

ANNUAL REPORT 2023-2024

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

Indian Highway Management Company Limited

BOARD OF DIRECTORS

SH. VISHAL CHAUHAN, IAS	:	CHAIRMAN & MANAGING DIRECTOR
SH. DEPINDER SINGH DHESI, IAS (RETD.)	:	INDEPENDENT DIRECTOR
MS. SURABHI SINHA, IRS (RETD.)	:	INDEPENDENT DIRECTOR
SH. MUKESH KUMAR JAIN	:	DIRECTOR
SH. BANGARU RAJU OBBILLISETTY	:	DIRECTOR
DR. ESTHER MALINI	:	DIRECTOR
SH. TALLURI RAGHUPATI RAO	:	DIRECTOR
SH. RAJU FRANSIC DODTI	:	DIRECTOR
SH. VINOD KUMAR MENON	:	DIRECTOR
SH. BIJITH BHASKAR	:	DIRECTOR

CHIEF OPERATING OFFICER

Sh. Amit Ranjan Chitranshi

CHIEF FINANCIAL OFFICER

Sh. Soumya Mukhopadhyay

COMPANY SECRETARY

Sh. Gopabandhu Mishra

AUDITORS

M/s AMAA & Associates
CHARTERED ACCOUNTANTS
UG-2, 17-A/56, Triveni Plaza, WEA
Karol Bagh, New Delhi-110075

REGISTERED OFFICE ADDRESS

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



भारतीय राजमार्ग प्रबंधन कंपनी लिमिटेड

(एनएचएआई की एक पहल)

Indian Highways Management Company Limited

(An Initiative of NHAI)

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

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

सीन / CIN U74140DL2012PLC246662

दूरभाष / Phone : 91-11-25074100/200

वेबसाइट / Website : www.ihmcl.co.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twelveth (12th) Annual General Meeting of the members of Indian Highways Management Company Limited (IHMCL) will be held on Monday, the 30th September 2024 at 4.00 P.M. at NHAI HQ, Plot No. G 5 & 6, Sector-10, Dwarka, New Delhi-110075 also through Video Conferencing (VC) / other audio visual means (OAVM) to transact the following business.

ORDINARY BUSINESS:

Item no. 1:

To consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.

Item No.2:

To appoint Sh. Amitabh Jha (DIN 07130355), nominee from Reliance Infrastructure Ltd as nominee director in place of Sh. Bangaru Raju Obbillisetty (DIN 00082228) who retires by rotation.

Item No.3:

To appoint Sh. Vivek Gupta (DIN 08908826), nominee from Axis Bank Ltd as nominee director in place of Sh. Raju Francis Dodti (DIN 06550896) who retires by rotation.

SPECIAL BUSINESS:

Item No.4:

Regularization of Sh. Vinod Kumar Menon (DIN: 03075345) as Director.

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

“RESOLVED THAT Sh. Vinod Kumar Menon (DIN: 03075345) who was appointed as a Nominee Director of the Company w.e.f 23rd February, 2024 u/s 161(3) of the Companies Act, 2013 by the Board of Directors and in respect of whom notice u/s 160 of the Companies Act, 2013 has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose office will be liable to retire by rotation.”

Item No.5:

Regularization of Sh. Mukesh Kumar Jain, (DIN: 10513759) as Director.

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

“RESOLVED THAT Sh. Mukesh Kumar Jain, (DIN: 10513759) who was appointed as a Nominee Director of the Company w.e.f. 23rd February, 2024 u/s 161(3) of the Companies Act, 2013 by the Board of Directors and in respect of whom notice u/s 160 of the Companies Act, 2013 has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose office will be liable to retire by rotation.”

Item No.6:

Regularization of Sh. Depinder Singh Dhesi, IAS (Retd.) (DIN: 01433541) as Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), to appoint Sh. Depinder Singh Dhesi, DIN 01433541 as an Additional Director (Non-Executive & Independent) on the Board of the Company w.e.f. 09.04.2024 to hold office till the conclusion of the next Annual General Meeting and subject to the approval of the members in the ensuing General Meeting, for appointment as an Independent Director to hold office for a term up to 5 consecutive years from the date of ensuing general meeting.”

Item No.7:

Approval of Sh. Vishal Chauhan, IAS as Chairman & Managing Director.

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

“RESOLVED THAT Sh. Vishal Chauhan (DIN: 07245625) who was appointed as a Nominee Director of the Company w.e.f. 04th October, 2023 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 approving his candidature for the office of Chairman & Managing Director, be and is hereby appointed as Chairman & Managing Director of the Company whose office will not be liable to retire by rotation.”

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: 20th September, 2024

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.

2. General instructions for accessing and participating in the 12th AGM through VC/OAVM Facility:

- a) The AGM will be held in hybrid mode i.e. in addition to holding this meeting at its Registered Office, the 12th AGM shall also be held in compliance with applicable provisions of the Companies Act, 2013, Rules made thereunder, read with General Circulars issued by the Ministry of Corporate Affairs ('MCA') having reference No. 14/2020, 17/2020, 20/2020, 10/2022, dated April 8, 2020, April 13, 2020, May 5, 2020, December 28, 2022 along with subsequent circulars issued in this regard, the latest being Circular No. 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars')

These MCA Circulars have permitted the holding of AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, and MCA Circulars, the 12th AGM of the Company is being held through VC/OAVM. In addition to this, the Members of the Company who wish to attend the meeting in person may do so as per the instructions provided elsewhere/separately in this Notice.

- b) In compliance with the aforesaid requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2024 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only by email to the members at their e- mail ids registered with the Company.
- c) Attendance of the Members participating in the 12thAGM through VC/OAVM Facility shall be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- d) Members may join the 12thAGM through VC/OAVM Facility by following the procedure as mentioned below:
 - i) The members may participate in the Meeting through VC/OAVM Facility.
 - ii) The said Facility shall be kept open for the Members from 03.45 Hours, i.e., 15 minutes before the time scheduled to start the AGM and the Company shall close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the AGM.
 - iii) Members needing assistance with the use of technology before or during the AGM may contact the Helpline details given hereunder: -

Mr. GB Mishra, Contact number: 8826827897, E-mail ID: cs@ihmcl.com

- e) Members, when a poll is required to be taken during the meeting on any resolution, may convey their votes at the email address cs@ihmcl.com.
- f) Members can vote during the AGM by show of hand and through Chat option also.
- g) For Members attending in-person: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DULY FILLED, STAMPED, SIGNED, AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

For Members attending through VC/OAVM: Since this AGM is being held also through VC/OAVM pursuant to the MCA circulars, the facility for the appointment of proxies by the Members who will attend the meeting through these modes, will not be available.

- h) In pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for participation in the AGM through VC/OAVM Facility. Corporate Members intending to appoint their authorized representatives pursuant to Section 113 of the Act, to participate and vote at the AGM through VC or OAVM, are requested to send a certified copy of the Board Resolution at e-mail address cs@ihmcl.com, latest by 27th September, 2024.
- i) In line with the MCA Circulars, the Notice of the 12th AGM will be available on the website of the Company at www.ihmcl.co.in.
- j) Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, folio number and mobile number, at the email address cs@ihmcl.com before 5.00 p.m. (IST) on 27th September, 2024. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
- k) Pursuant to the requirement of SS-2 notified by Ministry of Corporate Affairs and the circulars issued by MCA, the copy of the Memorandum of Association (MOA) & Articles of Association (AOA) of the Company & other documents referred to in this notice and explanatory statement shall be made available for inspection in electronic mode to all the members of the Company.
- l) M/s Beetal Financial & Computer Services Pvt Ltd, Beetal House, 99, Madangiri, New Delhi-110062, are the Registrar and Share Transfer Agent of the Company to deal with the physical as well as electronic share registry.
- m) Members are requested to notify immediately any change in their email address to the Company or Registrar and Share Transfer Agents in the case of physical holdings and to their respective Depository Participant in case of DEMAT shares.

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

“Shri Vinod Kumar Menon (DIN: 03075345) was appointed as a Nominee Director of the Company w.e.f 23rd February, 2024 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.”

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 Vinod Kumar Menon himself and his relatives are interested or concerned in the resolution.

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

Sh. Mukesh Kumar Jain, (DIN: 10513759) was appointed as Nominee Director of the company u/s 161(3) of Companies Act, 2013 on 23rd February, 2024. 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 Sh. Mukesh Kumar Jain, (DIN: 10513759) 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 Sh. Mukesh Kumar Jain, (DIN: 10513759) 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

The Board of Directors of the Company had appointed Sh. Depinder Singh Dhesi, IAS (Retd.) (DIN 01433541) as an Independent Director of the Company for a period of five years with effect from 09th April, 2024. 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. Depinder Singh Dhesi 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. Depinder Singh Dhesi 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. Depinder Singh Dhesi (DIN01433541) as the Independent Director of the Company for a period of five years.

Information pursuant to Section 102(1) (a)

Disclosure of interest or concern

None of the Directors, Key Managerial Personnel or relatives of Directors and Key Managerial Personnel except Sh. Depinder Singh Dhesi (DIN01433541) 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 Vishal Chauhan, IAS was appointed as Nominee Director of the company u/s 161(3) of Companies Act, 2013 on 4th October, 2023. Notice has been received from a shareholder approving his candidature for the office of Chairman & 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 Vishal Chauhan (DIN: 07245625) as Chairman & Managing Director of the Company not be 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 Vishal Chauhan (DIN: 07245625) 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: 20th September, 2024

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]

CIN: U74140DL2012PLC246662

Name of the company: Indian Highways Management Company Ltd

Registered office & Corporate Office: NHAI HQ, G 5 & 6, Sector-10, Dwarka, New Delhi-75

Name of the member (s):

Registered Address:

E-mail Id:

Folio No/Client Id:

DP ID:

I, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id :

Signature:....., or failing him

2. Name :

Address:

E-mail Id :

Signature:....., or failing him

3. Name:

Address:

E-mail Id:

Signature:.....

as my proxy to attend and vote (on a poll) for me and on my behalf at the 12th Annual General Meeting of the company, to be held on 30th Day of September, 2024 at 4.00 PM NHAI HQ, Plot No. G 5 & 6, Sector -10, Dwarka, New Delhi-110075 additional facility of attending meeting by VC/OAVM, and at any adjournment thereof in respect of such resolution(s) as are indicated below.

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the place of the meeting.

Folio No. _____

Client ID No. _____

Name of the Shareholder/Proxy _____

Address _____

No. of shares held _____

12th Annual General Meeting of the company, to be held on 30th Day of September, 2024 at 4.00 PM at NHAI HQ, Plot No. G 5 & 6, Sector -10, Dwarka, New Delhi-110075 with additional facility of attending meeting by VC/OAVM and at any adjournment thereof.

ROUTE MAP FOR AGM VENUE

Venue: NHAI HQ, G 5 & 6, Sector-10, Dwarka, New Delhi-75

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DIRECTOR'S REPORT

IHMCL was conceived to "work for development, operation and maintenance of ICT solutions which will be common for NHAI and its appointed concessionaires". NHAI jointly with its Concessionaires and Financial Institutions incorporated Indian Highways Management Company Limited (IHMCL) on 26.12.2012 under the Companies Act, 1956 to carry out activities of Electronic Feeing.

A. National Electronic Toll Collection (NETC) Programme

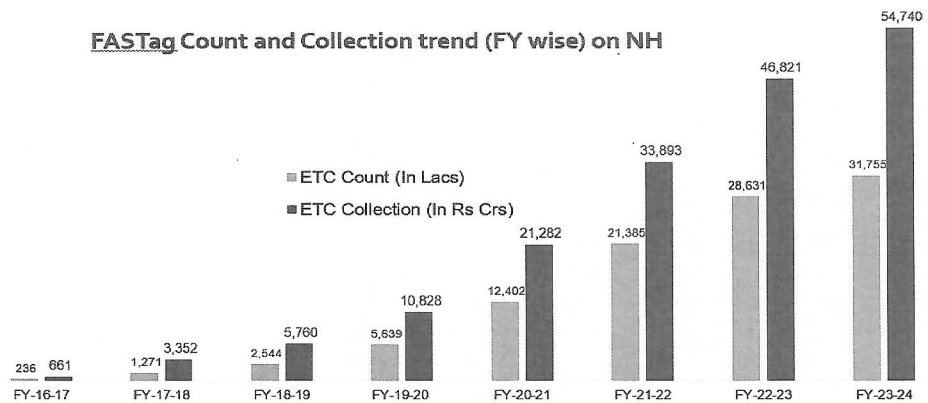
The **National Electronic Toll Collection (NETC) Programme** widely known as '**FASTag**', a flagship initiative of Ministry of Road Transport and Highways (MoRTH) and National Highway Authority of India (NHAI), has been implemented on a nationwide basis by IHMCL to enable fee payments directly from the customers FASTag affixed on the windscreen of the vehicle thus eliminating the need to stop for fee payments. This has removed bottleneck in traffic flow at fee plazas ensuring seamless movement of traffic.

- The FASTag program was initiated in June 2010 by a Committee headed by Sh. Nandan Nilekani. In order to maximize the throughput, and thus enhance the user experience, the proposed system allows vehicles with valid RFID tags to perform ETC transaction in the ETC lane.
- In 2016, "multi-issuer multi-acquirer" model was adopted to bring in inter-operability and scaling up the adoption of FASTag as a digital means of fee payments.
- In 2017, one FASTag lane was provisioned at NH fee plazas for dedicated for seamless movement of vehicles fitted with FASTag. Further, in 2018 all the lanes at the NH Fee plazas marked as FASTag lane, enhancing this convenience and ease of commuters.
- To promote adoption of digital payments of fee through FASTag, MoRTH has undertaken various policy decisions from time to time.
- In November 2017, the MoRTH mandated FASTags for all new passenger and goods carrying vehicles sold on or after December 1, 2017.
- In 2018, FASTag was mandated for issuance of National Permit to goods carrying vehicles.
- In 2019, a comprehensive scheme guideline was introduced for inclusion of state fee plazas under the ambit of FASTag Programme thereby providing a uniform and inter-operable electronic feeing across NH and SH fee plazas. The Scheme provisions for financial assistance to state authorities in terms of Capex cost and recurring transaction processing fees.
- To broad-based the utility of FASTag for other related services with the spirit of "One Nation One FASTag" a pilot project for using FASTag for parking launched at Hyderabad International Airport.
- In 2020 - FASTag mandated for all old vehicles (Class M & N) sold prior to December 2017. Also, FASTag ID was mandated for renewal of Motor Vehicle Insurance w.e.f April 2021
- In 2021, all Lanes at NH fee plazas declared as "FASTag lanes of NH fee plazas" w.e.f. midnight of 15/16 Feb 2021.
- In 2021, under the new initiative IHMCL signed an MoU with Goods and Services Tax Network (GSTN), ULIP and NATGRID for the integration of their system with FASTag. This integration will help the respective authorities for track and trace of the FASTag vehicles.

FASTag is now acceptable across all National Highways fee plaza and many State highways fee plaza. All NH fee plazas are operational with FASTag lanes. MoUs have been signed with various State Authorities and additional State fee plazas are included in the NETC programme as and when they come up.

FASTag model is an open architecture with all the leading banks providing the services of 'Issuer Entities' as well as 'Acquiring Bank'. The issuer entities issue FASTag providing multiple options for users to get FASTag. The acquiring banks acquire toll plazas for the ETC transaction settlement.

FASTag Count and Collection trend (FY wise) on NH



Electronic Fee Collection (ETC) through FASTag has witnessed constant growth over last few years. Total fee collection via FASTag on fee plazas, including State Highway fee plazas during calendar year 2022 was Rs. 50,855 crore, which is an increase of approx. 46% as compared to Rs. 34,778 crore in 2021.

