

Board's Report

Dear Stakeholders,

Your Directors have pleasure in presenting their 22nd report on the business and operations, along with the audited financial statements of your Company, for the year ended March 31, 2020.

(Amount in ₹ Millions)

	Consolidated		Standalone	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Total Income	70,471.79	69,026.18	41,622.94	36,234.81
Total Expenditure	59,134.92	54,292.94	37,924.60	31,633.58
Profit before exceptional items and tax	11,336.87	14,733.24	3,698.34	4,601.23
Less: Share of loss from joint ventures	158.42	-	-	-
Profit before exceptional items and tax	11,178.45	14,733.24	3,698.34	4,601.23
Add: Exceptional item	573.87	-	(16.48)	-
Profit before tax	11,752.32	14,733.24	3,681.86	4,601.23
Less: Provision for tax				
Current tax	4,319.26	6,192.62	887.54	1,312.10
Deferred tax	224.43	40.97	2.30	1.42
Profit for the year	7,208.63	8,499.65	2,792.02	3,287.71
Add: Profit at the beginning of the year	45,170.05	37,729.64	10,775.14	8,366.06
Transfer from Other comprehensive income -- Re-measurement (loss) on defined benefit plans (net of taxes)	(46.48)	-	(3.71)	-
Re-measurement (loss) on defined benefit plans (net of taxes) during the year	(19.59)	-	1.36	-
Profit available for appropriation	52,312.61	46,229.29	13,564.81	11,653.77
Appropriations:				
Interim Equity Dividend	-	(878.63)	-	(878.63)
Tax on interim equity dividend	(50.15)	(180.61)	-	-
Balance Carried Forward to Balance Sheet	52,262.46	45,170.05	13,564.81	10,775.14

Your Company has not proposed to transfer any amount to the General Reserves.

Operation and Performance Review On the basis of Consolidated Financials

During the year, IRB (Herein after "your Group") earned total income of ₹ 70,471.79 Million as against the total income of ₹ 69,026.18 Million in previous year. Contract revenue grew from ₹ 46,018.56 Million for March 31, 2019 to ₹ 50,009.45 Million for year ended March 31, 2020. Toll revenues for March 31, 2020 had decreased to ₹ 17,055.42 Million from ₹ 20,847.54 Million for March 31, 2019. Net profit before share of profit/(loss) from joint venture/ exceptional items and tax is ₹ 11,336.87 Million against ₹ 14,733.24 Million for the previous financial year. Net profit before tax after share of loss from joint ventures and exceptional items is ₹ 11,752.32 Million against ₹ 14,733.24 Million for the previous financial year. Profit for the year ended March 31, 2020 stood at ₹ 7,208.63 Million as against ₹ 8,499.65 Million for the previous year.

On the basis of Standalone Financials

During the year, your Company earned total income of ₹41,622.94 Million for the year ended March 31, 2020. Profit before tax stood at ₹3,681.86 Million. Profit for the year ended March 31, 2020 stood at ₹ 2,792.02 Million, as against ₹ 3,287.71 Million for the previous year.

There is no change in the nature of business of the Company, during the year under review.

Particulars of Loans, Guarantees or Investments

Particulars of Loans, Guarantees or Investments, if any, are given in the Notes to the Audited Financial Statements.

Dividend

Your Company has declared final dividend of ₹ 5/- (Rupees Five only) per equity share of face value of ₹ 10/- (Rupees Ten only) each for the financial year 2019-20. The proposal is subject to approval of the shareholders at the ensuing Annual General meeting.

Credit Rating of Company & Subsidiaries

CRISIL Limited has affirmed:

- CRISIL A+/Stable to Long term rating, CRISIL A1 to short term rating; total Bank loan facilities rated ₹ 42,000 Million.
- CRISIL A-/Stable to the long-term loans of ₹ 10,270 Million of VK1 Expressway Pvt. Ltd.

India Ratings and Research Private Limited has affirmed:

- IND A+ to the Company with a Stable Outlook. [IND A+/Stable/IND A1+] to term loans of ₹ 20,383.40 Million; [IND A+/Stable/IND A1+] to the Company's non-fund based bank facilities limits aggregating ₹ 12,000.00 Million and IND A+/ Stable to the Non-Convertible Debentures (NCDs) of ₹ 5,000 Million.

- IND BBB/Stable to the senior project rupee loans of ₹ 27,263.68 Million and IND BBB/Stable to Non-convertible debentures(NCD's) of ₹ 4,494.36 Million of IRB Ahmedabad Vadodara Super Express Tollway Pvt. Ltd. with Stable Outlook.
- IND A+(CE)/RWP to senior project bank loans of ₹ 459.80 Million of IRB Kolhapur Integrated Road Development Company Pvt. Ltd. with Stable Outlook.

