

# NATIONAL HIGHWAYS INFRA INVESTMENT MANAGERS PRIVATE LIMITED

Registered Office: G-5 & 6, Sector-10, Dwarka, New Delhi– 110075,

Tel: 011-25076536, FAX: 25076536. Email: [nhiimpl@nhai.org](mailto:nhiimpl@nhai.org)

**CIN: U65929DL2020GOI366835**

## DIRECTORS' REPORT

To

The Members

National Highways Infra Investment Managers Private Limited

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

The Directors of your Company are pleased to present their First Annual Report on the performance of the Company together with Company's Audited Financial Statement for the period ended 31<sup>st</sup> March, 2021.

### 1. FINANCIAL STATEMENT AND COMPANY PERFORMANCE:

#### a. Financial Statement

The financial statement of the Company has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

The overall financial performance for the period ended 31<sup>st</sup> March, 2021 is highlighted below:

Particulars	Amount (In INR) 2020-21
Total Revenue	-
Total expenses excluding depreciation	(2,23,10,460)
<b>Profit/(Loss) before Depreciation &amp; Tax</b>	<b>(2,23,10,460)</b>
Less-Depreciation	-
<b>Profit /(Loss) after depreciation</b>	<b>(2,23,10,460)</b>
Less- Prior Period adjustments	-
<b>Profit after Prior Period adjustments</b>	<b>(2,23,10,460)</b>
Less-Provision for Tax net of MAT credit entitlements	-
Less: Provision for Deferred tax	-
Less: Tax for earlier years	-
<b>Profit/(Loss) after tax</b>	<b>(2,23,10,460)</b>

#### b. Background & Operations:

The Union Cabinet, on 11<sup>th</sup> December, 2019, on recommendation of the Ministry of Road Transport and Highways (MoRTH), approved setting up of Infrastructure Investment Trust(s) ("Trust" or "InvIT") by National Highways Authority of India (NHAI) to monetize completed national highways.

The Cabinet authorized NHAI to:

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- Monetize national highways where NHAH has tolling rights and there is toll collection track record of at least 1 year;
- Incorporation of SPV(s) essential and integral for InvIT structure;
- Creation of reserve fund from sums received from InvIT, kept aside for debt repayment

The Cabinet constituted a committee under Chairmanship of Cabinet Secretary comprising Secretaries of MoRTH, Economic Affairs, Expenditure, Financial Services and Legal Affairs which was empowered to decide on matters related to setting up of NHAH InvIT(s) and the Chairman, NHAH was empowered to select projects to be placed in NHAH InvIT(s).

InvITs are regulated under SEBI (Infrastructure Investment Trusts) Regulations, 2014 (“SEBI InvIT Regulations”).

Accordingly, National Highways Infra Trust (“**NHAH InvIT**” or “**Trust**”) was settled on 19<sup>th</sup> October, 2020, in New Delhi pursuant to the Trust Deed as a contributory irrevocable trust in accordance with the Indian Trusts Act, 1882. The Trust was registered with SEBI on 28<sup>th</sup> October, 2020, under Regulation 3(1) of the InvIT Regulations and has obtained a certificate of registration from SEBI bearing number IN/InvIT/20-21/0014.

The Trust is an infrastructure investment trust established for making investments in special purpose vehicles as defined under Regulation 2(1)(zy) of the InvIT Regulations, or infrastructure projects or securities of Indian companies engaged in the infrastructure sector, as may be permitted in terms of Regulation 18(5) of the InvIT Regulations.

The following are the parties to the InvIT:

<b>Sponsor(s)</b>	<ul style="list-style-type: none"><li>▪ Sets up InvIT, NHAH</li><li>▪ Transfers initial and future assets to InvIT</li><li>▪ Required to hold minimum 15% of post issue units for 3 years</li></ul>
<b>Trust</b>	<ul style="list-style-type: none"><li>▪ Holds InvIT’s assets for the benefit of unit holders</li><li>▪ Independent of Sponsor and Investment Manager</li><li>▪ Oversees activities of Investment Manager and Project Manager</li></ul>
<b>Investment Manager (“IM”)</b>	<ul style="list-style-type: none"><li>▪ Makes investment, financing &amp; related decisions and oversees activities of Project Manager</li></ul>

