difference of ₹ 9,41,78,45,635. The reconciliation differences are mainly due to non – passing of entries in NHAI books of account for which the company is following up with NHAI for necessary action. In the opinion of the management, the amount is recoverable from NHAI and no dispute of any nature has been filed by the NHAI to the Company. The reconciliation is an on going process and necessary entries will be passed by NHAI. There are no pending entries to be passed by the company as a result of reconciliation.
- f The company has accounted for revenue from ETC operations amounted to ₹ 4,45,06,34,972 (excluding Goods & Service Tax) during FY 2019-20 against which invoices for ₹ 4,33,61,60,684 (excluding Goods & Service Tax) had only been raised on NHAI and Rs 11,44,74,288 (excluding Goods & Service Tax) has been raised to MHAISKAR Infrastructure Private Limited, Madhya Pradesh Road Development Corporation and Hyderabad Growth Corridor Limited.
- g The company has availed and utilized Cenvat credit / Input Tax Credit of CGST, SGST and IGST of ₹ 61,51,87,188 and ₹ 49,57,03,799 on transaction charges paid for managing central clearing house for Electronic Toll Collection (ETC) Project during and Project expenditure incurred on behalf National Highways for the FY 2019-20 respectively, out of which an amount of ₹ 2,44,91,944 is unutilized to be utilized while filing GSTR-9 (Annual GST return of F.Y 2019-20).
- h **CONTINGENT LIABILITY / ASSET :**

	Particulars	For the Year Ended 31 March, 2020	For the Year Ended 31 March, 2019
a	Interest on Bank Overdraft	93,185,412	-
b	Matter in CIT(Appeals) A.Y. 2015-16	72,934,551	-
	Total	166,119,963	-



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- a Canara Bank has erroneously deducted an amount of Rs 9,31,85,412 which has been considered as receivable by the company. the management is following up for recovery from the bank in respect of aforesaid deduction which is under review by bank and the Company is of the view that no provision is required at this point of time.
- b The income tax Assessing Officer has considered an amount of Rs. 18,70,81,166 payable to MORTH recovered by the company on account of penalty on oversized/overweighted vehicles as income during assessment related to Financial year 2014-15 & raise the additional demand of Rs. 6,54,98,136 which has been adjusted against the income tax deposits of Rs. 8,90,50,561. 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 6,54,98,136 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.
- i 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.

25 RELATED PARTY DISCLOSURE (As per AS-18)

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. Asheesh Sharma, IAS (Chairman and Managing Director) (Ceased to be CMD on 28.09.2020)
Mr. Subhash Khurana - Chief Financial Officer (Appointed as CFO on 15.05.2020)
Mr. Dinesh Gupta - Chief Financial Officer (ceased to be the CFO on 14.05.2020)
Mr. Gopabandhu Mishra - Company Secretary

Directors of the Company

Mr. Asheesh Sharma, Chairman and Managing Director
Mr. T.R. Rao
Mr. Lalit Kumar Joshi, IAS (Retd.)
Mr. Rameshkar Manchikalapati, IAS(Retd), appointed as an Independent Director on 16.01.2020
Mr. Sudipta Roy
Mr. Dineshchandra Agrawal

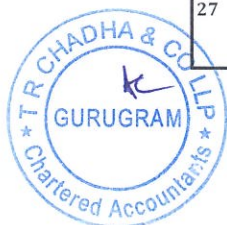
B. Transactions and Outstanding Balances with Related Parties in the ordinary course of business.

Transaction With National Highways Authority of India	(Amount in ₹)	
	For The Year Ended March 31, 2020	For The Year Ended March 31, 2019
Management Fee	24,197,444	22,266,370
Electronic toll collection	4,450,634,972	2,309,888,123
Fund received	8,562,034,765	6,327,065,546
Balance outstanding as at year end	March 31, 2020	March 31, 2019
Trade Receivable	1,489,149,643	1,346,778,556
Other Receivable	1,916,831,811	1,003,807,612
Transactions with KMP	(Amount in ₹)	
	For The Year Ended March 31, 2020	For The Year Ended March 31, 2019
Remuneration		
Mr. Gopabandhu Mishra	1,123,200	960,000
Balance outstanding as at year end		
Mr. Gopabandhu Mishra	89,600	68,080

26 Segment information (AS-17)

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,

- 27 In the opinion of the Board, Current Assets and Loans and advances are of the value stated if realized in ordinary course of business and provision for liabilities are adequate.



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28 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	2019-20	2018-19
Amount need to spent during the year	6,888,451	3,299,307
Amount accumulated for previous year	4,289,302	989,995
accumulated amount	11,177,753	4,289,302
Amount spent	-	-
C.Forward to next year	11,177,753	4,289,302

The company is required to spent Rs. 1,11,77,753 (Rs 32,99,307 for F.Y 2018-19 & Rs 9,89,995 for F.Y 2017-18) on CSR activities during the current year out of which company did not spend any amount on CSR expenses during current financial year.

29 Disclosures as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	As at 31-Mar-20	As at 31-Mar-19
(a) (i) the principal amount remaining unpaid to any supplier	178,046,478	-
(ii) interest due thereon	10,245,545	-
(b) interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day.	-	-
(c) interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) interest accrued and remaining unpaid	10,245,545	-
(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.

30 The company provide services pertaining to management of toll collection, and have provided regular services during period

30 There are no foreign currency transactions undertaken by the company during current and previous financial year

31 Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification / disclosure.

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


Aashish Gupta
(Partner)
M. No. 097343




Place: Gurugram
Date: 14-12-2020

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


Mahabir Singh
(Chairman and Managing Director)
(DIN:02329278)


Akhilesh Srivastava
(Director)
(DIN:08792874)


Subhash Khurana
(Chief Financial Officer)


Gopabandhu Mishra
(Company Secretary)