Credit Analysis & Research Ltd. has affirmed:

- CARE A+(CE);Stable [A Plus (Credit Enhancement); Outlook: Stable], to long-term bank facilities – Term loan of ₹ 490.9 Million, CARE A; Stable [Single A ; Outlook: Stable], to long-term facilities – Term loan of ₹ 308.1 Million, 'CARE A+(CE); Stable [Single A Plus (Credit Enhancement); Outlook: Stable], to Long-term bank facilities-Cash Credit of ₹ 6,250 Million and CARE A+(CE); Stable/CARE A1+(CE) [A Plus (Credit Enhancement); Outlook: Stable/A+(CE) (Credit Enhancement)], to long-term / short-term bank facilities – LC/BG of ₹ 5,500 Million of Modern Road Makers Pvt. Ltd

Borrowings

As on March 31, 2020, your Company's (Standalone) fund based facilities availed stood at ₹ 27,864.79 Million and non-fund based credit facilities availed stood at ₹ 4,635.29 Million.

During the year under review, the Company issued, allotted and redeemed unlisted, secured, non-convertible debentures ("NCDs") of face value of ₹ 1,00,000/- (Rupees One Lakh only) per NCD amounting to ₹ 14,000 Million by way of private placement.

After March 31, 2020, the Company has issued and allotted Non-convertible debentures as under:

1. 9.55% Secured, Redeemable, Listed, Rated Non-Convertible Debentures of face value ₹10 lakh each for cash at par, aggregating to ₹ 200 Crores on a private placement basis.
2. 9.55% Secured, Redeemable, Listed, Rated Non-Convertible Debentures of face value ₹10 lakh each for cash at par, aggregating to ₹ 300 Crores on a private placement basis.
3. 10% Secured, Unlisted, Unrated, Non-Convertible Debentures of face value of ₹ 1 lakh each for cash at par, aggregating to ₹ 750 Crores on a private placement basis.

Projects Under Implementation

VK1 Expressway Private Limited

The project's construction work is in progress. During the year under review, this SPV has availed a loan of ₹ 2,996.87 Million out of the total project loan. As on March 31, 2020, this SPV's authorised share capital and paid up share capital was ₹ 1,225 Million.

IRB Hapur Moradabad Tollway Limited

This SPV has received appointed date from the competent Authority in May, 2019. Consequently, the SPV has started toll collection and construction on the Project from May, 2019. During the year under review, this SPV has availed a loan of

₹ 5,348.90 Million out of the total project loan. As on March 31, 2020, this SPV's authorised share capital was ₹1,900 Million and paid up share capital was ₹ 1,895 Million.

This SPV has been transferred to IRB Infrastructure Trust, infrastructure investment Trust for which the Company is acting as Sponsor and the Project Manager, in the month of February, 2020.

IRB Westcoast Tollway Ltd

This SPV has received provisional completion certificate from the Competent Authority in February 2020. Consequently this SPV has commenced toll collection on the Project.

As on March 31, 2020, this SPV's authorised and paid up share capital was ₹ 1,741.94 Million.

This SPV has been transferred to IRB Infrastructure Trust, infrastructure investment Trust for which the Company is acting as Sponsor and the Project Manager, in the month of February, 2020.

Kishangarh Gulabpura Tollway Ltd.

The project's construction work is in progress. During the year under review, this SPV has availed a loan of ₹ 2,831.57 Million out of the total project loan. As on March 31, 2020, this SPV's authorised share capital was ₹ 1,555 Million and paid up share capital was ₹ 1,555 Million.

This SPV has been transferred to IRB Infrastructure Trust, infrastructure investment Trust for which the Company is acting as Sponsor and the Project Manager, in the month of February, 2020.

CG Tollway Ltd.

The project's construction work is in progress. During the year under review, this SPV has availed a loan of ₹ 4,636.20 Million out of the total project loan. As on March 31, 2020, this SPV's authorised share capital was ₹ 2,035 Million and paid up share capital was ₹ 2,035 Million.

This SPV has been transferred to IRB Infrastructure Trust, infrastructure investment Trust for which the Company is acting as Sponsor and the Project Manager, in the month of February, 2020.

Udaipur Tollway Ltd.

The project's construction work is in progress. During the year under review, this SPV has availed a loan of ₹ 3,955.78 Million out of the total project loan. As on March 31, 2020, this SPV's authorised share capital was ₹ 1,168 Million and paid up share capital was ₹ 1,168 Million.

This SPV has been transferred to IRB Infrastructure Trust, infrastructure investment Trust for which the Company is acting as Sponsor and the Project Manager, in the month of February, 2020.

AE Tollway Ltd.

The project's construction work is in progress. As on March 31, 2020, this SPV's authorised share capital and paid up share capital was ₹ 4,365 Million.