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	<ul style="list-style-type: none"><li>▪ Responsible for compliance and governance</li><li>▪ Half of board members need to be independent</li><li>▪ Key management needs to have the requisite experience</li><li>▪ Investment Management Agreement and gets fee from Trust</li></ul>
<b>Project Manager (“PMC”)</b>	<ul style="list-style-type: none"><li>▪ Operations and management of InvIT assets</li><li>▪ Reports to Trust and Investment Manager</li><li>▪ Enters into Project Implementation &amp; Management Agreement with Project SPV and gets fee from it</li></ul>
<b>Project SPV</b>	<ul style="list-style-type: none"><li>▪ Holds assets of InvIT</li><li>▪ InvIT can have multiple SPVs</li></ul>

As part of the process, our Company, National Highways Infra Investment Managers Private Limited (“NHIIMPL” or the “Company”) was set up to act as the Investment Manager to the InvIT and has been appointed as the investment manager of the Trust, based on the recommendation of the Sponsor.

NHIIMPL was incorporated as a private limited company on July 25, 2020, under the Companies Act, 2013 and as a wholly-owned subsidiary of NHAI.

### c. State of Affairs of the Company and Future Outlook

As the Company is a Start-up Company, the Company has not earned any income and has incurred expenses to the tune of Rs. 2,23,10,460/- during the period under review. The loss reported for the period under review is Rs. 2,23,10,460/-.

Under the SEBI InvIT Regulations, Investment Manager is, *inter-alia*, responsible for all decisions in relation to the day-to-day management and administration of InvIT Assets and the investments of the Trust as may be incidental or necessary for the advancement or fulfilment of the investment objectives of the Trust in accordance with the InvIT Regulations.

Under the SEBI InvIT Regulations, the Company filed Final Placement Memorandum with SEBI and an offer for issue of units through private placement of the units (the “Offer”) of the National Highways Infra Trust (the “Trust”) was made and the issue opened on 29<sup>th</sup> October, 2021 and closed on 2<sup>nd</sup> November, 2021.

Total bids of Rs. 5299.96 Crore were received against the offer size of Rs. 5109.8 Crore from the Non-Sponsor bidders and total of Rs. 965.56 Crore was received from the sponsor i.e.

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National Highways Authority of India (NHAI) towards their subscription of 16.06% of the total Units.

The said units were listed on National Stock Exchange (NSE) and BSE Limited (BSE) on 10<sup>th</sup> November, 2021.

### **d. Change in the nature of Operations**

During the period ended 31<sup>st</sup> March, 2021 under review, no changes have occurred in the nature of the Company's business.

### **e. Dividend**

The Board of Directors have not recommended any dividend on equity shares.

### **f. Unpaid Dividend Account and Transfer to Investor Education and Protection Fund**

The Company is not required to transfer any unclaimed funds to the Investor Education and Protection Fund and no amount is lying in unpaid dividend account of the Company during the period under review.

### **g. Reserves**

The Company has not transferred any sum to reserves during the period ended 31<sup>st</sup> March, 2021. The Company has incurred a loss of Rs. 2,23,10,460/- during the period ended 31<sup>st</sup> March, 2021 which has been shown as Retained Earnings under the head 'Other Equity' in the Balance Sheet.

### **h. Subsidiaries, Joint Ventures and Associate Companies**

As on 31<sup>st</sup> March, 2021, the Company has no subsidiaries, Associate or Joint venture Company.

### **i. Share Capital**

The Company was incorporated as a Private Limited Company as a wholly owned subsidiary of National Highways Authority of India (NHAI). It is registered as a Government Company.

The Ministry of Road Transport and Highways (MoRTH) approved transfer of shares of the Company from National Highways Authority of India (NHAI) to the President of India (Represented by MoRTH) and accordingly with effect from 22<sup>nd</sup> October, 2021, the shareholding of the Company has been transferred to the President of India (Represented by MoRTH).