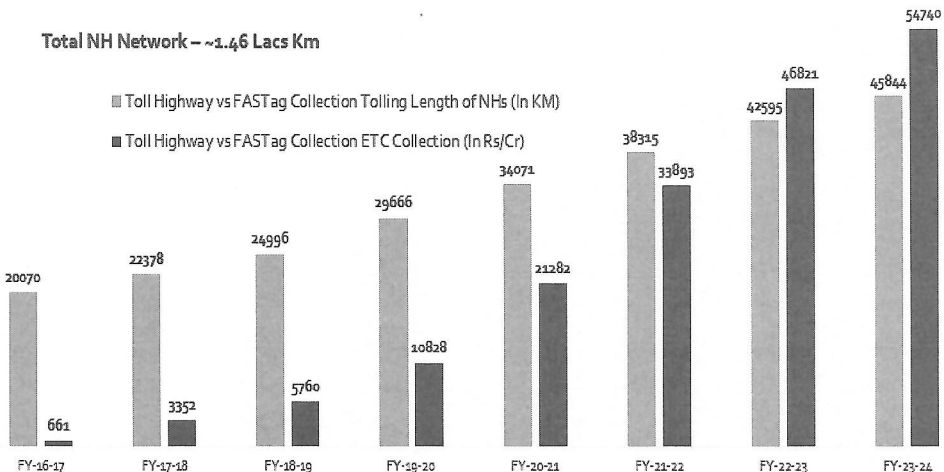
NETC - Programme – Key Figures	
Total FASTag issued till date:	88,177,740
Average No. Daily FASTag Transactions:	108.43 Lakhs
Average Value of Daily ETC Transactions	Rs. 190.68 Cr
FASTag Penetration (as per count of Toll Transaction):	98.9%
Cumulative no. (count) of FASTag transactions till date:	119,213.76 lakhs
Cumulative value (in INR) of FASTag transactions till date:	199,782.80 Cr
Total no. of toll plaza under NETC FASTag Programme:	1365

The average daily fee collection through FASTag on NH fee plazas in December 2022 was Rs 134.44 Crore, and the single day highest collection touched Rs. 144.19 Crore on 24 December 2022.

Similarly, the number of FASTag transactions also witnessed a growth of approx. 48% in 2022 as compared to that in 2021. The number of FASTag transactions in 2021 and 2022 was 219 crores and 324 crores respectively.

FASTag implementation has reduced the waiting time at NH Fee Plazas significantly, resulting in enhanced user experience. The constant growth and adoption of FASTag by the highway users has helped in bringing more efficiency in fee operations. Deployment of Electronic Fee Collection system at various fee plazas along National Highways has brought transparency in the system and enabled correct valuation of road assets which has encouraged more investors to invest in the highway infrastructure of the country, particularly, in asset recycling.

Total NH Network – ~1.46 Lacs Km



FASTag Programme Improvement Measures:

The tremendous growth in the programme has posed several challenges. IHMCL has taken several measures to improve experience and increase the efficiency of the program. Some of the key initiatives taken to improve the programme include **Manual Transaction Policy** whereby every manual transaction is accounted and verified to ensure transparency. Regular monitoring and actions are being taken by IHMCL to implement the policy on a national scale.

During the initial years of FASTag introduction and increase the penetration and usage multiple tags were issued on a single vehicle thereby causing issues in the overall FASTag ecosystem. IHMCL has observed issues related to issuance of multiple tags on a single vehicle. While the new tag issuance will be governed by the POS policy, necessary measures were taken to eliminate multiple tags issues on same VRN (vehicle number). **One Vehicle-One Tag (OVOT)** and the **Point of Sale (PoS) Policy** of IHMCL is being implemented to address this issue. The objective is to ensure that each vehicle has one unique tag associated with it. IHMCL is encouraging users and have issued directions to tag issuing banks to adhere to the policy in order to improve the NETC FASTag programme.

Banks have been directed to ensure that FASTag will be linked to one single vehicle. More than 1.5 Cr multiple tags have

been closed due to this initiative. IHMCL shall take necessary measure to discontinue the issuance of FASTags by issuer banks in case they do not ensure compliance. The 'One Vehicle, One FASTag' initiative will help to make fee operations more efficient and ensure seamless & comfortable journeys for the National Highway users.

Total FASTag issued till date	8.38 Cr
Cumulative no. (count) of ETC transactions till date	1,146 Cr
Cumulative value (in INR) of ETC transactions till date	1.92 Lakh Cr
Total no. of toll plaza under FASTag Programme	1,375 (994 National + 381 State Highways)

Exponential growth & adaption

Implementation of ICD 2.5 transaction process at fee plazas is another initiative to improve the FASTag programme. NPCI in consultation with IHMCL have designed the ICD 2.5 parameters for processing of FASTag transactions at fee plazas. Implementation of ICD 2.5 ensures real time/near real time transaction processing thereby mitigating the risks of chargeback, multiple deductions, blacklisting and related issues faced by users of FASTag. IHMCL has been continuously monitoring the deployment and as on date out of 997 NH Fee Plazas, ICD 2.5 is already implemented at 975 fee plazas.

New FASTag Use Cases: With the penetration of FASTag reaching nearly 99% whereby nearly all vehicles plying on Indian roads have a FASTag and with improvement measures such as OVOT, the objective is to make FASTag like the AADHAR for Indian vehicle. With this objective, the usage of FASTag ecosystem can have multiple use cases. IHMCL in consultation with NHAI and NPCI have taken several initiatives such in this regards.

EV Charging	FASTag based payment for EV Charging can bring the EV charging ecosystem under the FASTag payment system. Launched at BKC, Mumbai. PMF and wider coverage being planned with NPCI
Green Tax Collection	The Green Tax Collection (in Himachal Pradesh) is being collected through FASTag ecosystem. Similar initiative planned in other States
Border Checkpost Collection through FASTag	MoU signed with Maharashtra Border Checkpost Network to include 14 border check posts of Maharashtra under FASTag programme
Congestion Charging	Implementation of congestion charging through FASTag being planned in Delhi. MoU will be signed with Dept of Transport, Govt of Delhi.
Weigh in Motion & Static Weigh Bridge Systems at Fee Plazas	IHMCL has taken up the deployment of WIM & SWB at fee plazas along with the ETC Infra. Tender is released for refurbishment & integration of WIM/SWB at more than 30 fee plazas

B. ETC Infrastructure Implementation

The Electronic Toll Collection (ETC) technical infrastructure is a critical component of the overall NETC FASTag system. As per the mandate given by NHAI, IHMCL has been implementing the ETC infrastructure through empaneled system integrators.

As on date, total 281 fee plazas are allocated to IHMCL by NHAI for the implementation and O&M services of ETC system.

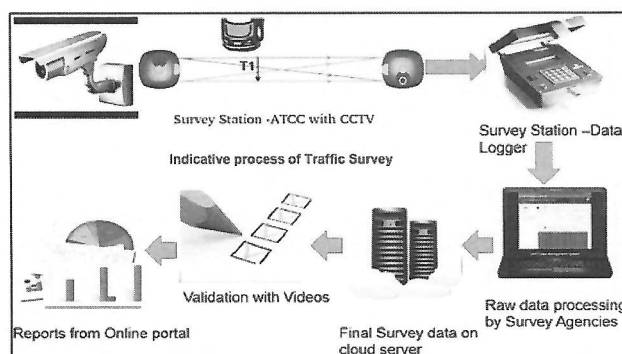
As and when the requirement of implementation of ETC system is received from NHAI, IHMCL undertakes



the process of limited tenders amongst the empanelled system integrators. IHMCL has also undertaken the process of implementation of ATMS (Advanced Traffic Management System) at select national highway stretches.

C. Traffic Survey Using Portable ATCC System along with Videography

For identification of next set of National Highway and specific corridors to be developed to enable integrated economic and infrastructure development vision of PM Gati Shakti National Master Plan and in order to scientifically plan the next wave of road infrastructure development traffic survey is a necessity. NHAI has directed IHMCL to undertake the traffic survey project to capture actual traffic data for planning further capacity augmentation/new stretches. The stretches for survey are to IHMCL by Bharatmala Division/NHAI for carrying out traffic survey on bi-annual basis.



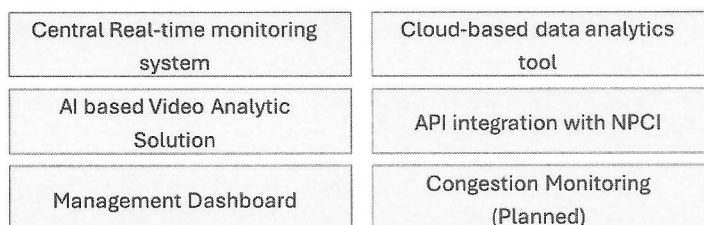
Accordingly, IHMCL has divided 500+ locations/stretches based on geography in 10 zones have appointed survey agencies zone wise. Multiple Agencies selected through tender process have been appointed by IHMCL to complete the surveys. A detailed validation and verification of survey data is being undertaken at IHMCL through a validation agency. In case of discrepancies, the surveys are redone by the respective agencies.

D. Toll Monitoring and Control Centre (TMCC)

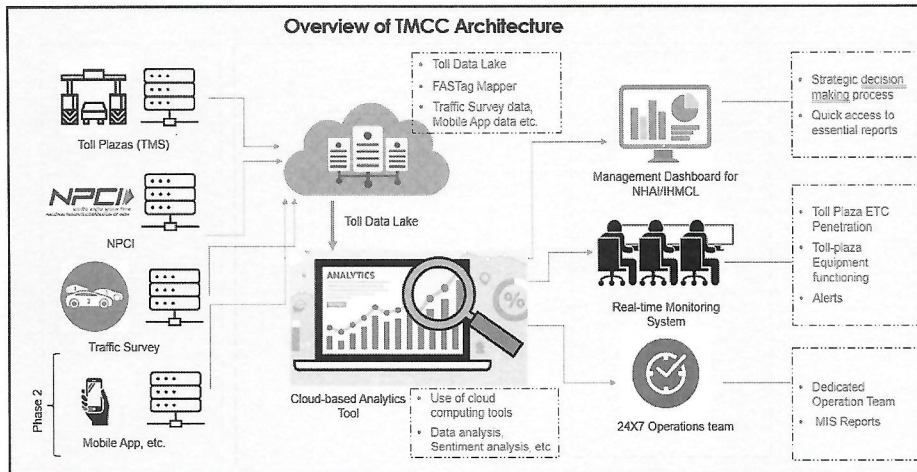
For effective monitoring and creation of repository of all data related with user fee plazas, the Fee Monitoring & Control Centre (TMCC) project was envisaged. The project aims at establishing a IoT based real-time monitoring system and cloud -based Fee data lake which will store all data related with fee collection, and other projects of NHAI/IHMCL along with use of cloud-based data analytics.

TMCC solution involves integration with the existing ETC System deployed at fee plaza by various System Integrators for plaza related

data also involves integration with different stakeholders such as NPCI, Mobile App developers etc. for creation of Toll Data Lake with usage of Business Intelligence (BI) tool for deriving key insights from the available data.



TMCC dashboard is live since, April 2021, all all National Highway fee plazas are onboarded on TMCC and



access for the same has been shared with concerned stakeholders. Real time health status of the ETC infrastructure at fee plazas is being monitored regularly. This ensures uptime of the technical infrastructure at fee plazas for seamless traffic flow. Monitoring of System Integrator performance and SLA is also being done through TMCC.

E. NH Helpline 1033

Realizing the requirement of single emergency contact number for across National Highway stretches, NHA has given a mandate to Indian Highways Management Company Limited (IHMCL) to set up the fee-free helpline for road users on national highways. The 1033 Helpline was formally launched by Hon'ble Minister Shri Nitin Gadkari (Union Minister for Road Transport & Highway) on 07.03.2018.

Key Features of '1033 Helpline'

- ✓ A single 4-digit toll Free Universal Access Number (UAN) "1033".
- ✓ Work shifts to ensure 24x7 operation and support for highway users
- ✓ Supported with escalation matrix for grievance resolution
- ✓ Close coordination with highway authorities, ambulances, NH officials for timely resolution of critical matters

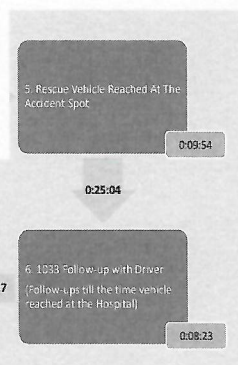
Category Wise Calls Detail – March 2024

Call received at 1033 Helpline are divided into three different categories



1033 enables concerned stakeholders to take necessary steps in-case resolution is not meeting for genuine complaints and caller requirement.

rch 2024



1033 has ensures systematic processes and SoPs (standard operating procedures) to address highway user complaints. Analysis is done on a regular basis to improve the system and provide recommendations based on user complaints.

F. Multi Lane Free Flow (MLFF)

IHMCL plan to further improve the tolling system in the country by introducing multi lane barrier less free flow system. Various Technology options are being evaluated by IHMCL for implementation of MLFF. Some of the key technologies include AFS (automatic fare collection) system which includes combination of ANPR (Automatic Number Plate Recognition) Cameras in conjunction with FASTag readers and other supporting infrastructure and backend applications. Other technologies being evaluated by IHMCL include GNSS (Global Navigation Satellite System) which would enable pay as you use fare collection system.

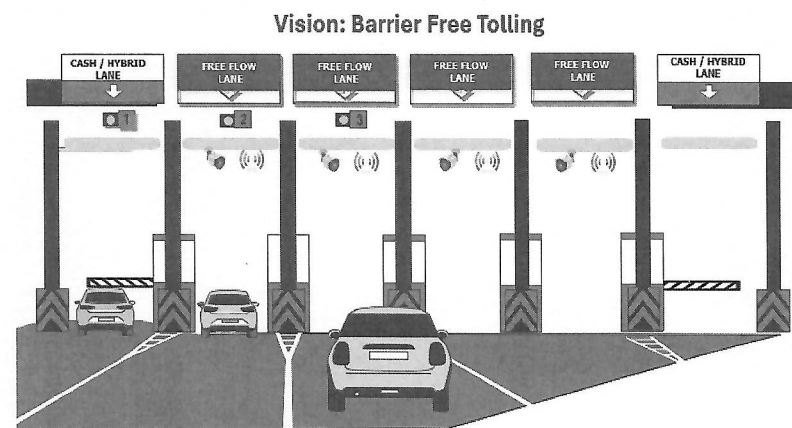
Global Navigation Satellite System (GNSS) based system is a barrier free method of Electronic Fee Collection wherein the road users are charged on the distance they have travelled on the feed Highway stretch.



NHAI plans to implement the GNSS-based Electronic Fee Collection (ETC) system within the existing FASTag ecosystem, initially using a hybrid model where both RFID-based ETC and GNSS-based ETC will operate

simultaneously. Dedicated GNSS lanes will be available at fee plazas, allowing vehicles using the GNSS-based ETC to pass through freely. As GNSS based ETC becomes more widespread, all lanes will eventually be converted to GNSS lanes

Implementation of GNSS based Electronic Fee Collection in India will facilitate smooth movement of vehicles along the National Highways and is envisaged to provide many benefits to highway users such as barrier less free-flow feeing



leading to hassle-free riding experience and distance-based feeing. The GNSS based Electronic Fee Collection will also help to plug leakages and check fee evaders resulting in more efficient fee collection system across the country.

Subsequently, Hon'ble Minister announced in the Parliament the intent of the Government to move towards GNSS based feeing technology to ensure free-flow movement of vehicles based on Pay-as-you-use concept along highways in India.

A detailed technical workshop was conducted by IHMCL on GNSS based tolling. Multiple panel discussions were held at the daylong workshop, where varied industrial and technical professionals along with global GNSS experts deliberated upon different aspects that included On-Board Units (OBU), Commercial vehicles and NH fee rules, Fee Charger Software, Role of issuer entity and Essentials of road infrastructure for successful implementation of multi-lane free flow Global Navigation Satellite System (GNSS) based Electronic Fee Collection in India.