This SPV has been transferred to IRB Infrastructure Trust, infrastructure investment Trust for which the Company is acting as Sponsor and the Project Manager, in the month of February, 2020.

Projects Related Updates

Mhaiskar Infrastructure Private Limited

This SPV of the Company has successfully completed the concession period of Mumbai Pune Project in the month of August, 2019. Subsequently, the SPV has handed over the Project to the MSRDC.

IRB PP Project Private Limited and IRB PS Highway Private Limited

During the year, the National Highway Authority of India (NHAI) has communicated that the Concession Agreements of IRB PP Project Private Limited and IRB PS Highway Private Limited are deemed terminated w.e.f. May 15, 2019 as per Clause 4.5 of respective Concession Agreements.

IRB MP Expressway Private Limited

During the year, the Company has emerged as a preferred bidder to act as Sub-concessionaire for the Mumbai-Pune Project which is being implemented by IRB MP Expressway Private Limited. This SPV has received Commencement Order from the Competent Authority and started toll collection from March 1, 2020 on both Expressway and NH-48 section of Mumbai-Pune Project.

IRB INVIT FUND

Your Company is Sponsor and Project Manager of IRB InvIT Fund ("the Trust"). IRB Infrastructure Pvt. Ltd (IRBFL) is Investment Manager of the Trust. During the year, IRBFL has carried out its obligations under Investment Management Agreement entered into with the Trust and earned management fee of ₹ 103.43 Million.

During the year, the Company, Trustee of the Trust, the Investment Manager, Modern Road Makers Private Limited (MRM) have entered into assignment agreements dated May 14, 2019 with each of IDAA Infrastructure Limited, IRB Jaipur Deoli Tollway Limited, IRB Surat Dahisar Tollway Limited, IRB Talegaon Amravati Tollway Limited, IRB Tumkur Chitradurga Tollway Limited, MVR Infrastructure and Tollways Limited and IRB Pathankot Amritsar Toll Road Limited (collectively referred as "Project SPVs") pursuant to which all rights, interests and obligations of MRM in the project implementation agreements have been assigned to the Company and the Company is acting as the Project Manager of the Trust with effect from May 16, 2019.

The Company being acting as the Project Manager of the Trust, has received Work Orders for Operation & Maintenance (O&M) work of the Project SPVs of the Trust for further 10 years. These Work Orders for O&M work would result in improved visibility in consolidated Order Book of the Company over 10 years.

IRB INFRASTRUCTURE TRUST

Your Company has identified investment opportunities in the infrastructure sector in India and decided to establish an infrastructure investment trust to pool resources from Investors, to carry on the activity of an infrastructure investment trust; and make investments in companies involved in infrastructure

projects in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended (the "InvIT Regulations"). In this regard, the Company, has established an irrevocable trust, known as IRB Infrastructure Trust ("Trust"), under the Indian Trust Act, 1882, as amended, to act as a Sponsor and Project Manager to the Trust.

Further, the Company has transferred following Nine Project SPVs to IRB Infrastructure Trust in which the Company holds 51% stake while investors holds the remaining stake of 49%.

1. AE Tollway Limited
2. CG Tollway Limited
3. IRB Hapur Moradabad Tollway Limited
4. IRB Westcoast Tollway Limited
5. Kishangarh Gulabpura Tollway Limited
6. Kaithal Tollway Limited
7. Solapur Yedeshi Tollway Limited
8. Udaipur Tollway Limited
9. Yedeshi Aurangabad Tollway Limited

These transactions have helped the Company to improve its fiscal position and to reduce the cost of borrowings for future projects. Further, the Company acts as the Project Manager of the Trust. The Company also transferred 49% of its stake to GIC affiliate in MMK Toll Road Pvt. Ltd. - Investment Manager of this Trust.

SUBSIDIARIES /ASSOCIATE/JOINT VENTURE COMPANIES/ ENTITY

The list of Subsidiaries/Associate/Joint Venture Companies/Entity are provided in "Annexure A".

There has been no change in the nature of business of the subsidiaries, during the year under review. A statement containing salient features of the financial statements of the subsidiary companies is also included in the Annual Report.

In accordance with the Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.irb.co.in. Further, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.irb.co.in.

Directors

Mr. Sudhir Rao Hoshing (holding DIN 02460530), Joint Managing Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend his re-appointment.

During the financial year, on the recommendations of the Nomination and Remuneration Committee ("NRC"), the Board of Directors re-appointed Mr. Chandrashekhar Kaptan (holding DIN 01643564) and Mr. Sunil Talati (holding DIN 00621947), as Independent Directors (Additional) of the Company with effect from April 1, 2019. The Shareholders in its 21st Annual

General Meeting approved appointment of Mr. Chandrashekhar Kaptan and Mr. Sunil Talati as Independent Directors of the Company, not liable to retire by rotation, for a further period of five consecutive years with effect from April 1, 2019.