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At present, the Authorized Share Capital of the Company is Rs. 11,00,00,000/- divided into 1,10,00,000 Equity Shares of Rs. 10/- each and the paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2021 was Rs. 11,00,00,000/.

On 31<sup>st</sup> July, 2020, the Company issued 1,09,99,998/- (One Crore Nine Lakh Ninety Nine Thousand Nine Hundred Ninety Eight) Equity Shares of Rs. 10/- (Rupees Ten only) aggregating to Rs. 10,99,99,980/- (Rupees Ten Crores Ninety Nine Lakh Ninety Nine Thousand Nine Hundred Eighty only) to National Highways Authority of India on Right basis pursuant to Section 62(1)(a) of the Companies Act, 2013 read with rules thereto.

### **j. Deposits**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

### **k. Loans from Directors or Director’s Relatives:**

During the period under review, the Company has not made any borrowings from the Directors and their relatives.

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

All Related Party Transactions entered into during the period ended 31<sup>st</sup> March, 2021 were on an arm’s length basis and in the ordinary course of business. There were no materially significant transactions with related parties in the said period which were in conflict with the interest of the Company.

The particulars of material contracts or arrangements with related parties as referred in Form AOC-2 under the Companies (Accounts) Rules, 2014, is annexed as **Annexure–A**.

*\*For the purpose of disclosures required in Form AOC-2, the materiality has been considered as 10% of the turnover of the Company.*

As a part of the Corporate Governance Framework adopted by the Board of Directors, Policy on Related Party Transactions has also been approved and adopted by the Board.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company’s website and the same is available at the link: <https://nhaiinvt.in/>

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### **m. Annual Return**

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Act read with the Companies (Management and Administration) Rules, 2014, annual return of the Company is placed on the website of the Company and the web-link of the same is as mentioned below: <https://nhaiinvit.in/>

### **n. Particulars of Loans given, Guarantees or securities provided or Investments made by the Company**

The Company has not given any loan or Guarantee, provided any security or made any investment to which section 186 of the Companies Act, 2013 applies.

### **o. Internal Control and its adequacy**

The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

### **p. Disclosures Under section 134(3)(1) Of the Companies Act, 2013:**

No material changes and commitments which could affect the financial position of the Company have occurred between the end of the period ended March 31, 2021 and date of this report.

## **2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

### **a. Board of Directors:**

The Board comprises of the following Directors as on the date of this report:

<b>Name of the Directors</b>	<b>Director Identification Number (DIN)</b>	<b>Date of Appointment</b>	<b>Designation</b>
Mr. Amit Kumar Ghosh	01092172	06.08.2021	Nominee Director
Mr. Alok	02600247	14.10.2020	Nominee Director
Mr. Suresh Krishan Goyal	02721580	20.10.2020	Managing Director

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Mr. Balasubramanyam Sriram	02993708	20.10.2020	Independent Director
Mr. Mahavir Parsad Sharma	03158413	20.10.2020	Independent Director
Mr. Shailendra Narain Roy	02144836	20.10.2020	Independent Director

**b. Key Managerial Personnel:**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Act are as follows:

- Mr. Suresh Krishan Goyal, Managing Director & Chief Executive Officer (appointed w.e.f. 20.10.2020);
- Mr. Mathew George, Chief Financial Officer (appointed w.e.f. 22.03.2021);
- Ms. Gunjan Singh, Company Secretary (appointed w.e.f. 22.03.2021).

**c. Changes in Directors / Key Managerial Personnel:**

Following are the changes in the Board of Directors and Key Management Personnel during the Financial Year:

<b>Name of Director/KMP</b>	<b>Designation</b>	<b>Date of Change</b>	<b>Nature of Change</b>
Mr. Akhilesh Kumar Srivastava (PAN AHBPS9128F)	CEO	28.07.2020	Appointment
Mr. Dinesh Kumar Gupta (PAN AAYPG0812G)	CFO	28.07.2020	Appointment
Mr. Amit Kumar Ghosh (DIN 01092172)	Nominee Director	06.08.2020	Appointment
Mr. Dinesh Kumar Gupta (PAN AAYPG0812G)	CFO	13.10.2020	Cessation
Mr. Alok (DIN 02600247)	Nominee Director	14.10.2020	Appointment
Mr. Asheesh Sharma (DIN 02329278)	Director	14.10.2020	Cessation
Mr. Balasubramanyam Sriram (DIN 02993708)	Independent Director	20.10.2020	Appointment
Mr. Mahavir Parsad Sharma (DIN 03158413)	Independent Director	20.10.2020	Appointment
Mr. Shailendra Narain Roy (DIN 02144836)	Independent Director	20.10.2020	Appointment
Mr. Suresh Krishan Goyal (DIN 02721580)	Additional Director	20.10.2020	Appointment