Speaking on the occasion, Union Minister for Road Transport and Highways, Shri Nitin Gadkari said, "GNSS technology enhances navigation and positioning, playing a crucial role in modernizing fee collection systems, ensuring seamless travel, and reducing congestion on our roads. We are continuously working towards easing citizens' lives, making governance more transparent, and providing faster services."

3. FINANCIAL PERFORMANCE

Particulars	Amount in Rs. (lacs.) 2023-24	Amount in Rs. (lacs.) 2022-23
Total Revenue	87,070.26	72,280.10
Total expenses excluding depreciation	79,153.68	70,976.59
Profit/(Loss) before Depreciation & Tax	7916.58	1,303.51
Depreciation	133.16	94.71
Profit /(Loss) after depreciation	7783.42	1,208.80
Profit/(Loss) after prior period adjustment	7783.42	1,208.80
Provision for Tax	2223.54	396.13
Profit after tax	5559.88	812.68

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

DIVIDEND

- The Board, considering the company's performance and financial positions for the year under review, has not recommended any dividend on equity shares of the company for the year ended 31st March 2024.

RESERVES

- The Board, after considering the company's performance and financial positions for the year under review, has recommended and transferred an amount of Rs.508Cr. to reserves, as appearing in the Balance Sheet of the company as on 31st March, 2024.

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,2024, stands at Rs.18,12,42,560/- comprising of 1,81,24,256 equity shares of Rs. 10/- each.

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

EXTRACT OF THE ANNUAL RETURN

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

MEETING OF THE BOARD OF DIRECTORS

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

Sr. No.	Particulars of the Meeting	Date of the Meeting
1.	47 th Meeting	28.06.2023
2.	48 th Meeting	13.09.2023
3.	49 th Meeting	03.11.2023
4.	50 th Meeting	23.02.2024

CHANGES IN THE BOARD OF DIRECTORS & KEY MANAGEMENT PERSONNEL

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

Name of Director/KMP	Designation	Date of change	Nature of change
Changes in Board of Directors			
Sh. Ajmer Singh (DIN: 10094010)	CMD	19.05.2023	Cessation
Sh. N.R.V.V.M.K. Rajendra Kumar (DIN: 09494456)	CMD	19.05.2023	Appointment
Sh. N.R.V.V.M.K. Rajendra Kumar (DIN: 09494456)	CMD	04.10.2023	Cessation
Sh. Vishal Chauhan (DIN: 07245625)	CMD	04.10.2023	Appointment
Sh. Ramsekhar Manchikalapati (DIN: 00738648)	Independent Director	15.01.2024	Cessation
Sh. Mukesh Kumar Jain (DIN: 10513759)	Director	23.02.2024	Appointment
Sh. Kushal Veer Singh (DIN: 0009483690)	Director	31.01.2024	Cessation
Sh. Vinod Kumar Menon (DIN: 03075345)	Director	23.02.2024	Appointment
Sh. Bijith Bhaskar (DIN: 08401402)	Director	27.09.2023	Appointment
Sh. Sudipta Roy (DIN: 0008069653)	Director	08.06.2023	Cessation

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

- STATEMENT REGARDING DECLARATION GIVEN BY INDEPENDENT DIRECTOR U/S 149(7)
- Pursuant to the provisions of Section 149 of the Act, Sh. Ramsekhar Manchikalapati and Mrs. Surabhi Sinha continued as Independent Directors during the period under review and have submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act.

AUDITORS REPORT

(Audit Report is placed at Annexure-III)

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

STATUTORY AUDITORS

- Pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board had approved appointment of M/s AMAA & Associates, Chartered Accountants, as the Statutory Auditors of the Company to hold office till the conclusion of Fifteenth Annual General Meeting of the Company.
- M/s AMAA & Associates, Chartered Accountants, have given their consent to continue to act as Statutory Auditors of the Company in accordance with section 139 (1).

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

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

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

- During the Financial year 2023-2024, Company has not entered into any contracts or arrangements as referred to in Section 188(1).
- The Company has disclosed the Related Party Transactions during the year 2023-24 in Note No. 39.2 forming part of the Financial Statement and which are also self-explanatory to the Stakeholders.

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.35,000/- per meeting which is paid to all Directors except Directors who are in Government Service.

Appointment & Remuneration of Key Management Personnel and other employees

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

Evaluation of Board's performance

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

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

- The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are applicable to the Company.
- The Board has constituted the Audit Committee to review the financial results, internal financial controls and risk management system, to monitor vigil mechanism, auditor's independence and performance etc.

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

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

DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY.

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

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

- As per the Section 135 of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.
- Since the Company has achieved the mark of Net profit of rupees five Crore, the Board has constituted the Corporate Social Responsibility Committee (CSR committee) and the Company has made an expenditure of an amount of Rs.2,76,04,718 Cr. on account of CSR for the FY 2023-24. (Annexure IV)

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 2024, 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 feeing being implemented by IHMCL is energy conservation. By providing seamless passage at all NH fee plazas across the country, IHMCL will help in saving substantial wastage of fuel consumed by vehicles waiting at Fee 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

CHANGE IN NATURE OF BUSINESS:

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

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

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

INTERNAL FINANCIAL CONTROL & ITS ADEQUACY:

- The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.
- IHMCL is having adequate internal financial control commensurate to its nature and size of business. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all key business areas.

MATERIAL AND SIGNIFICANT ORDERS PASSED BY REGULATORS & COURTS:

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

DEPOSITS:

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

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

- IHMCL is an equal opportunity employer. The endeavor of the management is to create and provide an environment that is free from discrimination and harassment including sexual harassment.
- Company has a zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Internal Complaints Committee to redress complaints received regarding sexual harassment has been constituted.
- During the period under review, no complaint has been received by the Company related to any sexual harassment.

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

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

SECRETARIAL STANDARDS:

- The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

SECRETARIAL AUDIT:

- Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s S. Behera & Co., Company Secretaries (CP: 5980), has conducted Secretarial Audit of the Company for the year ended 31st March, 2024. The Secretarial Auditors' Report is enclosed to the Board's report in this Annual Report. (Annexure V)

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

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

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

ACKNOWLEDGEMENTS:

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

On behalf of the Board of Directors

Sd/-

Vishal Chauhan, IAS
Chairman & Managing Director
DIN: 07245625

Date: 11/09/2024

Place: Delhi

ANNEXURE I
4. EXTRACT OF ANNUAL REPORT
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2024

[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:-

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

IHMCL has no Holding, Subsidiary or Associate Companies.

SI No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% Of Shares Held	Applicable Section
1.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
2.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
3.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
1) Category-Wise Shareholding

Category of Shareholders	No. of Shares Held at the Beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of Total Shares	
A.									
PROMOTERS Indian Individual/HUF	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
State Govt (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bodies Corporate	11610740	6513516	18124256	64.06%	11610740	6513516	18124256	64.06%	NIL
Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub Total A(1)	11610740	6513516	18124256	64.06%	11610740	6513516	18124256	64.06%	NIL
Foreign									
NNRIS Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Other Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bank/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub Total A (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Shareholding of Promoter A=A(1) +A(2)	11610740	6513516	18124256	64.06%	11610740	6513516	18124256	64.06%	NIL

B. Public Shareholding	NIL								
1. Institution			NIL						
a. Mutual Funds		NIL		NIL	NIL	NIL	NIL	NIL	NIL
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)		NIL							
2. Non Institutions	NIL								
Bodies Corp			NIL						NIL
i Indian				NIL	NIL	NIL	NIL	NIL	
ii Overseas									
Individuals									
Individual shareholders holding nominal share capital upto Rs. 1 Lakh									
Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh									
Other (Specify)									
Sub-Total B(2)									
Total Public Shareholding B=B(1)+ B(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	11610740	6513516	18124256	64.06%	11610740	6513516	8124256	64.06%	NIL

2) Shareholding of Promoters

SL No.	Shareholders Name	Shareholding at the beginning of the Year*			Shareholding at the end of the year			
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	% change in shareholding during the year
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. No		Shareholding of the beginning of the year		Increase/Decrease during the year		Cumulative Shareholding During the year	
	Name of the Promoters Shareholder	No. of shares	% of total Shares of The company	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1	National Highway Authority of India	7500000	41.38	Nil	Nil	7500000	41.38
	Total	7500000	41.38	Nil	Nil	7500000	41.38

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

S. No		Shareholding of the beginning of the year		Increase/Decrease during the year		Cumulative Shareholding During the year	
	Name of the Shareholder	No. of shares	% of total Shares of The company	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1	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 holdings Limited	1500000	8.28	Nil	Nil	1500000	8.28
4	Oriental Structure Engineers Pvt. Ltd.	555370	3.06	Nil	Nil	555370	3.06
5	Shapooraji Pallonji Roads Private Limited	555556	3.06	Nil	Nil	555556	3.06
6	IRB Infrastructure Developers Ltd	555370	3.06	Nil	Nil	555370	3.06
7	Essel Infra projects Ltd	555370	3.06	Nil	Nil	555370	3.06
8	L&T Infrastructure Development Projects Ltd	555370	3.06	Nil	Nil	555370	3.06
9	Ashoka Concession Ltd	555370	3.06	Nil	Nil	555370	3.06
10	GMR Highways Ltd	555370	3.06	Nil	Nil	555370	3.06
	Total	8387776	46.27	Nil	Nil	8387776	46.27

5) Shareholding of Directors and Key Managerial personnel

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	For each of the Directors and KMP				
2.	At the beginning of the year	NIL	NIL	NIL	NIL
3.	Date wise increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	NIL	NIL	NIL	NIL
4.	At the end of the year				

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year Principal amount Interest Due but not paid 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 Principal amount Interest due but not paid 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 Salary as per provision contained in section 17(1) of the Income Tax Act, 1961 Value of perquisites u/s 17(2) Income-Tax Act, 1961 Profit in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL

2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission As % of profit Others, specify	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total(A)			
	Ceiling as per act			

B. Remuneration to Director's

SI No.	Particulars of Remuneration	Name of Directors (Rs.)					Total Amount (Rs.)
1.	Independent Directors Fee for attending board committee meetings Commission Others, please specify			Sh. Ramsekh ar Manchik alapati	Mrs. Surbhi Sinha		
2.	Total (1)			70,000/-	1,40,000/-		2,10,000/-
3.		Dr. Malini Ester	ICICI Bank	LT Finance Holdings Ltd	Sh. TR Rao	Sh. Bangaru Raju Obbillisetty	Total Amount
4.	Other Non-Executive Directors Fee for attending Board committee meetings Commission Others, please specify	1,05,000/-	35,000/-	1,05,000/-	1,05,000/-	1,05,000/-	4,55,000/-
5.	Total (2)	1,05,000/-	35,000/-	1,05,000/-	1,05,000/-	1,05,000/-	4,55,000/-
6.	Total B = (1)+(2)						6,65,000/-
7.	Total Managerial Remuneration						NIL
8.	Overall ceiling as per Act						

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

SI No.	Particulars of Remuneration	Key Managerial Personnel			
		Sh. Vishal Chauhan	Sh. Gopabandhu Mishra	Sh. Subhash Khurana	Total

		(CMD)	(CS)	(CFO)	
1.	Gross Salary Salary as per provision contained in section 17(1) of the Income Tax Act, 1961 Value of perquisites u/s 17(2) Income-Tax Act, 1961 Profit in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	NIL	14,31,096/-	NIL	14,31,096/-
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	14,31,096/-	NIL	14,31,096/-

VII. PENALTIES /PUNISHMENT /COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty/punishment/compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made, if any (give details)
Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
Other officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

ANNEXURE-II

Details of Director Attend Board Meeting

Date of Board Meeting	Sh. NRVV MK Rajendra Kumar	Sh. Ram sekhar Manoharapati	Ms. Surabhi Sinha	Sh. Talluri Raghu pati Rao	Sh. Bangaru Raju Obbilisetty	Sh. Hardik Agrawal	Sh. Raju Francis Doddi	Dr. Esther Malini	Sh. Kushal Veer Singh	Sh. Vishal Chauhan	Sh. Bijith Bhaskar	Sh. Mukesh Kumar Jain	Sh. Vinod Kumar Menon
28.06.2023	P	P	P	P	P	P	P	L	P	NA*****	NA***** *	NA*****	NA***** ***
13.09.2023	P	L	P	P	P	L	L	P	L	NA*****	NA***** *	NA*****	NA***** ***
03.11.2023	NA*	P	P	P	P	NA***	P	P	P	P	P	NA*****	NA***** ***
23.02.2024	NA*	NA**	P	L	L	NA***	P	P	NA*****	P	L	P	L

P- Present, L- Leave of absence

* Resigned on 04.10.2023
** Resigned on 15.01.2024
*** Resigned on 27.09.2023
**** Resigned on 31.01.2024
***** Appointed on 04.10.2023
***** Appointed on 27.09.2023
***** Appointed on 23.02.2024
***** Appointed on 23.02.2024

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, 2024

1 CORPORATE INFORMATION:

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

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of Compliance

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

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

2.2 Basis of preparation and presentation

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

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

These financial statements are prepared in accordance with Ind AS financial statements.

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

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

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

2.3 Basis of measurement

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

2.4 Use of estimates

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

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

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, Plant and Equipment

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

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

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

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

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

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

3.2 Intangible Assets

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

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

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

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

Intangible assets are amortized as follows:

- Computer Software 3 to 5 years

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

3.3 Impairment of non-financial assets:

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

Recoverable amount is determined:-

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

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

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

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

3.4 Cash and Cash Equivalents

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

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

3.5 Foreign Currency Transactions

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

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

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

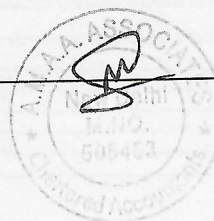
The gain or loss arising translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit or loss is also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

3.6 Revenue recognition

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

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

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



Rendering of Services:

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

Interest Income

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

Other Income

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

3.7 Employee benefits

Short-term employee benefits:

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

Post employment benefits:

I) Defined contribution plans:

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

II) Defined benefit plans:

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

Other long-term employee benefits:

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

3.8 Leases

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

The Company as a lessee

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

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

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

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

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

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

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

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

3.9 Earnings per share

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

3.10 Income Taxes

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

Current Tax

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

Deferred Tax

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

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

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

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

Contingent Liabilities and Assets

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

3.12 Fair value measurement

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

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

- (a) In the principal market for the asset or liability, or
 - (b) In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

3.13 Financial Instruments

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

A) Financial Assets

Initial recognition and measurement:

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

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

Subsequent measurement:

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

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

- (a) Financial assets at amortized cost

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

- i) Business model test : The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- ii) Cash flow characteristics test : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

- i) Business model test : The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- ii) Cash flow characteristics test : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

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

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

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

Derecognition

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

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

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

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

Impairment of financial assets

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

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

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

- (i) For recognition of impairment loss on financial assets, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.
- (ii) Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

(B) Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings, trade and other payables and derivative financial instruments.

Subsequent measurement

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

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

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

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

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

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

Offsetting of financial instruments

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

3.14 Distribution of dividend to equity shareholders

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

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

3.15 Segment Reporting

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

3.16 Current and Non-current Classification

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

An asset is current when:

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

Or

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

All other assets are classified as non-current.

A liability is current when:

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

Or

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

All other liabilities are classified as non-current.

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

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

4.1 **Estimates and assumptions**

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

4.2 **Impairment of non-financial assets**

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

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

4.3 **Defined benefit plans**

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

4.4 **Fair value measurement of financial instruments**

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

Impairment of financial assets

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

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

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

With effect from 1 April 2023, the Ministry of Corporate Affairs (MCA) vide notification G.S.R. 235(e) dated 31.03.2022 has made it mandatory for companies to maintain an audit trail throughout the year for transactions impacting books of accounts. While the circular dated 24 March 2021 laid out the requirement for management to enable the "audit trail feature", this was deferred twice, with the requirement now finally being applicable with effect from 1 April 2023.