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Mr. Suresh Krishan Goyal (DIN 02721580)	Managing Director	20.10.2020	Change in Designation
Sh. Suresh Krishan Goyal (DIN ABKPG9591M)	CEO	20.10.2020	Appointment
Mr. Akhilesh Kumar Srivastava (PAN AHBPS9128F)	CEO	20.10.2020	Cessation
Mr. Akhilesh Kumar Srivastava (DIN 08792874)	Director	22.03.2021	Cessation
Ms. Gunjan Singh (PAN BJIPS6871B)	Company Secretary	22.03.2021	Appointment
Mr. Mathew George (PAN ABVPM5110D)	CFO	22.03.2021	Appointment

Pursuant to approval of MoRTH vide its letter dated 23<sup>rd</sup> September, 2020, Mr. Suresh Krishan Goyal, was appointed as an Additional Director at the Board Meeting held on 20<sup>th</sup> October, 2020 and CEO & MD at the same meeting.

Mr. Balasubramanyam Sriram, Mr. Shailendra Narain Roy and Mr. Mahavir Parsad Sharma were appointed as additional directors (Non-Executive & Independent) Directors at the Board meeting held on 20<sup>th</sup> October, 2020 upto the date of Annual General Meeting (AGM) of the Company and as Independent Directors for a term of five years subject to the approval of the members in the AGM. Further, Mr. Suresh Krishan Goyal, was appointed as an Additional Director at the Board Meeting held on 20<sup>th</sup> October as a CEO and MD at the same meeting.

The Board of Directors, recommends the appointment of all the above directors at the ensuing Annual General Meeting.

In terms of Secretarial Standard-2 (General Meeting) issued by Institute of Companies Secretaries of India, the information pertaining to re- appointment/ appointment/ of directors in the Annual General Meeting are provided in the Notice convening the Annual General Meeting of the Company.

Further, pursuant to Article 83A read with Schedule A to the Articles of Association of the Company, Ms. Kavita Saha and Mr. Bruce Crane have been appointed as Non-Sponsor Director of the Company with effect from 30<sup>th</sup> November, 2021, for a period of 1(one) year from the date of appointment and the shareholders of the Company at the Extraordinary General Meeting held on 1<sup>st</sup> December, 2021 have approved the said appointment.

Mr. Vivek Rae and Mr. Pradeep Singh Kharola were appointed as additional directors (Non-Executive & Independent) Directors by the Board of Directors on 9<sup>th</sup> December, 2021 upto the date of Annual General Meeting (AGM) of the Company and as Independent Directors for a term of five years subject to the approval of the members in the AGM.

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### **d. Meetings of the Board**

During the period under review, your Company held 11 (Eleven) Board Meetings i.e. on 28<sup>th</sup> July, 2020, 31<sup>st</sup> July, 2020 (2 meetings), 18<sup>th</sup> August, 2020, 20<sup>th</sup> October, 2020, 27<sup>th</sup> October, 2020, 10<sup>th</sup> November, 2020, 21<sup>st</sup> December, 2020, 3<sup>rd</sup> February, 2021, 22<sup>nd</sup> March, 2021 and 31<sup>st</sup> March, 2021. The details of attendance of the Directors attending the Board Meetings are provided hereunder:

<b>Name of the Director</b>	<b>Category</b>	<b>Number of Meetings attended</b>
Mr. Asheesh Sharma*	Director	4
Mr. Akhilesh Kumar Srivastava**	Director	6
Mr. Alok#	Nominee Director	7
Mr. Balasubramanyam Sriram##	Independent Director	6
Mr. Shailendra Narain Roy##	Independent Director	6
Mr. Mahavir Parsad Sharma##	Independent Director	6
Mr. Suresh Krishan Goyal^	CEO & MD	6