4.6

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662
Balance Sheet as at 31st March, 2024

All Amounts in ₹ Lacs, unless otherwise stated

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
I. ASSETS			
1 Non-current assets			
(a) Property, Plant and equipment	5	76.89	107.68
(b) Intangible Assets	5.1	351.36	206.35
(c) Financial Assets	6		
(i) Others		662.59	642.67
(d) Non-Current Tax Asset (Net)	7	7,329.71	13,382.56
(e) Deferred Tax Asset		542.34	33.05
Total non-current assets (A)		8,962.89	14,372.32
2 Current assets			
(a) Financial Assets	8		
(i) Trade Receivables	8.1	8,499.46	22,490.89
(ii) Cash and Bank balances	8.2	32,472.38	8,257.01
(iii) Others	8.3	6,874.47	7,039.32
(b) Other current Assets	9	3,803.81	1,311.32
Total Current Assets (B)		51,650.12	39,098.54
Total Assets (A+B)		60,613.01	53,470.85
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	10	1,812.43	1,812.43
(b) Other Equity	11	50,821.65	45,260.43
		52,634.08	47,072.86
2 Liabilities			
Non-current liabilities			
(a) Financial Liabilities	12		
(i) Other Financial Liabilities		67.34	85.21
(b) Provisions	13	37.28	40.74
(c) Deferred Tax Liabilities	14	-	-
		104.61	125.95
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	15		
Total outstanding dues of micro enterprises and small enterprises		1,072.84	830.59
Total outstanding dues of creditors other than micro enterprises and small enterprises		933.50	964.18
(ii) Other financial liabilities	16	915.77	1,014.36
(b) Other current liabilities	17	4,913.67	2,128.55
(c) Provisions	18	38.55	1,334.36
		7,874.32	6,272.04
Total Equity and Liabilities		60,613.01	53,470.85

The accompanying notes 1 to 50 form an integral part of these financial statements

As per our report of even date attached

For AMAA & Associates
Chartered Accountants
(Firm Registration No. 013066C)

Mukesh Sharma
(Partner)
M. No. 505453

UDIN - 24505453BKA1HA4811

Place : Delhi
Date: 18/09/24

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

Vishal Chauhan
(Chairman and Managing Director)
(DIN: 07245625)

M.R. Jain
(Director)
(DIN:10513759)

S. Mukhopadhyay
(Chief Financial Officer)

Gopabandhu Mishra
(Company Secretary)

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
CIN: U74140DL2012PLC246662
Statement of Profit and Loss for the year ended 31st March, 2024

All Amounts in ₹ Lacs, unless otherwise stated				
Particulars		Note No.	As at 31st March 2024	As at 31st March 2023
I.	Revenue :			
II.	Revenue from operations	19	85,760.21	71,639.48
	Other income	20	1,310.05	640.64
III.	Total Income (I + II)		87,070.26	72,280.12
IV.	Expenses:			
	Expenses on Operations	21	77,773.15	67,266.82
	Employee benefits expenses	22	234.03	203.13
	Finance Costs	23	12.39	-
	Depreciation, amortization and impairment	24	133.16	94.71
	Other Expenses	25	1,108.87	2,173.13
	Provision for Doubtful Debts	25 (e&f)	25.23	1,333.51
	Total Expenses (IV)		79,286.84	71,071.30
V.	Profit/(Loss) before tax (III-IV)		7,783.42	1,208.82
VI.	Tax expense:	26		
	(1) Current tax		2,592.44	442.33
	(2) Deferred tax (net)		(509.74)	(46.19)
	(3) Previous Year		140.84	-
	Total Tax Expense (VIII)		2,223.54	396.14
VII.	Profit for the year		5,559.88	812.69
VIII.	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss	27		
	Remeasurement gains (losses) on defined benefit plans		1.79	0.70
	Income tax effect on Remeasurement gains (losses) on defined benefit plans		(0.45)	(0.18)
XV.	Total Comprehensive Income for the period (XIII + XIV) (Comprehensive profit and other comprehensive income for the period)		5,561.22	813.21
XVI.	Earnings Per Equity Share:	28		
	(1) Basic		30.68	4.49
	(2) Diluted		30.68	4.49

The accompanying notes 1 to 50 form an integral part of these financial statements
As per our report of even date attached

For AMAA & Associates
Chartered Accountants
(Firm Registration No. 013066C)

Mukesh Sharma
Mukesh Sharma
(Partner)
M. No. 505453

UDIN-24505453 BARRIHAY811

Place : Delhi

Date: 18/9/24

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

Vishal Chauhan
Vishal Chauhan
(Chairman and Managing Director)
(DIN: 07245625)

M.K. Jain
M.K. Jain
(Director)
(DIN:10513759)

S. Mukhopadhyay
S. Mukhopadhyay
(Chief Financial Officer)

Gopabandhu Mishra
Gopabandhu Mishra
(Company Secretary)

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2024

All Amounts in ₹ Lacs, unless otherwise stated

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

(1) For the year ended 31st March, 2024

Balance at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at 1st April, 2023	Change in equity share capital during the year	Balance at 31st March, 2024
1,812.43	-	1,812.43	-	1,812.43

(2) For the year ended 31st March, 2023

Balance at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at 1st April, 2022	Change in equity share capital during the year	Balance at 31st March, 2023
1,812.43	-	1,812.43	-	1,812.43

B. Other Equity (refer Note No. 11)

Particulars	Retained Earnings	General Reserve	Total
Balance as at 1st April, 2023	45,260.43	-	45,260.43
Changes in Accounting Policy or Prior Period Errors	-	-	-
Reinstated Balance as at 1st April, 2023	45,260.43		45,260.43
Profit for the year	5,559.88	-	5,559.88
Remeasurement Gain/(Loss) (Net of Tax)	1.34	-	1.34
Total Comprehensive Income for the period	5,561.22	-	5,561.22
Balance as at 31st March, 2024	50,821.65	-	50,821.65
Balance as at 1st April, 2022	44,240.66	-	44,240.66
Changes in Accounting Policy or Prior Period Errors	206.55	-	206.55
Reinstated Balance as at 1st April, 2022	44,447.21		44,447.21
Profit for the year	812.69	-	812.69
Remeasurement Gain/(Loss) (Net of Tax)	0.53	-	0.53
Total Comprehensive Income for the period	813.22	-	813.21
Balance as at 31st March, 2023	45,260.43	-	45,260.42

The accompanying notes 1 to 50 form an integral part of these financial statements

In terms of our report attached

For AMAA & Associates
Chartered Accountants
(Firm Registration No. 023066C)

Mukesh Sharma
Partner
M. No. 505453

UDIN - 24050453 BKAINA 4811

Place: Delhi
Date: 18/9/24

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

Vishal Chauhan
(Chairman and Managing Director)
(DIN: 07245625)

S. Mukhopadhyay
(Chief Financial Officer)

M.K. Jain
(Director)
(DIN:10513759)

Gopabandhu Mishra
(Company Secretary)

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

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

Cash Flow Statement for the year ending 31st March 2024

All Amounts in ₹ Lacs, unless otherwise stated

Particulars	As at 31st March 2024		As at 31st March 2023	
A. Cash Flow from Operating Activities:				
Net Profit before tax		7,783.42		1,208.82
Adjustments for:				
a) Depreciation and Amortisation Expenses	133.16		94.71	
b) Interest Income	(510.03)		(373.74)	
c) Provision for Employee benefit	(1,297.48)		1,344.78	
d) Finance costs			-	
e) CSR expense	273.00		570.78	
f) Loss on asset disposal	0.03			
g) Prior Period Errors		(1,401.32)	206.55	1,843.08
Operating Cash Profit before Working Capital Changes		6,382.11		3,051.89
Changes in Working Capital				
a) Increase/(Decrease) in Other current liability	2,668.66		1,139.54	
b) (Increase)/Decrease in Trade Receivable	13,991.43		13,005.04	
c) Increase/(Decrease) in Trade Payable	211.56		(2,208.87)	
d) (Increase)/Decrease in and Other Current	(2,327.64)	14,544.00	(2,036.87)	9,898.83
Cash Generated/(used in) from operations		20,926.11		12,950.72
Less: Amount spent on CSR Activities		(273.00)		(570.78)
Less: Direct taxes Paid		3,319.57		(5,629.61)
Net Cash Flow From/(used in) Operating Activities (A)		23,972.68		6,750.34
B. Cash Flow from Investing Activities:				
a) Purchase of Property, plant and equipment		(247.56)		(134.90)
b) Investment in term deposits of more than 12 months		-		(123.54)
c) Interest Received		490.13		476.40
d) Other Non Current Assets		(0.03)		-
e) Proceeds from sale of laptop		0.15		-
Net Cash Flow From Investing Activities (B)		242.70		217.97
C. Cash Flow from Financing Activities:				
a) Finance cost paid		-		-
Net Cash Flow From/(used in) Financing Activities (C)		-		-
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		24,215.37		6,968.31
Add: Balance in the beginning of year		8,257.01		1,288.70
Balance at the end of year		32,472.38		7,748.24
Components of Cash and Cash Equivalents (Refer Note 8.2)				
Cash	0.00		0.00	
Balances with banks				
- In Current account	14,046.32		5.05	
- In deposit accounts with maturity of less than 3 months	18,426.06		8,251.96	
- In deposit accounts with maturity of more than 3 months but less			-	
Cash & Cash Equivalents as per financial statements		32,472.38		8,257.01

Notes:

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows.
- The composition of Cash & Cash Equivalents has been determined based on the Accounting Policy No. 3.4
- Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- Figures in brackets indicate cash outflow
- Previous year figures have been regrouped/rearranged wherever necessary to conform current year's presentation.

As per our report of even date

For AMAA & Associates

Chartered Accountants

(Firm Registration No. 013066C)

Mukesh Sharma

(Partner)

M. No. 505453

UDIN-2405453 BKAIHA481

Place: Delhi

Date: 18/9/24

For and on behalf of the Board of Directors

Indian Highways Management Company Limited

Vishal Chauhan

(Chairman and Managing Director)

(DIN: 07245625)

S. Mukhopadhyay

(Chief Financial Officer)

M.K. Jain

(Director)

(DIN: 10513759)

Gopabandhu Mishra

(Company Secretary)

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2024

All Amounts in ₹ Lacs, unless otherwise stated

Note: 5 Property, Plant and equipment

Particulars	Furniture & Fixtures	Computers	Office Equipment's	Total
Cost or Deemed cost				
At 1 April 2022	3.51	249.23	4.58	257.31
Additions during the year	-	7.69	1.50	9.19
Disposals/Adjustments	-	-	-	-
At 31 March 2023	3.51	256.92	6.08	266.51
Additions during the year	-	7.57	6.73	247.56
Disposals/Adjustments	-	0.61	-	0.61
At 31 March 2024	3.51	263.89	12.81	280.20
Depreciation and impairment				
At 1 April 2022	1.60	111.20	2.91	115.71
Depreciation charge for the year	0.33	41.79	1.00	43.12
Impairment	-	-	-	-
Disposals/Adjustments	-	-	-	-
At 31 March 2023	1.93	152.99	3.91	158.83
Depreciation charge for the year	0.33	43.26	1.38	44.98
Impairment	-	-	-	-
Disposals/Adjustments	-	0.43	-	0.43
Prior Period Adjustment	-	0.03	0.03	0.06
At 31 March 2024	2.26	195.79	5.26	203.75
Net book value				
At 31 March 2024	1.24	68.09	7.55	76.89
At 31 March 2023	1.58	103.93	2.17	107.68
At 1 April 2022	1.91	138.03	1.67	141.61

Note: - 5.1

Statement of Intangible Assets

Particulars	Intangible assets under development	Other Intangibles (Software/Website)	Amount
Cost or Deemed cost			
At 1 April 2022	-	132.23	132.23
Additions during the year	-	125.71	125.71
Disposals/Adjustments	-	-	-
At 31 March 2023	-	257.94	257.94
Additions during the year	-	233.25	233.25
Disposals/Adjustments	-	-	-
At 31 March 2024	-	491.19	491.19
Amortisation and Impairment			
At 1 April 2022	-	-	-
Amortisation for the year	-	51.59	51.59
Impairment	-	-	-
Disposals/Adjustments	-	-	-
At 31 March 2023	-	51.59	51.59
Amortisation for the year	-	98.20	98.20
Impairment	-	-	-
Disposals/Adjustments	-	9.96	9.96
At 31 March 2024	-	139.83	139.83
Net book value			
At 31 March 2024	-	351.36	351.36
At 31 March 2023	-	206.35	206.35

Ageing Schedule of Intangible Assets under development

As at 31st March 2024

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

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED		
CIN: U74140DL2012PLC246662		
Notes forming part of the Financial Statements for the year ended on March 31, 2024		
Note: 6 Other Non Current Financial Assets		
Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit	0.03	-
Term Deposit in Schedule Bank*	623.54	623.54
Interest accrued	39.03	19.14
	-	-
Total	662.59	642.67
*Under Lien with Canara bank against short term funds		
Note: - 7 Non-Current Tax Asset (Net)		
Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax (Net of provision for tax)	7,329.71	13,382.55
	7,329.71	13,382.55



INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2024

All Amounts in ₹ Lacs, unless otherwise stated

Note: - 8 Current Financial Assets
8.1 Statement of Trade Receivables

Particulars

Unsecured, considered good
Unbilled revenue
Total Trade Receivables

As at March 31, 2024	As at March 31, 2023
8,464.03	22,376.63
35.44	114.26
8,499.46	22,490.89

Age Wise analysis of Debtors

For the year ended 31st March, 2024

Particulars	Less Than 6 Months	6 Month- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables – considered good	8,364.27	43.91	17.90	0.00	-	8,426.08
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.02	0.09	0.02	37.82	37.95
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

For the year ended 31st March, 2023

Particulars	Less Than 6 Months	6 Month- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables – considered good	21,017.87	-	0.02	3.42	0.17	21,021.48
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	21.64	12.58	34.23
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- which have significant increase in credit risk	-	-	605.49	715.43	-	1,320.92
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

8.2 Cash and bank balances

Particulars

Cash & Cash equivalents

(i) Balances with Bank
-- Current Account
-- Fixed Deposits (Maturity less than 3 Months)*
(ii) Cash In Hand
Total

As at March 31, 2024	As at March 31, 2023
14,046.32	5.05
18,426.06	8,251.96
0.00	0.00
32,472.38	8,257.01
33.52	4,57,535.00

*Includes interest accrued but not due

Bank balances other than cash & cash equivalents

32,472.38	8,257.01
------------------	-----------------

8.3 Other Current Financial Assets

Particulars

Unsecured, considered good
Interest accrued
Receivable from National Highways Authority of India*
Other Receivable

As at March 31, 2024	As at March 31, 2023
-	-
6,874.47	7,039.32
-	-
6,874.47	7,039.32

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

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

As at 31st March 2024

Name of the project	Opening balance as on 01.04.2023	Fund received during the year	Funds utilised during the year	Closing balance as on 31.03.2024
i) Electronic Toll Collection	4,451.37	-	-	4,451.37
ii) Traffic Survey	368.50	2,310.27	2,787.64	845.87
iii) Way Side Amenities	456.51	2,929.57	2,287.34	(185.71)
iv) Road User Helpline	121.35	-	-	121.35
v) Toll Management System	2,172.93	-	-	2,172.93
vi) ETC Pool	(373.08)	-	-	(373.08)
vii) Citizen Centric App-You Report	24.12	-	-	24.12
viii) Time & Motion Study	42.03	-	-	42.03
ix) Green Highways Mission	(224.42)	-	-	(224.42)
Total	7,039.32	5,239.84	5,074.99	6,874.47

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
CIN: U74140DL2012PLC246662
Notes forming part of the Financial Statements for the year ended on March 31, 2024