\*Ceased to be director on 15<sup>th</sup> October, 2020

\*\*Resigned as Director in 22<sup>nd</sup> March, 2021

#Appointed as Nominee Director on 15<sup>th</sup> October, 2020

##Appointed as Independent Director on 20<sup>th</sup> October, 2020

^Appointed as CEO & MD on 20<sup>th</sup> October, 2020

### **e. Statutory Disclosures**

None of the Directors of your Company is disqualified as per provision of section 164(2) of the Companies Act, 2013. The Directors of the Company have made necessary disclosures, as required under various provisions of the Companies Act, 2013.

### **f. Statement regarding declaration given by Independent Director u/s 149(7) of the Companies Act, 2013**

Mr. Balasubramanyam Sriram, Mr. Shailendra Narain Roy and Mr. Mahavir Parsad Sharma, who have been appointed as Independent Directors with effect from 20<sup>th</sup> October, 2020, have submitted a declaration u/s 149(7) of the Companies Act, 2013 that they meet the criteria of independence u/s 149(6) of the Companies Act, 2013 and they have registered their names in the Independent Directors' Databank.

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### 3. CORPORATE GOVERNANCE FRAMEWORK:

The Board of Directors of the Company, at their meeting held on 3<sup>rd</sup> February, 2021 have approved an adopted a Corporate Governance Framework.

The said Corporate Governance Framework includes the following elements:

- a. Composition of the Board of Directors of the Investment Manager;
- b. Constitution of Committees of the Board of Directors of the Investment Manager;
- c. Frequency of the meetings of the Board of Directors/Committees of the Investment Manager;
- d. Provisions in the Articles of Association of the Investment Manager;
- e. Various policies to be adopted by the Investment Manager;
- f. Appointment of majority Directors on the Board of the Project SPV by the Investment Manager

Under the said framework, the committees that have been constituted, their composition and number of the meetings held is as follows:

#### a. Audit Committee

As on 31<sup>st</sup> March, 2021 the Audit Committee comprised of the following members:

S.No.	Name	Position
1.	Mr. Balasubramanyam Sriram	Chairman
2.	Mr. Shailendra Narain Roy	Member
3.	Mr. Mahavir Parsad Sharma	Member
4.	Mr. Suresh Krishan Goyal	Member

During the period ended 31<sup>st</sup> March, 2021, 2(two) meetings of the Audit Committee were held on 22<sup>nd</sup> March, 2021 and 31<sup>st</sup> March, 2021. All the recommendations made by the Audit Committee were accepted by the Board.

#### b. Nomination and Remuneration Committee

The provisions of Section 178(1) are not applicable to the Company. However, the Nomination and Remuneration Committee of the Company has been formed under the Corporate Governance Framework adopted by the Board of Directors.

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As on 31<sup>st</sup> March, 2021, the Nomination and Remuneration Committee comprised of the following members:

S.No.	Name	Position
1.	Mr.Shailendra Narain Roy	Chairman
2.	Mr. Balasubramanyam Sriram	Member
3.	Mr. Alok	Member

During the period ended 31<sup>st</sup> March, 2021, 3 (three) meetings of the Nomination and Remuneration Committee were held on 11<sup>th</sup> December, 2020, 21<sup>st</sup> January, 2021 and 22<sup>nd</sup> March, 2021.

The terms of reference of the nomination and remuneration committee include the following:

- (i) ensuring compliance with the requirements of the Companies Act, 2013;
- (ii) making all decisions in relation to appointment or replacement or removal of (a) independent directors; (b) any key managerial personnel; and (c) directors on the board of directors of the Project SPV; and
- (iii) formulating the following policies:
  - (a) the policy for appointment of independent directors (including the qualification and experience requirements, compensation model, performance parameters, process for appointment and removal);
  - (b) the policy for nomination of directors on the board of directors of the Project SPV (including qualification and experience requirements, compensation model, performance parameters, process for appointment and removal); and
  - (c) the human resources policy (in relation to employment terms including remuneration for the key managerial personnel.