As at 31st March 2023

All Amounts in ₹ Lacs, unless otherwise stated

Name of the project	Opening balance as on 01.04.2022	Fund received during the year	Funds utilised during the year	Closing balance as on 31.03.2023
i) Electronic Toll Collection	3,705.42	2,961.48	3,707.43	4,451.37
ii) Traffic Survey	(176.92)	-	545.42	368.50
iii) Way Side Amenities	453.00	-	3.51	456.51
iv) Road User Helpline	121.35	-	-	121.35
v) Toll Management System	2,172.93	-	-	2,172.93
vi) ETC Pool#	(373.08)	-	-	(373.08)
vii) Citizen Centric App-You Report	24.12	-	-	24.12
viii) Time & Motion Study	42.03	-	-	42.03
ix) Green Highways Mission	(224.42)	-	-	(224.42)
Total	5,744.43	2,961.48	4,256.35	7,039.32

Note: - 9 Other current assets

Particulars

	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered good		
Prepaid Expenses	2.95	2.40
Input Tax Credit Carried forward	1,732.42	1,308.78
Other Advances (Imprest)	0.65	0.13
Term Deposit in Schedule Bank** (Maturity of more than three months and within one year)	2,067.78	
*Includes interest accrued but not due	66.44	
Total	3,803.81	1,311.32

**With UCO Bank under Kuber Yojana Deposit Scheme (Refer note no.47)

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2024

All Amounts in ₹ Lacs, unless otherwise stated

Note: - 10 Equity Share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised share capital		
400 (PY - 400) Equity Shares of ₹ 10/- each	4,000.00	4,000.00
	<u>4,000.00</u>	<u>4,000.00</u>
Issued/Subscribed and Paid up Capital		
181.24 Lakh Equity Shares (PY - 181.24 Lakhs) of ₹ 10/- each	1,812.43	1,812.43
	<u>1,812.43</u>	<u>1,812.43</u>

Details of shareholder holding more than 5% in the company

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	No in Shares	% holding in the class	No in Shares	% holding in the class
National Highways Authority of India	75.00	41.38%	75.00	41.38%
ICICI Bank Limited	15.00	8.27%	15.00	8.27%
Axis Bank Limited	15.00	8.27%	15.00	8.27%
L & T Infrastructure Finance Holdings Limited	15.00	8.27%	15.00	8.27%
Total	120.00	66.19%	120.00	66.19%

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

2. Details of Shareholding of Promoters are as under:

Ordinary Shares held by the promoter as at 31st March, 2024

Promoter Name	No. of Shares	% of total shares	% change during the year
National Highways Authority of India	75.00	41.38%	Nil

Ordinary Shares held by the Promoter as at 31st March, 2023

Promoter Name	No. of Shares	% of total shares	% change during the year
National Highways Authority of India	75.00	41.38%	Nil

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No in Shares	in Lakhs	No in Shares	in Lakhs
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	181.24	1,812.43	181.24	1,812.43
Add: Shares Issued during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	181.24	1,812.43	181.24	1,812.43

**Note: - 11
Other Equity**

Particulars	31 March 2024	31 March 2023
Retained Earnings	50,821.65	45,260.42
Total	50,821.65	45,260.42

Note: - 11.1

Particulars	31 March 2024	31 March 2023
(a) Retained Earnings		
Balance at the beginning of the year	45,053.87	44,240.66
Add: Profit for the year	5,559.88	812.69
Items of Other comprehensive income recognised directly in retained earnings		
Remeasurements of defined benefits plans, net of tax	1.34	0.53
Less: Transfer to Reserve	-	-
Balance at the end of the year	50,615.09	45,053.87

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
CIN: U74140DL2012PLC246662
Notes forming part of the Financial Statements for the year ended on March 31, 2024

(All amounts in ₹ lacs, unless otherwise stated)

Note:- 12 Other non current financial liability

*Performance Security
Deferred Security Deposit

	As at March 31, 2024	As at March 31, 2023
	58.47	85.21
	8.87	-
	67.34	85.21

*The Company has applied Ind AS 109 for discounting performance security for accurate financial reporting and reflecting the time value of money, assessing risks, and providing transparent, and comparable financial information. The annualized rate is set at 9%, in accordance with the latest lending rate from Canara Bank. The face amount of the performance security is Rs 105.12 Lakhs as on 31.03.2024 which is reflected at present value along Deferred Security Deposit and Deferred Income reflected under Indirect Income.

According to IND AS 109, the standard does not prescribe a specific method for recognizing the difference between fair value and transaction price. Instead, it mandates the deferment of gain or loss, rather than recognizing it upfront. The method of deferment should be chosen based on the facts and circumstances of the case. In this instance, we have opted to use the Straight-Line Method (SLM) for deferment.

Note:- 13 Non Current Provisions

Provision for Leave Encashment (Refer note-29)
Provision for Gratuity (Refer note-29)

	As at March 31, 2024	As at March 31, 2023
	21.50	23.26
	15.78	17.49
	37.28	40.74

Note:- 14 Deferred Tax Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Deferred tax liabilities	582.57 (40.23)	10.47 22.59
Deferred tax Liabilities (net of deferred tax Assets)	542.34	33.05
The balance comprises to temporary differences attributable to:		
(a) Employee Benefits	582.57	10.47
(b) Depreciation and amortisation	(40.23)	22.59
	542.34	33.05

Movement in Deferred Tax Liability/(Asset)

Particulars	Property, Plant and Equipment Intangible Assets	Employee Benefits	Total
1 April 2022			
Charged/(credited)	22.59	10.47	33.05
To Profit & Loss	(1.79)	(0.70)	(2.49)
To other comprehensive income	1.79	0.70	2.49
As at March 31, 2023	22.59	10.47	33.05
Charged/(credited)			
To Profit & Loss	(62.81)	571.40	508.58
To other comprehensive income	-	0.70	0.70
As at March 31, 2024	(40.23)	582.57	542.34

Note:- 15 Trade Payables

Total outstanding dues of micro enterprises
and small enterprises
Total outstanding dues of creditors other
than micro enterprises and small

	As at March 31, 2024	As at March 31, 2023
	1,072.84	830.59
	933.50	964.18
	2,006.33	1,794.77

The ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information received and available with the Company, the amounts payable to Micro and Small Enterprises as at 31 March 2024 and 31 March 2023 are disclosed separately.

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2024

(All amounts in ₹ lacs, unless otherwise stated)

For the year ended 31st March, 2024

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	919.97	71.15	40.07	41.65	1,072.84
(ii) Others- Payable on behalf of NHAI	433.09	3.75	83.66	412.99	933.50
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	1,353.05	74.90	123.72	454.64	2,006.32

For the year ended 31st March, 2023

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	568.01	67.02	28.82	166.74	830.59
(ii) Others	586.71	84.94	12.63	279.90	964.18
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	1,154.72	151.97	41.45	446.65	1,794.77

Note:- 16 Other Current Financial Liability

Receipts on account of Over Weight and Over Dimensional Vehicles*
 Earnest Money Deposit
 Deferred Security Deposit
 *Performance Security

As at March 31, 2024	As at March 31, 2023
680.43	705.36
198.10	309.00
1.87	-
35.37	-
915.77	1,014.36

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

Note:- 17 Other Current Liabilities

Duties & Taxes Payable
 Expenses Payable
 Advance Received against Penalty by IDFC Bank

As at March 31, 2024	As at March 31, 2023
552.82	118.77
4,350.27	1,999.20
10.58	10.58
4,913.67	2,128.55

Note:- 18 Short Term Provisions

Provision for Leave Encashment (Refer note-29)
 Provision for Gratuity (Refer note-29)
 Provision for Doubtful Debts (Refer Note No.25 (e & f))

As at March 31, 2024	As at March 31, 2023
0.41	0.46
0.32	0.39
37.82	1,333.51
38.55	1,334.36

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
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Notes forming part of the Financial Statements for the year ended on March 31, 2024
(All amounts in ₹ lacs, unless otherwise stated)

Note:- 19 Revenue From Operations

	As at March 31, 2024	As at March 31, 2023
Sale of Services		
-Revenue from ETC Operations**	85,682.17	71,571.97
-Management Fee from NHAI Projects*	78.04	67.52
	85,760.21	71,639.48

*1. Management fee @1.5% on the cost incurred by IHMCL on ETC, Traffic Survey projects has been accounted for in the books of IHMCL on the basis of the minutes of the meeting held on 26.03.2015 in the Ministry of Road Transport & Highways (MoRTH).

**2. Revenue from Electronic toll collection (ETC Operations) @ 1.51% upto 30th November 2022 of the fee collected electronically for managing the National electronic toll collection program has been accounted in the books of accounts of the company on the basis of office Memorandum issued by NHAI vide ref no. NHAI/13013/CO/21-22/E-105990 dated 30.03.2022 valid upto 31.03.2024. With effect from 1st December 2022, the rate was revised from 1.51% to 1.53% vide office memorandum ref no. NHAI/13013/CO/21-22/E-105990 dated 08.12.2022 due to revised PMF of NPCI from 0.13% to 0.15%. Revenue is recognised based on Settled Transaction Amount as certified by NPCI on monthly basis.

3. With respect to toll collection through National electronic toll collection programme (NETC) in certain State/City toll plazas, management fees is not charged vide circular no. IHMCL/OMC/POS/2018 dated 10th January, 2019, duly extended till 31.03.2025. According to said circular, the company shall bear a part of electronic toll collection programme management fee to the extent of cost of Fastag issuance, transaction clearing and settlement and any other fees as applicable except for acquiring fees in respect to state/city toll plazas under National electronic toll collection (NETC) programme. Accordingly, no management fees has been charged in such cases.

4. As per Scheme Guidelines for inclusion of State/ City Toll Plazas under NETC Programme, IHMCL will get a recurring programme management fees (PMF) of 0.20% for the NETC Transactions processed. The % PMF is based on the Electronic Toll Collected at Toll Plazas on-boarded.

5. The company has accounted for revenue from Electronic toll collection operations amounted to Rs. 85,682.17 Lakhs (excluding Goods & Service Tax) during FY 2023-24 against which invoices for Rs. 83,787.10 Lakhs (excluding Goods & Service Tax) had been raised on National highways authority of India and for Rs. 1,895.07 Lakhs (excluding Goods & Service Tax) have been raised to Banks who have settled NETC revenue amount for State Highways under 0.20% PMF Policy.

Note:- 20 Other Income

	As at March 31, 2024	As at March 31, 2023
Interest Income on Deposits		
Other Income	510.03	373.74
Interest on Income Tax Refund	800.02	266.90
Provision written back	770.36	136.85
Deferred Income	11.02	88.12
Forfeiture of Bank Guarantee	12.94	-
Bid Document Fees	-	38.95
Miscellaneous Income	4.85	2.99
	0.85	0.00
	1,310.05	640.64

Note:- 21 Operating Expenses

	As at March 31, 2024	As at March 31, 2023
Transaction Charges for Managing Central Clearing House-(ETC Project)*	73,310.69	64,141.60
Website Hosting & Maintenance Expenses	6.24	4.28
FASTag Expenses	0.70	1.49
ANPR Based Multilane Free Flow	19.90	14.93
Data Storage Server - O & M Charges	-	26.00
1033 24*7 Call Centre Expenses	948.00	955.06
ETC O & M	3,077.18	1,849.14
ICD 2.5-Firewall	1.80	24.71
SUKHAD YATRA PROJECT - Mobile APP Services	-	69.05
Toll Monitoring & Control Centre	9.74	96.81
State Highways -CAPEX	320.11	-
SUKHAD YATRA PROJECT - Google API Usage Charges	-	14.61
GNSS PROJECT	2.25	16.50
Business Model NETC programme - Consultant	-	41.76
Traffic Survey Expenses	1.65	10.89
MEITY Hackathon	65.00	-
Master System Integrator for Closed Loop Tolling	9.86	-
	77,773.15	67,266.82

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED CIN: U74140DL2012PLC246662 Notes forming part of the Financial Statements for the year ended on March 31, 2024 (All amounts in ₹ lacs, unless otherwise stated)		
<p>* Transaction charges for managing central clearing house includes:</p> <p>a. The fee payable to 1.00% of the fee collected electronically to Issuer Banks, 0.13% of the fee to Acquirer Banks and 0.13% to NPCI till 31.03.23. NHAI vide its Office Memorandum no. NHAI/13013/CO/21-22/E-105990 dated 30.03.2022 has revised programme management fees for NETC on NH Fee Plazas from 01.04.2022 till 31.03.2024. As per revised programme management fees Issuer Banks (1.00%), Acquirer Bank (0.13% as per discovered L1 rate), NPCI (0.13%/0.15%) & IHMCL (0.25%). The fees collected electronically by National Payment Corporation of India (NPCI) for their services as collectors of the fee electronically totalling to Rs. 70,052.69 Lakhs (Previous Year - Rs. 59,220.29 Lakhs). The amount paid to Issuer Banks, Acquirer Banks & NPCI is booked on the basis of Daily Settlement Report shared by NPCI on daily basis and Monthly Bank Wise Report.</p> <p>Further, For calculating expenses in a month, you have to consider the following adjustments:</p> <p>1. Issuer Payer Code 1 transactions @ 1.28% separately</p> <p>2. Issuer Payer Code 2 transactions @ 0.52% separately</p> <p>3. Dispute fee treatment where dispute amount is settled every day in 1c cycle.</p> <p>Debit Adjustment - Fee is paid by the Govt Body. Chargeback Acceptance / Pre-arb acceptance etc - Service fee is reversed back to the government body.</p> <p>** Hybrid electronic toll collection projects (CAPEX & OPEX) were being funded by NHAI. However, it was decided that w.e.f. 01.01.2023 (as proper maintenance of critical equipment's at toll plazas will entail increase in the electronic toll collection transactions which is directly proportional to increased revenue of IHMCL through e-tolling and to achieve the 100% FASTag mandate issued by MORTH), expenditure related to maintenance of electric toll collection equipment and other ancillary projects (OPEX) shall be borne by the company. Following the decision, operation & maintenance expenditure of the electronic toll collection equipment (OPEX), amounting to Rs. 3,077.18 Lakhs (Previous Year - Rs. 1,849.14 lakhs) has been charged in the books of account without charging of management fees @ 1.5 %.</p> <p>c. 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. Following the decision, an amount of Rs. 9.48 Lakhs (Previous Year - Rs. 9.55.06 Lakhs) has been charged in the books of accounts.</p>		
Note:- 22 Employees Benefit Expenses	As at March 31, 2024	As at March 31, 2023
Salaries and Wages	213.99	182.93
Gratuity Expenses	4.68	5.72
Compensated absences	4.68	5.55
Contribution to provident fund	8.35	7.34
Staff welfare expenses	2.33	1.59
	234.03	203.13
Note:- 23 Finance Cost	As at March 31, 2024	As at March 31, 2023
Interest expense	12.39	-
	12.39	
Note:- 24 Depreciation and Amortization	As at March 31, 2024	As at March 31, 2023
Depreciation on Property Plant and equipment	133.16	94.71
	133.16	94.71
Note:- 25 Other Expenses	As at March 31, 2024	As at March 31, 2023
Compensation-Arbitration Order	530.84	1,328.40
Rates & Taxes	12.70	19.10
CSR Expenses	273.00	570.78
Professional & Consultancy Charges	111.90	68.37
Advertisement Expenses	19.01	111.95
Travelling Expenses	16.10	9.82
Arbitration Fees	-	24.51
Miscellaneous Expenses	4.64	9.72
Taxi Hire Charges	9.13	5.83
Insurance	4.23	6.70
Payment to Auditor	-	-
-As Auditor	0.80	1.30
-For reimbursement of expenses	-	-
Sitting Fee to Directors	6.65	1.70
Printing and Stationery	1.27	1.04
License & Subscription	3.56	13.90
Annual Custody Fees	1.86	-
Cash Back to NHAI Wallet Users	113.15	-
Loss on asset disposal	0.03	-
	1,108.87	2,173.13

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

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Notes forming part of the Financial Statements for the year ended on March 31, 2024

(All amounts in ₹ lacs, unless otherwise stated)

d. The Hon'ble Court vide its order dated 30.10.2018 had appointed Hon'ble Mr. Badar Durez Ahmed J. Retd. Chief Justice of the Jammu and Kashmir High Court as sole arbitrator for settlement of dispute in the matter of traffic survey project between IHMCL and M/s ATT Sys (India) Pvt. Ltd - Estex Telecom Pvt. Ltd. Consortium.

Ld. Arbitrator has passed Final Award on dated 24.05.2023. The differential amount based on the rate quoted by the Claimant and the L-1 rate of Zone 4 pursuant to the 2018 Rs 958.91 Lakhs, Interest on delayed payment is Rs 101.95 Lakhs and Reimbursement of Litigation Cost is Rs 30 Lakhs. Total Amount Payable is Rs 1,090.86 Lakhs.

With the approval of Competent Authority, HMCL has paid partial amount of the Claim 1 (the differential amount of Rs. 530.48 Lakhs) & claim towards reimbursement of litigation costs of Rs. 30 lakhs and having regard to the issue of grant of interest under the MSME Act (Interest amount is Rs. 530.38 Lakhs), an application under section 34 of the Arbitration & Conciliation has filed before the Hon'ble High Court within 90 days from the date of issue of Award by the Arbitrator. The next date of hearing is 19.07.2024.

e. The Board was apprised that the Contract Agreement between IHMCL and Hyderabad Growth Corridor Limited (HGCL) was signed on 03.11.2018, for on-boarding of 19 toll plazas along the Hyderabad Outer Ring Road (ORR) under the FASTag Programme. In consideration of the services rendered by IHMCL in terms of the Agreement including facilitating the services of Central Clearing House through NPCI, the HGCL undertook to pay an amount equivalent to 4% + tax of the toll amount collected as per settlement by NPCI (IHMCL 1%, NPCI 0.25%, Issuer 1.50% & Acquirer 1.25%). HGCL had been paying the PMF @ 4% of ETC transaction value from December 2018 till September 2020, but October 2020 onwards HGCL had stopped the payment of PMF to IHMCL citing the applicability of the provisions of Scheme Guidelines issued by IHMCL then whereby IHMCL was bearing the PMF up to 1.1% (incl charges of issuer banks, NPCI but excluding acquiring bank). This had resulted in the overdue amount of Rs. 1,320.92 lakhs till 18.08.2021. Meanwhile, in February 2021, HGCL requested to re-migrate the existing 19 toll plazas under Scheme guidelines, issued by IHMCL in 2019. Vide policy circular no. IHMCL/OMC/POS/2018, dated 20.01.2019, scheme guidelines were released to facilitate on-boarding of State/City Toll Plazas under the FASTag Programme and enhance program's coverage to all state highways having provision of financial assistance to any state entity for ETC infrastructure installation and bear the Programme Management Fee (PMF) @1.1% (Issuer Bank 1% and NPCI 0.1%). All 19 toll plazas were switched as per the scheme guidelines w.e.f. 00:00 hrs 19.08.2021.

It was discussed that the Scheme Guidelines issued by IHMCL in Jan 2019 was applicable for all State entities, including HGCL which is under the aegis of Govt. of Telangana. Whereas, IHMCL had been bearing the PMF for various state entities, as provisioned in the Scheme Guidelines, therefore HGCL may also be treated at par with other such state entities. Keeping this in view, the plea taken by HGCL was considered as justified/acceptable and therefore IHMCL stopped insisting to HGCL for payment of the outstanding PMF amount i.e. Rs. 1,320.92 lakhs

Therefore, the case of HGCL may be considered and the outstanding PMF may be waived/written-off. It was also apprised that after the expiry of Scheme Guidelines i.e. on 31.03.2022, HGCL had agreed to bear PMF@1.3% (IHMCL 0.2%, NPCI 0.1%, and Issuer 1%). The Board considered the matter and accorded ex-post facto approval to write-off the outstanding Programme Management Fee (PMF) of an amount of Rs. 1,320.92 Lakhs of Hyderabad Growth Corridor Limited.

f. The amount outstanding of Rs 25.23 Lakhs for more than 3 years with respect to Member Banks penalty amount has been shown as provision for doubtful debts (Previous Year 12.58 Lakhs)

Note:- 26 Tax Expense

	As at March 31, 2024	As at March 31, 2023
Current income tax:		
Current income tax charge	2,592	442.33
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(509.74)	(46.19)
	<u>2,082.70</u>	<u>396.14</u>
Reconciliation of Estimated Income Tax Expense at Indian Statutory Income Tax Rate to Income Tax Expense reported in Statement of Profit and Loss		
Profit / (loss) for the year before income tax	7,783	1,208.83
Indian Corporate Income tax Rate*	25.168%	25.168%
Estimated Income tax expenses	1,958.93	304.24
Tax effect of items that are not deductible/ allowable for tax purpose	636.76	138.09
Current Income tax expenses recognized in profit or loss	<u>2,595.70</u>	<u>442.33</u>
Deferred Tax		
Income tax related to items charged or credited directly to profit or loss during the year:		
Accelerated Depreciation for tax purpose	(32.62)	22.26
Expenses allowable on payment basis	0.45	(2.84)
Deferred tax expenses	<u>(32.16)</u>	<u>19.42</u>
Total	<u>2,563.53</u>	<u>461.75</u>
Effective Tax Rate	<u>32.94%</u>	<u>25.38%</u>

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED CIN: U74140DL2012PLC246662 Notes forming part of the Financial Statements for the year ended on March 31, 2024 (All amounts in ₹ lacs, unless otherwise stated)		
* The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (previous year 25.168%) payable by corporate entities in India on taxable profits under the Indian tax law.		
Note:- 27 Other Comprehensive Income section	As at March	As at March
Deferred tax related to items recognised in OCI during the year:	31, 2024	31, 2023
Net loss/(gain) on remeasurements of defined benefit plans	1.34	0.53
	1.34	0.53
Components of Other Comprehensive Income (OCI)	As at March	As at March
The disaggregation of changes to OCI by each type of reserve in equity is shown below	31, 2024	31, 2023
Remeasurement of Defined benefit plans	1.79	0.70
Income Tax relating to Items that will not be reclassified to profit and loss	(0.45)	(0.18)
	1.34	0.53
Note:- 28 Earning Per Share	Current Year	Previous Year
Number of Equity Shares of ₹ 10 each fully paid up at the beginning of the year	181.24	181.24
Number of Equity Shares of ₹ 10 each fully paid issued during the year	-	-
Number of Equity Shares of ₹ 10 each fully paid up at the end of the year	181.24	181.24
Weighted Average number of Equity Shares of Rs10/- each outstanding during the year	181.24	181.24
Net Earning after tax for the year (₹)	5,561.22	813.21
Earning Per Equity Share of ₹ 10 each		
- Basic	30.68	4.49
- Diluted	30.68	4.49

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

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Notes forming part of the Financial Statements

29. As per Ind AS 19 "Employee benefits", the disclosures as defined in the Accounting Stan As at 31st March 2024 All Amounts in ₹ Lacs, unless otherwise stated

Defined Contribution Plan:

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

Particulars

Employers Contribution to Provident Fund	2023-24 7.96	2022-23 6.48
------------------------------------------	-----------------	-----------------

Defined Benefit Plans:

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

Particulars

Gratuity (Unfunded)

2023-24 2022-23

Major Assumptions

a Discount Rate (per annum)	7.35%	7.09%
b Future Salary Increase	8%	8%
c Rate of Return on Plan Assets	NA	NA
d Expected Average remaining working lives of employees in number of years	20.62	20.62

1 Changes in the Defined Benefit Obligation

a Defined Benefit obligation as at beginning of the year		12.86
b Interest Cost DBO	0.00	
c Net Current Service Cost	1.31	0.96
d Benefits Paid	3.37	3.34
e Acturial (Gain) / Loss on Obligation	(4.66)	-
Defined Benefit Obligation, End of Period	(1.79)	0.70
	(1.76)	17.86

2 Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End

a Service Cost		
b Net Interest Cost	3.37	3.34
Expenses recognized in the Statement of Profit & Loss	1.31	0.96
	4.68	4.31

3 Analysis of Amount Recognized in Other Comprehensive (Income)/Loss at Period - End

a Amount Recognized in OCI (Gain)/Loss, Beginning of Period		
b Remeasurements Due to :	0.16	(0.54)
1 Effect of Change in Financial Assumptions	-	-
2 Effect of Experience Adjustments	0.60	0.39
3 (Gain)/Loss on Curtailments/Settlements	(2.39)	0.32
4 Return on Plan Assets (Excluding Interest)	-	-
5 Changes in Asset Ceiling	-	-
c Total Remeasurements recognized in Oci (Gain)/Loss	(1.79)	0.70
d Amount Recognized in OCI (Gain)/Loss, End of Period	(1.63)	0.16

4 Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income

a Amount recognized in P&L, End of Period	4.68	4.31
b Amount recognized in OCI, End of Period	(1.79)	0.70
Total Net Defined Benefit Cost/(Income) Recognized at Period - End	2.90	5.01

Particulars

Gratuity
2023-24 2022-23

5 Reconciliation of Balance Sheet Amount		
a Balance Sheet (Asset)/Liability, Beginning of Period		-
b True-up	17.86	12.86
c Total Charge/(Credit) Recognised in Profit and Loss	-	-
d Total Remeasurements Recognised in OCI (Income) / Loss	4.68	4.31
e Benefits Paid	(1.79)	0.70
Balance Sheet (Asset)/Liability, End of Period	(4.66)	-
6 Current / Non Current Bifurcation	16.08	17.86
a Current liability	0.32	0.39
b Non-Current liability	15.78	17.49
Net Liability	16.10	17.87

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements

7 Sensitivity Analysis		
a Defined Benefit Obligation - Discount Rate +100 Basis Points	(2.18)	(2.41)
b Defined Benefit Obligation - Discount Rate -100 Basis Points	2.60	2.87
c Defined Benefit Obligation - Salary Escalation Rate +100 Basis Points	2.55	2.83
d Defined Benefit Obligation - Salary Escalation Rate -100 Basis Points	(2.18)	(2.42)

Expected Cashflows for the Next Ten Years

a Year - 2023	0.34	0.40
b Year - 2024	0.38	0.46
c Year - 2025	0.51	0.62
d Year - 2026	0.63	0.81
e Year - 2027	0.78	1.00
f Year - 2028 to 2032	9.97	8.45

Defined Benefit Plans:

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

Particulars	Leave Encashment (Unfunded)	
	2023-24	2022-23
Major Assumptions		
a Discount Rate (per annum)	7.35%	7.09%
b Future Salary Increase	8%	8%
c Rate of Return on Plan Assets	NA	NA
d Expected Average remaining working lives of employees in number of years	20.62	21.62
1 Change in Defined Benefit Obligation		
a Defined Benefit obligation, beginning of period	23.73	18.17
b Interest Cost on DBO	1.74	1.36
c Net Current Service Cost	4.51	4.44
d Benefits Paid	(6.49)	-
e Actuarial (Gain)/Loss on obligation	(1.57)	(0.25)
Defined Benefit Obligation, End of Period	21.92	23.73
2 Amounts Recognised in Statement of Profit & Loss at Period End		
a Service Cost	4.51	4.44
b Net Interest Cost	1.74	1.36
c Remeasurements	(1.57)	(0.25)
Total Expense /(Income) included in "Employee Benefit Expense"	4.68	5.55
3 Analysis of Amounts Recognized in Remeasurements of the Net Defined Benefit Liability / (asset) during the period		
Remeasurements Due to :		
a Effect of Change in Financial Assumptions	0.82	0.52
b Effect of Experience Adjustments	(2.39)	(0.76)
Total Remeasurements Recognised (Gains) /Losses	(1.57)	(0.25)
4 Reconciliation of Balance Sheet Amount		
a Balance Sheet (Asset)/Liability, Beginning of Period	23.73	18.17
b Total Charge/(Credit) Recognised in Profit and Loss	4.68	5.55
c Benefit Payouts	(6.49)	-
Balance Sheet (Asset)/Liability, End of Period	21.91	23.73

Particulars	Leave Encashment (Unfunded)	
	2023-24	2022-23
5 Current / Non Current Bifurcation		
a Current liability	0.41	0.46
b Non-Current liability	21.50	23.26
c Net Liability	21.90	23.72
6 Sensitivity Analysis		
a Defined Benefit Obligation - Discount Rate +100 Basis Points	(2.95)	(3.20)
b Defined Benefit Obligation - Discount Rate -100 Basis Points	3.52	3.81
c Defined Benefit Obligation - Salary Escalation Rate +100 Basis Points	3.45	3.75
d Defined Benefit Obligation - Salary Escalation Rate -100 Basis Points	(2.95)	(3.21)

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
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Notes forming part of the Financial Statements for the year ended on March 31, 2024

(All amounts in ₹ lacs, unless otherwise stated)

30 Capital Management

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

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

31 Fair Value measurements

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

(i) Financial Instruments by Category

Particulars	31 March 2024			31 March 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Trade Receivables	-	-	8,499.46	-	-	22,490.89
Cash and Cash Equivalents	-	-	32,472.38	-	-	8,257.01
Other Financial Assets	-	-	6,874.47	-	-	7,039.32
Total Financial Assets	-	-	47,846.32	-	-	37,787.22
Financial Liabilities						
Trade Payables	-	-	2,006.33	-	-	1,794.77
Other financial liabilities	-	-	915.77	-	-	1,014.36
Total Financial Liabilities	-	-	2,922.10	-	-	2,809.14

Fair Value hierarchy

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

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

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

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

As at 31-03-2024

Particulars	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets					
Trade Receivables	8,499.46	-	-	-	8,499.46
Cash and Cash Equivalents	32,472.38	-	-	-	32,472.38
Other Financial Assets	6,874.47	-	-	-	6,874.47
Total financial Assets	47,846.32				
Financial Liabilities					
Trade Payables	2,006.33	-	-	-	2,006.33
Other financial liabilities	915.77	-	-	-	915.77
Total financial liabilities	2,922.10				

As at 31-03-2023

Particulars	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets					
Trade Receivables	22,490.89	-	-	-	22,490.89
Cash and Cash Equivalents	8,257.01	-	-	-	8,257.01
Other Financial Assets	7,039.32	-	-	-	7,039.32
Total financial Assets	37,787.22				
Financial Liabilities					
Trade Payables	1,794.77	-	-	-	1,794.77
Other financial liabilities	1,014.36	-	-	-	1,014.36
Total financial liabilities	2,809.14				

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

CIN: U74140DL2012PLC246662

Notes forming part of the Financial Statements for the year ended on March 31, 2024

(All amounts in ₹ lacs, unless otherwise stated)

32 Financial Risk Management

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

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

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

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

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

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

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

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

39.1 Key Management Personnel

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

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

Key Managerial Personnel (KMP)

Mr.Vishal Chauhan, IAS (Chairman and Managing Director) (Appointed on 04.10.2023)
Mr. N.R.V.V.M.K Rajendra Kumar (Chairman and Managing Director) (Appointed as CMD on 18.05.2023 & Cessation on 04.10.2023)
Mr.Aimer Singh (Chairman and Managing Director) (Appointed on 06.03.2023 & Cessation on 19.05.2023)
Mr.S.Mukhopadhyay - Chief Financial Officer (Appointed as CFO on 02.05.2024)
Mr. Subhash Khurana - Chief Financial Officer (Appointed as CFO on 15.05.2020 & Cessation on 30.04.2024)
Mr. Gopabandhu Mishra - Company Secretary

Directors of the Company

Ms. Surabhi Sinha, IRS(Retd)
Mr.Depinder Singh Dhesi, IAS (Retd.)
Mr. Ramsekhar Manchikalepati, IAS (Retd.) (Appointed on 16.01.2020 & Cessation on 15.01.2024)
Mr.Mukesh Kumar Jain (Appointed on 23.02.2024)
Mr. Kushal Veer Singh (Appointed on 25.02.2022 & Cessation on 31.01.2024)
Mr. Bangaru Raju Obbillssetty (Appointed on 25.02.2022)
Mr.Bijith Bhaskar (Appointed on 27.09.2023)
Mr. Raju Francis Dotti (Appointed on 25.02.2022)
Mr. Talluri Raghupati Rao (Appointed on 28.03.2023)
Mr. Sudipta Roy (Appointed on 30.09.2022 & Cessation on 08.06.2023)
Mr.Vinod Kumar Menon (Appointed on 23.02.2024)
Ms.Esther Malini (Appointed on 28.03.2023)

39.2 Disclosure of transactions with related parties

Particulars	Transactions	
	31-Mar-24	31-Mar-23
Management Fee	78.04	67.52
Electronic toll collection	83,787.10	71,157.15
Balance outstanding as at year end		-
Trade Receivable- NHAI	8,342.98	23,828.50
Other Receivable- NHAI	6,874.47	7,039.32
Transactions with KMP		-
Remuneration		-
Mr. Gopabandhu Mishra	13.34	13.34
Balance outstanding as at year end		-
Mr. Gopabandhu Mishra	1.19	1.19
a) Remuneration		-
b) Expense Payable		-

Indian Highways Management Company Limited (IHMCL) was promoted by NHAI and 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. At present IHMCL is implementing all projects mandate by NHAI. NHAI has provided office space to IHMCL at 1st Floor, NHAI HQ, Plot No. G-5 & 6, Sector - 10, Dwarka, New Delhi - 110075 and NHAI also arranged additional duties to its officer's to successfully manage the projects mandated by NHAI.