### **c. Stakeholders' Relationship Committee**

As on 31<sup>st</sup> March, 2021 the Stakeholders' Relationship Committee comprised of the following members:

S.No.	Name	Position
1.	Mr.Shailendra Narain Roy	Chairman

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2.	Mr. Suresh Krishan Goyal	Member
3.	Mr. Alok	Member

During the period ended 31<sup>st</sup> March, 2021, there were no meetings of the Stakeholders' Relationship Committee held.

### **d. Investment and Finance Committee**

As on 31<sup>st</sup> March, 2021, the Investment and Finance Committee comprised of the following members:

<b>S.No.</b>	<b>Name</b>	<b>Position</b>
1.	Mr. Suresh Krishan Goyal	Chairman
2.	Mr. Balasubramanyam Sriram	Member
3.	Mr. Mahavir Parsad Sharma	Member
4.	Mr. Shailendra Narain Roy	Member

During the period ended 31<sup>st</sup> March, 2021, Nil meetings of the Investment and Finance Committee were held.

### **e. Vigil Mechanism Policy**

The establishment of Vigil Mechanism under Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of the Board and Its Powers) Rules, 2014 is not applicable to the Company.

### **f. Risk Management Policy**

An Enterprise Risk Management ("ERM") Framework ("Framework") outlining the components of the NHAI InvIT's (National Highways Infra Investment Trust) risk assessment and processes to support a consistent approach to managing risk across the business has been developed in accordance with corporate governance framework of the NHAI InvIT. It sets out the procedures and guidelines for implementing, monitoring, reviewing and continually improving risk management throughout the business. These have been developed based on internationally accepted standards, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015] and Companies Act, 2013.

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### **g. Corporate Social Responsibility Policy:**

The Company has not developed and implemented any Corporate Social Responsibility Initiatives as the said provisions are not applicable.

## **4. AUDITORS AND REPORTS:**

### **a. Statutory Auditors:**

M/s. B. Goyal Associates, Chartered Accountants were appointed as Statutory Auditors of the Company for the Financial Year 2020-21 by the office of the Comptroller & Auditor General of India and M/s ASC & Associates, Chartered Accountants have been appointed as the Statutory Auditors of the Company for the Financial Year 2021-22 by the office of the Comptroller & Auditor General of India.

### **Auditor's Report**

The statutory auditor's report do not contain any qualifications, reservations, or adverse remarks or disclaimer and there are no emphasis on matters. The Notes to the accounts referred to in the Auditors' report are self-explanatory and do not call for any further clarifications under Section 134(3)(f) of the Act.

### **Supplementary Audit of Financial Statements by Comptroller and Auditor General of India (C&AG).**

The Company being a Government Company, the Comptroller and Auditor General of India (CAG) has a right to conduct the supplementary audit of the financial statements of the Company under the Companies Act, 2013 upon receipt of Audit Report of the Company from the Statutory Auditor of the Company appointed by CAG.

However, the Company has received a letter from CAG dated 18<sup>th</sup> November, 2021 wherein the CAG has informed that they would not be conducting the Supplementary Audit of the financial statements of the Company for the year 2020-21 under Section 143(6)(a) of the Companies Act, 2013.

### **Details of Fraud reportable by Auditor to Audit Committee or Board**

The Statutory Auditor of the Company has not disclosed any amount of fraud lesser to the amount of fraud which is reportable to the Central Government under Section 143 (12) of the Act either to the Audit Committee or the Board. Hence, the provision related to disclosure of fraud under section 134(3)(ca) are not applicable to the Company and hence not reported any fraud in this report.

**NATIONAL HIGHWAYS INFRA INVESTMENT MANAGERS PRIVATE LIMITED**

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**CIN: U65929DL2020GOI366835**

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**b. Secretarial Auditor**

The Company is not attracted by the provisions of Section 204 of the Act pertaining to Secretarial Audit.

Though at present, the Company is not mandatorily required to appoint a Secretarial Auditor under the Companies Act, 2013, the Board of directors have appointed M/s. Jalaj Srivastava & Associates, Company Secretaries as Secretarial Auditors for the financial year 2021-22 to ensure compliance with the various Acts/Regulations as applicable to the Company.

**c. Cost Auditor**

Your Company is not attracted by the provisions of Section 148 of the Act and Rule 3 and 4 of the Companies (Cost Records and Audit) Amendment Rules, 2015 pertaining to cost audit.

**d. Maintenance Of Cost Records**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

**e. Reporting Of Frauds by Statutory Auditors Under Section 143(12):**

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

**5. OTHER DISCLOSURES:**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

**a. Disclosure Of Orders Passed by Regulators or Courts or Tribunal**

No significant or material orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**b. Director's Responsibility Statement**

In accordance with the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors hereby state and confirm that:

- a) In the preparation of the annual accounts for the period ended 31<sup>st</sup> March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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- b) The directors had selected such accounting policies and applied them consistently and made judgements and estimated 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 period under review and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**c. Disclosure under The Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. No case has been reported during the period under review.

**d. Disclosure Under Section 62(1)(b) Of the Companies Act,2013:**

The Company has not issued any equity shares under Employees Stock Option Scheme during the period under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**e. Compliance of applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India**

The Company has complied with all the applicable secretarial standards, i.e., SS-1 on Meeting of the Board of Directors and SS – 2 on General Meetings.

**f. Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo**

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

Particulars	Steps taken
<b>A- Conservation of energy</b>	

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i. Steps taken or impact on energy conservation	Efforts are being made to conserve energy in the operations and activities of the Company.
ii. Steps taken for utilizing alternate sources of energy	The Company is committed to use alternate sources of energy wherever possible.
iii. Capital investment on energy conservation equipment	NIL
<b>B- Technology Absorption</b>	
i. Efforts made towards technology absorption	There is no scope of technology absorption in the operations of the Company
ii. The benefits derived like product improvement, cost reduction, product development and import substitution	Not applicable
iii. Details related to imported technology	Not applicable as the Company is not using imported technology
iv. Expenditure on Research & development	NIL
<b>C-Foreign Exchange earnings and outgo</b>	
i. Actual earnings	NIL
ii. Actual outgo	NIL

### **g. Particulars of Employees**

Government Companies are exempted from the provisions of Section 197 of the Companies Act, 2013. The information as per Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 relating to employees has, therefore, not been included as part of the Directors' Report. However, the same is open for inspection at the registered office of the Company on all working days between 10.30 a.m. to 12.30 p.m. prior to the Annual General Meeting.

### **h. Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals**

There has been no order passed by any Regulator, Court or Tribunal against the Company which can impact its going concern status and company's operation in future.

## **6. GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the period under review:

- i. Issue of equity shares with differential rights as to dividend, voting or otherwise pursuant to section 43(a)(ii) of the Companies Act, 2013
- ii. Issue of shares (including sweat equity shares) to employees of the Company under

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any scheme pursuant to section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

- iii. Details regarding receipt of remuneration or commission by the Managing Director or the Whole-time Director from any of its subsidiaries.
- iv. Buy Back of shares.
- v. Any downstream investment under Foreign Exchange Management (Transfer or Issue of Security by a person resident outside India) Regulations, 2000 as amended.

Further, the Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

**Acknowledgement**

The Board of Directors of your Company wishes to record their deep sense of appreciation for the sincere efforts put in by the employees of the Company during difficult Covid-19 time. The Board wishes to acknowledge the co-operation extended to the Company by MoRTH, NHAI, the Comptroller and Auditor General of India, Statutory Auditors, Banks and other Government Authorities during the period under review.

For and on behalf of  
National Highways Infra Investment Managers Private Limited

	Sd/-	Sd/-
	Suresh Krishnan Goyal	Mahavir Parsad Sharma
	Director	Director
Date: 14 <sup>th</sup> December, 2021	DIN: 02721580	DIN: 03158413
Place: New Delhi	Address:	Address:
	2901, Tower 2, Planet Godrej, Mahalaxmi (East) Mumbai, Maharashtra-400011	H. No. 149, BE Block, Janakpuri, Delhi- 110058