40 Segment information (Ind As - 108)

In the opinion of the management, the company is in operation 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, 2014.

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

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
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Notes forming part of the Financial Statements for the year ended on March 31, 2024

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

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	31-Mar-24	31-Mar-23
Amount need to spent during the year	267.53	334.82
Amount accumulated for previous year	5.52	241.48
Accumulated amount	273.05	576.30
Amount spent (PM cares fund)	273.00	570.78
Forward to next year	0.05	5.52

The company is required to spent Rs. 267.52 Lakhs (Rs. 334.82 lakhs for FY 2022-23) on CSR activities. During the current year, the company has spent Rs. 273 lakhs on CSR expenses (PM CARES FUND) and Rs. 0.05 Lakhs have been deposited with PM Cares fund Subsequent to balance sheet date. The amount of CSR spent would be treated as an expense for the year to be charged to the statement of profit and loss on receipt basis.

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

Particulars	31-Mar-24	31-Mar-23
a (i) the principal amount remaining unpaid to any supplier	1,072.84	830.59
(ii) interest due thereon	109.75	153.31
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	-	-
d interest accrued and remaining unpaid	109.75	281.34
e further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. Balances of the certain parties are subject to confirmation/reconciliation. In the opinion of management current assets, non-current assets, loans and advances and trade receivables have an approximate realizable value equal to amount stated in the Financial Statements, unless otherwise stated. The provision for all liabilities is adequate and not in excess of the amount reasonably necessary.

44 Disclosure relating to various Ratios:

Particulars	31-Mar-24	31-Mar-23	Variance
(i) Current Ratio (Current Assets / Current Liabilities)	6.56	6.24	5.13%
(ii) Return on Equity (Net profit after tax / Average Shareholder's equity) Reason for Variation for more than 25%: Due to substantial increase in NETC volume of transactions and consequent increase in revenue	11.15%	0.87%	1177.95%
(iii) Trade Receivable Turnover Ratio (Sale of Services / Average Trade Receivables) Reason for Variation for more than 25%: Due to decrease in trade receivable & increase in revenue as compared to previous FY)	5.53	1.24	347.99%
(iv) Trade Payable Turnover Ratio (Total Expenses-Depreciation-Employee Benefit Expense-Finance Costs) / Average Trade Reason for Variation for more than 25%: Due to increase in total expenses consequent to increase in revenue	0.02	0.54	-95.54%
(v) Net Capital Turnover Ratio (Sale of Service / [Current Assets-Current Liabilities])	1.96	2.18	-10.14%
(vi) Net Profit Ratio (Net Profit after Tax / Sale of Services) Reason for Variation for more than 25%: Due to substantial increase in NETC volume of transactions and consequent increase in revenue	6.48%	1.13%	471.48%
(vii) Return on Capital Employed (Earnings before interest, tax & depreciation / Average Capital Employed) Reason for Variation for more than 25%: Due to substantial increase in NETC volume of transactions and consequent increase in revenue	14.78%	2.76%	435.30%
(viii) Return on Investment (Income Generated From Investments / Time Weighted Average Investments) Reason for Variation for more than 25%: Due to increase in investments as compared to income generated	76.97%	7.84%	882.14%

Note:

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

45 The company has received Rs. 1,67,268.37 Lakhs till 31.03.2024 from National Highways Authority of India for execution of projects namely Traffic survey, Electronic Toll Collection. The company has spent a sum of Rs. 1,60,393.90 Lakhs till 31.03.2024 for implementing these projects including purchase of Electronic Toll Collection (ETC) equipments and other project expenses through contractors on behalf of NHAI and an amount of Rs. 6,874.46 Lakhs is receivable as on 31.03.2024 on account of amount spent by the company on behalf of NHAI which has been shown as "Receivable from NHAI" under Other current assets. In the opinion of the management, the amount is recoverable from NHAI. However, the confirmation of the receivable amount is received by NHAI. The invoices for Electronic Toll Collection(ETC) equipments and other project expenses are in the name of the company. However, in accordance with the understanding between NHAI and company, ETC equipments are not the assets of the company and have, therefore not been recorded in the books of company.

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

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Notes forming part of the Financial Statements for the year ended on March 31, 2024

(All amounts in ₹ lacs, unless otherwise stated)

As per the confirmation received from NHAI a sum of Rs. 4,341.74/- Lakhs are outstanding as receivable from NHAI, resulting in a gross difference of Rs 1,983.88 Lakhs. The reconciliation difference of Rs. 1,983.88 Lakhs are mainly due to non – passing of entries in NHAI books of account before 31st March 2024 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 ongoing process and necessary entries has been passed by NHAI subsequent to the balance sheet date. There are no pending entries to be passed by the company as a result of reconciliation.

46 Details of pending material litigations /disputes

In the normal course of business, disputes may arise from business operations and claims against the Company. The Company carries out an assessment of these disputes and claims based on the underlying facts, interpretation of the statutes, legal precedents available and monitors the legal landscape on an on-going basis with the assistance of external legal counsel, wherever necessary.

The Company has made of these matters as part of the Note 46 - Contingent liabilities of the notes to the Financial Statements for the year ended 31 March 2024. The Company based on the its assessment believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows. In view of the several number of cases, pending at various forums/courts, it is not practicable to furnish the details of each case, however as per management estimate, the amount is not material. Based on the discussions with the solicitors, the management believes that the Company has strong chances of success in the cases and hence no provision is considered necessary.

1. The following table is the summary of the Contingent liabilities disclosed as part of Note 46 to the notes to the Consolidated Financial Statements for the year ended 31 March 2024:

Particulars	Demand Amount (in Rs.)
1. Income Tax	-
2. Service tax/ Goods and Service Tax	5,092.89
3. Claims by suppliers, other parties and Government	96.00

a Income Tax

Income Tax cases include disputes pertaining to scrutiny assessment and other matters. There are no material litigations/ disputes pertaining to Income tax.

b Service tax/ Goods and Service Tax

Service Tax/ Goods & Service tax cases include disputes pertaining to availment of service tax credit on ineligible services, denial of Input Tax credit, excess ITC Claimed, ITC claimed on cancelled dealers.

Name of the Statute	Brief details of the Litigation/dispute	Period for which amount relates	Authority before whom the case is pending	Demand Amount (in Rs.)
CGST/ DGST Act 2017	Under declaration of Ineligible ITC,	FY 2017-18	CGST Appeals	5.22
	ITC claimed from cancelled dealers/return defaulters /tax non payers			
CGST/ DGST Act 2017	Under declaration of output tax.	FY 2019-20	GSTO, Ward 201	5,087.67
	Excess claim of ITC			
	ITC to be reversed on non-business transactions & exempt supplies			

c Claims by suppliers, other parties and Government

Claims by Suppliers, other parties and Government includes quality/ shortfall claims issues raised by suppliers and others. Total Claims against the Company, not acknowledged as debts

Name of the Vendor	Brief details of the Litigation /dispute	Award Date	Authority before whom the case is pending	31-Mar-24
VR Techniche Consultants Private Ltd	<p>1. The Hon'ble Court vide its order dated 08.11.2019 had appointed Hon'ble Mr. Badar Durez Ahmed J. Retd. Chief Justice of the Jammu and Kashmir High Court as sole arbitrator for settlement of dispute in the matter of traffic survey project.</p> <p>2. Ld. Arbitrator has passed Final Award on dated 23.08.2023 for a compensation amount of Rs 96 Lakhs which includes Interest on delayed payment of Rs 86 Lakhs and reimbursement of litigation cost of Rs 10 Lakhs.</p> <p>3. With the approval of Competent Authority, an application under section 34 of the Arbitration & Conciliation Act has filed before the Hon'ble High Court within 90 days from the date of issue of the Award by the Arbitrator against the claim of Interest on delayed payment and Reimbursement of Litigation Cost. The next date of hearing is 03.10.2024.</p>	23-08-2023	High Court	96

INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED

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Notes forming part of the Financial Statements for the year ended on March 31, 2024

(All amounts in ₹ lacs, unless otherwise stated)

- 47** A Contract Agreement between Indian Highways Management Company Ltd (IHMCL) and PATH (India) Ltd was signed on 29.04.2015 for a period of 05 years for providing Services of Toll Management Systems for Cash/ Mixed toll lanes including Weigh-in Motion, Static Weigh Bridge, CCTV surveillance, etc ("TMS-WIM-SWB-CCTV Surveillance System") at NHAI Toll Plazas of Public funded Projects. Due to some disputes in relation to payment against the descope of three plazas shifted under BOT and payment for extended Period, M/s PATH (India) Ltd had approached Hon'ble Council against IHMCL in Madhya Pradesh MSME Facilitation Council for non-payment of Rs. 1,597.57 Lakhs along with interest amount of Rs. 707.10 Lakhs till 30.04.2022.

MSME Council, Bhopal, Madhya Pradesh, vide its order dated 5th June 2023 issued award in favour of M/s PATH India Ltd and directed IHMCL to pay an amount of Rs. 1,597.57 Lakhs with simple interest three times of the RBI rate from the due date to actual payment date to PATH India Ltd.

The award dated 05.06.2023 of Hon'ble Madhya Pradesh Micro and Small Enterprises Facilitation Council, Bhopal was challenged before Hon'ble High Court of Delhi under Section 34 of the Arbitration and Conciliation Act, 1996 on the ground that the claims of M/s PATH (India) Ltd did not fall within the ambit of jurisdiction of the Facilitation Council under Section 17 or 18 of the MSME Act at all as the agency is not registered as a micro or small enterprises under the MSME Act.

The Hon'ble High Court of Delhi vide its order dated 22.09.2023 has allowed the application and directed to deposit 75% of the award amount in compliance with section 19 of the MSME Act and stayed the award. IHMCL has deposited the same amount of Rs. 2,001.34 Lakhs with Hon'ble High Court of Delhi.

The Hon'ble High Court opined that the respondent was not engaged in sale of goods under the agreement. The ownership of the equipment/goods provided by the respondent (service provider in the agreement) remained with the respondent throughout the duration of the agreement. The respondent was at liberty to take back its equipment/goods after completion of the Agreement. In such circumstances, it cannot be said that the respondent was "engaged in selling goods produced by micro or small enterprises" in terms of Section 2 (n) (iii) of the MSME Act.

The Hon'ble High Court vide its order dated 20.02.2024 & 04.04.2024 decided in favour of IHMCL that

i. The award of Hon'ble Madhya Pradesh Micro and Small Enterprises Facilitation Council, Bhopal is entirely unsustainable and is set aside.

ii. The parties are free to take their contractual remedies under the Agreement.

As the award has been set aside, the amount of Rs. 2,001.34 Lakhs deposited by the petitioner in this Court, pursuant to order dated 22.09.2023, will be released to the petitioner along with interest accrued thereon.

The Hon'ble High Court has discharged the amount of Rs. 2,145.15 Lakhs (Principal Amount Rs 2,001.34 Lakhs plus Interest Rs 1.44 Lakhs) including interest as on 10.04.2024 in the form of FDR with UCO Bank under Kuber Yojana Deposit Scheme in favour of M/s Indian Highways Management Company Limited for the period 12.10.2023 - 12.10.2024 with and Interest rate of 7% (7.1859% approx) for 12 months.

48 Prior Period Adjustments

As per Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", An entity shall correct material prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by:

(a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or

(b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

For this Purpose "Material Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor".

In our Case the net amount of Prior Period Errors of Rs. 59,51,908 which is 0.76% of the Net Profit during the FY 2023-24. The amount of Prior period errors is immaterial so we have not

1. Prior Period Depreciation:- 10.02 Lakhs

2. Assets Expensed off Previous Financial year:- 48.97 Lakhs

3. Prior Period Finance Cost and Deferred Income:- 0.53 Lakhs

Total of Rs:-59.52 Lakhs

49 Liability For Advertisement Exepenses Payable to NHAI

We have created a liability in Note No. 17 for advertisement expenses amounting to Rs. 534.84 Lakhs, payable to NHAI, based on confirmation received from NHAI in the financial year 2020-21. The management is in the process of writing back these liability in the upcoming financial year, i.e., 2024-25. However, the decision regarding the write-back is still pending, and as a result, the liability is still reflected in the books of accounts.

50 Authorization of Financial Statements

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors on 11.09.2024. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

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

For AMAA & Associates
Chartered Accountants
(Firm Registration No. 013066C)

Mukesh Sharma
Partner
M. No. 505453

Place: Delhi
Date: 18/9/24

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

Vishal Chauhan
(Chairman and Managing Director)
(DIN: 07245625)

S. Mukhopadhyay
(Chief Financial Officer)

M.K. Jain
(Director)
(DIN:10513759)

Gopabandhu Mishra
(Company Secretary)

Independent Auditor's Report

To
The Members
Indian Highways Management Company Limited

Report on the Audit of the Financial Statements

Qualified Opinion

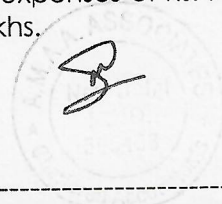
We have audited the Financial Statements of **Indian Highways Management Company Limited** ("the Company"), which comprise the Balance sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

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

Basis for Qualified Opinion

1. Attention is invited to Note No. 21 of Financial Statements in which: -

- a) the management has recognised Transaction Charges Expenses of Rs. 73,310.69 Lakhs. Out of which, Rs. 70,052.69 Lakh and Rs. 3,258.00 Lakhs pertains to National Highways and State Highways respectively. The expenditure pertains to National Highways is directly related to the revenue from ETC operation as referred to Sub Note 2 of Note 19 of the Financial Statements. The revenue is recognised @ 1.53 % of Transaction Settlement amount duly certified with National Payment Corporation of India (NPCI) out of which 1.28 % share belongs to NPCI, Acquirer Banker and Issuer Banker. A total amount of Rs. 54,76,280.77 Lakhs has been certified by the NPCI to recognise the revenue and the management has recognised the revenue @ 1.53 % of the same amount to Rs. 83,787.10 Lakhs. Correspondingly the expenses @ 1.28% of the settlement amount will be Rs. 70,096.39 Lakhs. But the management has recognised the expenses of Rs. 70,052.69 Lakhs which results a short booking of expenditure of Rs. 43.70 Lakhs.



- b) the management has recognized the aggregate Operation & Maintenance Expenses of Rs. 3,077.18 Lakhs net off penalty imposable on System Integrators due to non-adherence of the provisions stated in contract. The expenses recognized are not in agreement with the invoices submitted by M/s. Bisotech India Pvt. Ltd, PATH (India) Ltd, M/s. Rajdeep Info Techno Pvt. Ltd., M/s. Vara Infrovate Pvt. Ltd. and M/s. Essae Digitronics Pvt. Ltd. The compliance of GST and TDS is done on the basis of amount recognized in books of accounts.
2. Attention is invited to Note No. 49 of the Financial Statements in which the management has disclosed the amount of Rs. 59.52 Lakhs as Prior Period Adjustment. The management has adjust the errors in the Current Year which results overstatement of Profit for the Year by Rs. 59.52 Lakhs and Basic and Diluted EPS by Rs 0.33/- per share. Further, the management has not complied with the requirements stated in Ind AS 8.

As per Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", An entity shall correct material prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by:

- (a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- (b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

The management has not restate the comparative amounts for the prior period which results a non-compliance of Financial Reporting Framework.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules there under, 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 except as stated elsewhere in the report.

Emphasis of Matter

We draw attention to the following notes on the Financial Statements being matters pertaining to the Company requiring emphasis by us:

1. Attention is invited to Note No. 39 of Financial Statements regarding disclosure of transaction with related parties, the Company has occupied the space at 1st Floor, NHAI HQ, Plot No. G – 5 & 6, Sector – 10, Dwarka, New Delhi – 110075 and NHAI also arranged additional duties to its officer's to successfully manage the projects mandated by NHAI.

2. Attention is invited to Note No. 16 of the Financial Statements that the Company has been assigned the authority to receive, in terms of Ministry of Road Transport and Highway (MORTH) notification no. RW NH-35072/1/2010-S&R(B) dated 20.09.2013. user fee for movement of overweight and over dimensional (OW/OD) consignments levied by MORTH is being deposited in Company's Bank Account. The company has received Rs. 1,757.76 Lakhs during the year. Out of which Rs. 680.43 Lakhs are still pending as a payable to MORTH as on 31st March 2024 which has been disclosed under "Current Liabilities" as "Receipt on behalf of Government of India".
3. Attention is invited to Note No. 43(d) of Financial Statements in which the management has disclosed interest payable of Rs. 109.75 Lakhs which is arose due to delay in payment to Micro and Small Enterprises as per Section 16 of Micro, Small and Medium Enterprises Development Act, 2006. The same is not accounted for in books of accounts. The management has obtained no interest dues certificate from various Micro and Small Enterprises.
4. The Company has appointed M/s. Raghu Nath Rai & Co. (RNR) as system auditor of Paytm Payments Bank Ltd for the FY 2023-24. RNR has recommended the Company to impose a penalty of Rs. 105 Lakhs on Paytm Payments Bank Ltd. due to non-adherence of SLA guidelines. In compliance of the same, the Company has embargoed the business with Paytm Payment Banks Ltd.
5. Attention is invited to Note No. 49 of Financial Statements in which the management has disclosed that advertisement expenses amounting to Rs. 534.84 Lakhs, payable to NHAI in the Financial Year 2021-22 and the management is in process to writing back the said liability in the upcoming Financial Year, i.e., 2024-25. However, the decision regarding the writing-back is still pending, and as a result, the liability is still reflected in the Financial Statements.

Our opinion is not modified in respect of these matters.

Other Matters

1. As per Section 177(7) of Companies Act, 2013, "The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee." The management has not invited us in any audit committee meetings conducted during the year.
2. The balance confirmed by the parties are not in agreement with the balances as per our books of accounts. Details are as under:-

(Amount in Lakhs)

S. No.	Particulars	Amount as per Company's Books	Balance Confirmed by party	Exception
1	Samarth Softech Solutions Pvt Ltd	-	1.71	1.71
2	Shelke Constructions Pvt Ltd	-	147.83	147.83

The exception may be arising due to recognition of invoices as per matter stated in Qualification 3(a) under Basis for Qualified Opinion Para.

Our opinion is not modified in respect of these matters.

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

The Company's Management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management discussion and analysis, Director's Report, but does not include the Financial Statements and our auditor's report thereon.

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

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

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

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

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act read together with the Companies (Accounts) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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Auditors Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with respect to the Financial Statements 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.

Materiality is the magnitude of misstatement in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of reasonable knowledgeable user to the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in planning the scope of our audit and in evaluating the result of our work; and to evaluate the effect of any identified misstatement in the Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as well as considered appropriate and according to the information and explanation given to us, we give in the "**Annexure – A**", statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, read with Companies (Audit and Auditors) Rules 2014 and amendments therein, subject to matter of qualification and emphasis as stated above, in our opinion and to the best of our information and according to the explanation given to us, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Company has no branches, hence the clause of reporting 143(3)(c) is not applicable to the Company.
 - d) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report agree with the books of account.
 - e) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - f) The matters described in the Basis for Qualified Opinion and Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - g) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.


- h) The qualifications relating to certain matters are as stated in the Basis for Qualified Opinion paragraph above.
- i) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure – B**".
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company has pending litigations which would impact its financial position in its Financial Statements as referred in the Note 46 of the Financial Statements.
- II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- III. There were no amounts which were required to be transferred to the Investor's Education and Protection Fund by the company.
- IV. (a) Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed and information and explanation given, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- V. The Company has not paid dividend during the year.

- VI. Based on our examination, which included test checks, the Company has used Tally Prime for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in accounting software, except for modifications, if any, made by certain users with specific access in five applications and for direct database changes for all the accounting software. During the course of performing our procedures, except for the aforesaid instances of audit trail not maintained where the question of our commenting on whether the audit trail has been tampered with does not arise, we did not notice any instance of audit trail feature being tampered with.

Place: Delhi
Date: 18-09-2024



For A M A A & Associates
Chartered Accountant
FRN: 013066C


CA Mukesh Sharma
Partner
Membership No. 505453

UDIN: 24505453BKAIHA4811

Annexure – A to the Independent Auditor's Report

With reference to the Annexure – A of Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended 31st March 2024. In terms of the information and explanation sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following: -

I. Property Plant and Equipment

(a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As informed to us, Property, Plant and Equipment have physically verified by the management at reasonable intervals.

(c) According to the information and explanation given to us, there are no immovable assets held by the company, hence this clause of paragraph 3 (i) of the order is not applicable to the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) or intangible assets during the year.

(e) According to the information and explanation given to us, No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II. Inventories

(a) The Company is a service company, engaged in the business of providing services to National Highways Authority of India in implementation of various projects operating in India and there is no inventory in hand at any point of time, hence paragraph 3 (ii) (a) of the order is not applicable to the Company.

(b) According to the information and explanations given to us and as verified by us, during any point of time of the year, the Company has not been sanctioned working capital limits, hence paragraph 3(ii) (a) of the order is not applicable to the company.

III. Investment made or Loans given

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

IV. Compliance of Section 185 & 186

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

V. Public Deposit

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

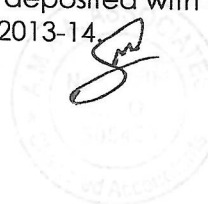
VI. Cost Records

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

VII. Statutory Dues

a) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees state insurance, income tax, sale tax, service tax, duty of customs duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. However, there is a demand of Rs.17.28 Lakhs is showing at TRACES Portal for TDS and TCS. Out of which Rs. 3.92 Lakhs is pending for more than 6 months.

b) The amount referred in sub clause (a) have not deposited with Central Board of Direct Tax (CBDT). The said amount is accumulating since FY 2013-14.



VIII. Unrecorded Income

According to the records of the Company and information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

IX. Default in repayment of borrowings

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

X. Application of fund raise through public offer

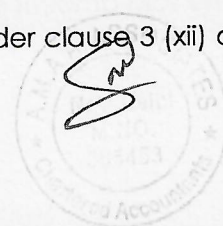
- a) According to the records of the Company and information and explanations given to us and on the basis of examination of books of accounts, The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the company.
- b) According to the records of the Company and information and explanations given to us and on the basis of examination of books of accounts, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the company.

XI. Fraud

- a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) No whistle-blower complaints were received by the Company during the year (and up to the date of this report) and hence reporting under clause 3(xi) (c) of the Order is not applicable.

XII. Compliance by Nidhi Company

The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.



XIII. Compliance on transactions with related parties

In our opinion, the Company has complied with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

XIV. Internal Audit System

(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date

XV. Non-cash transaction

In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI. Registration under Section 45-IA of Reserve Bank of India Act, 1934

In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable to the Company.

XVII. Cash losses

The Company has not incurred cash losses during the current and the immediately preceding financial year.

XVIII. Resignation of statutory auditors

There has been no resignation of the statutory auditors of the Company during the year and accordingly the clause is not applicable.

XIX. Material Uncertainty

According to the records of the Company and information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of

the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

XX. Transfer to fund specified under Schedule VII of Companies Act, 2013

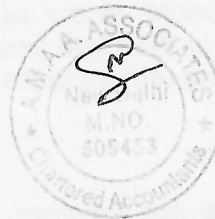
(a) There is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) There is no unspent CSR amount as at Balance Sheet date under section (5) of section 135 of the Act, pursuant to any ongoing project, hence, reporting under clause 3(xx)(b) of the Order is not applicable.

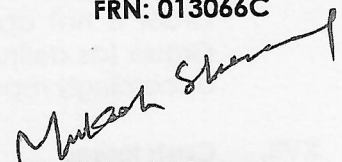
XXI. Qualifications or adverse auditor remarks in other group companies

The Company is not required to prepare consolidated Financial Statements, therefore the provision of paragraph 3(xxi) of the order is not applicable to the Company.

Place: Delhi
Date: 18-09-2024



For A M A A & Associates
Chartered Accountant
FRN: 013066C


CA Mukesh Sharma
Partner

Membership No. 505453
UDIN: 24505453BKAIHA4811

Annexure – B to the Independent Auditor's Report

With reference to the Annexure – B referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended 31st March 2024.

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

We have audited the internal financial controls with reference to Financial Statements of **Indian Highways Management Company Limited** ("the Company") as of 31 March, 2024 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls With reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Financial Statements

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

Opinion

In our opinion, to be best of our information and according to the explanations given to us, the Company has, broadly, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2024, based on the internal control with reference to Financial Statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Delhi
Date: 18-09-2024



For A M A A & Associates
Chartered Accountant
FRN: 013066C

Mukesh Sharma
CA Mukesh Sharma

Partner
Membership No. 505453
UDIN: 24505453BKAIHA4811

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**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED
MARCH 31, 2024
(Form No. MR-3)**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
CIN: U74140DL2012PLC246662
Room No. 402, NHAI HQ, Plot G- 5&6,
Sector -10, Dwarka, New Delhi - 110075

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **Indian Highways Management Company Limited** (CIN: U74140DL2012PLC246662) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and made available and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, in our opinion we hereby report that, the Company has, during the audit period covering the financial year ended on **March 31, 2024** complied with the statutory provisions stated hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2024** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
(Not Applicable during the Financial Year under review)
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable during the Financial Year under review)**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:
- a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable during the Financial Year under review)**
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable during the Financial Year under review)**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the Financial Year under review)**
 - d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable during the Financial Year under review)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable during the Financial Year under review)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable during the Financial Year under review)**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not Applicable during the Financial Year under review; and**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable during the Financial Year under Review;**
- vi. The Company has identified and confirmed the following laws as being specifically applicable to the Company:
- 1. Employees' Provident Funds & Misc. Provisions Act, 1952;



2. Employees' State Insurance Act, 1948;
3. Maternity Benefit Act, 1961;
4. Minimum Wages Act, 1948;
5. Payment of Bonus Act, 1965;
6. Payment of Gratuity Act, 1972; and
7. Delhi Shops and Establishments Act, 1954.

We have also examined compliance with the applicable Clauses/ Regulations of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors ('SS-1') and General Meetings ('SS-2') issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered by the Company with BSE Limited.

We report that, during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, and Guidelines mentioned above to the extent applicable. However, as informed by the officers and management of the Company, few e-Forms have been filed with additional fee with the Registrar of Companies, NCT of Delhi & Haryana due to technical issues with MCA V3 portal.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliances report of Company Secretary & Chief Compliance Officer/Chief Financial Officer/Whole Time Director and respective departmental heads taken on record by the Board of Directors of the Company in their meetings and based on the review of the compliance mechanism established by the Company we are of the opinion that, adequate system and process exist in the Company commensurate with the size and operations of the company to monitor and ensure compliances with all applicable laws, rules, regulations and guidelines including Labour Laws and Environmental Laws.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.



- Adequate notice is given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except where consent of directors was received for circulation of the agenda and notes on agenda at a shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committees thereof were carried out with requisite majority.

We further report that during the audit period no specific events/actions have taken place in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above which may have a major bearing on the company's affairs.

This report is to be read with our letter of even date which is annexed as Annexure-'A' and forms an integral part of this report.

For S. Behera & Co.
Company Secretaries


Shesdev Behera
Proprietor

CP No. 5980

ICSI UDIN: F008428F000679230



Date: July 05, 2024

Place: New Delhi

To,
The Members,
INDIAN HIGHWAYS MANAGEMENT COMPANY LIMITED
CIN: U74140DL2012PLC246662
Room No. 402, NHAI HQ, Plot G- 5&6,
Sector -10, Dwarka, New Delhi - 110075

Our report of even date is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.


Disclaimer

1. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.



2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For S. Behera & Co.
Company Secretaries


Shesdev Behera
Proprietor

CP No. 5980

ICSI UDIN: F008428F000679230



Date: July 05, 2024

Place: New Delhi

Annual Report on Corporate Social Responsibility (CSR) activities to be included in Board's Report

1. Brief outline on CSR policy of the Company

To actively contribute to the social and economic development of the communities in which the Company operates and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

2. Composition of the CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sh. Ramsekhar Manchikalapati	Independent Director	1	1
2.	Ms. Surabhi Sinha	Independent Director	1	1
3.	Sh. Talluri Raghupati Rao	Director	1	1
4.	Sh. Kushal Veer Singh	Director	1	1

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

www.ihmcl.co.in

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. N.A.

5. (a) Average net profit of the company as per sub-section (5) of section 135 :

Financial year	Net Profit before tax (amount in INRLacs)
2020-21	19835.04
2021-22	19085.41
2022-23	1208.83
Average net profit	133.76

(b) Two percent of average net profit of the company as per sub-section (5) of Section 135: Rs. 267 Lacs

(c) Surplus arising out of the CSR Projects or programmes or activities of the Previous financial years: No

(d) Amount required to be set-off for the financial year, if any: No

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 267.00 Lacs

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 267.00 Lacs**

(b) Amount spent in Administrative Overheads: **NIL**

(c) Amount spent on Impact Assessment, if applicable: **N.A.**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : **Rs. 267.00 Lacs**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer
267.00 Lacs	NIL	N.A.	Contribution to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	267.00 Lacs	14/03/2024

(f) Excess Amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.Lacs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	267.00
(ii)	Total amount spent for the Financial Year	267.00

(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

6. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub section (6) of Section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs).	Date of transfer.		
1	FY-1	-	-	-	-	-	-	-
2	FY-2	-	-	-	-	-	-	-
3	FY-3	-	-	-	-	-	-	-
	Total	NIL	NIL	NIL	NIL	NIL	NIL	NIL

7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If Yes, enter the number of Capital assets created/ acquired

8. Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
N.A.	N.A.	N.A.	N.A.	N.A.	CSR Registration Number, if Applicable	Name	Registered address
					N.A.	N.A.	N.A.

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. NIL

For and on behalf of the Board

For Indian Highways Management Company Limited

<p>Sd/- (Vishal Chauhan) (DIN: 07245625) (Director)</p>	<p>Sd/- Surabhi Sinha (DIN : 10011356) (Chairman CSR Committee)</p>
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Date: 11/09/2024

Place: Delhi