Pursuant to the recommendation of Nomination & Remuneration Committee of the Board, Mr. Sandeep Shah (holding DIN 00917728) was re-appointed as Independent Director (Additional) of the Company, subject to approval of Shareholders, for a further period of 5 years w.e.f. February 05, 2020. A notice has been received from member proposing Mr. Sandeep Shah as a candidate for the office of Director of the Company. Your directors recommend his re-appointment as Director of the Company. Appropriate resolution seeking your approval for the same has already been included in the Notice of the Annual General Meeting.

Pursuant to provisions of Section 149 of the Companies Act, 2013, no Independent Director shall hold office of Director for more than two consecutive terms. Accordingly, Mr. Sunil Tandon (holding DIN 00874257) had completed his second term as an Independent Director of the Company on May 28, 2019 pursuant to which he ceased to be Director of the Company.

Further, Mr. Dhananjay Joshi ceased to be the Chief Executive Officer of the Company w.e.f. February 10, 2020 due to re-assignment of his responsibility in the IRB Group.

The Board of Directors wishes to place on record their appreciation for the contribution and guidance during their tenure.

On the basis of confirmation received by the Company, all Directors including Independent Directors appointed during the year have complied with the Code of Conduct adopted by the Company. Further, the Board also states that Independent Directors appointed during the year are person of integrity and have adequate experience to serve as an Independent Director of your Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been covered in the Corporate Governance Report.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The criteria for appointment of Board of Directors and Remuneration Policy of your Company are annexed herewith as **“Annexure B”**.

Meetings

The details of the number of Board and Committee meetings of your Company held during the financial year, indicating the number of meetings attended by each Director is set out in the Corporate Governance Report.

The Composition of various committees of the Board of Directors is provided in the Corporate Governance Report.

Internal Control Systems and their Adequacy

The Company has an Internal Control System including Internal Financial Controls, commensurate with the size, scale and complexity of its operations as approved by the Audit Committee and the Board. The Internal Financial Controls are adequate and working effectively.

The scope and authority of the Internal Audit is laid down by the Audit Committee and accordingly the Internal Audit Plan is approved. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit, process owners/concerned departments undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Further, the Board of each of the Group Companies has carried out analysis of its business activities and processes carried out by them and laid down Internal Financial Controls which are adhered to by the Group Companies.

Other Disclosure

Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided as **“Annexure C”**.

Vigil Mechanism / Whistle Blower Policy

The Company has adopted a vigil mechanism to deal with genuine concerns of the employees and Directors. All employees and Directors are made aware of the mechanism. The Company has established a system to ensure effective functioning of the mechanism.

Corporate Governance

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, reports on the Corporate Governance and Management Discussion and Analysis form part of the Annual Report. A Certificate from a Practicing Company Secretary on the compliance with the provisions of Corporate Governance is annexed to the Corporate Governance Report.

Secretarial Standards

The Company complies with all applicable secretarial standards.

Extract of Annual Return

The extract of the Annual Return in Form MGT 9 is annexed herewith as **"Annexure D"**.

Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the Company has transferred the unclaimed or un-encashed first, second and third Interim dividends for financial years 2012-2013 respectively to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, as per said rules, the Company has transferred the shares on which dividend has not been encashed or claimed by the shareholders for seven consecutive years or more to the demat account of the IEPF Authority. The Company has made available the complete details of the concerned shareholders whose share(s) were transferred to IEPF on its website at www.irb.co.in.

Statutory Auditors

M/s. BSR & Co. LLP (Firm Registration No. 101248W/W-100022), Chartered Accountants, Joint Statutory Auditors of the Company, were appointed as Joint Statutory Auditors of the Company to hold office till the conclusion of the 24th (Twenty Fourth) Annual General Meeting as per the provisions of Section 139 of the Companies Act, 2013.

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder. As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

M/s. Gokhale & Sathe (Firm Registration No. 103264W), Chartered Accountants, Joint Statutory Auditors of the Company, were appointed as Joint Statutory Auditors of the Company till the conclusion of the 22nd (Twenty Second) Annual General Meeting as per the provisions of Section 139 of the Companies Act, 2013. Accordingly, the firm will be completing its first term on conclusion of ensuing Annual General Meeting of the Company. As per provisions of the Companies Act, 2013 and rules made thereunder, M/s Gokhale & Sathe, Chartered Accountants are eligible for reappointment and your Company has also received a communication confirming their willingness to act as the Joint Auditor of the Company. It is proposed to re-appoint M/s. Gokhale & Sathe, Chartered Accountant for another term of 5 years till the conclusion of 27th (Twenty Seventh) Annual General Meeting.

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder. As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Necessary resolution to consider above ratification and re-appointment respectively is included in the Notice of the 22nd (Twenty Second) Annual General Meeting.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the cost audit records are to be maintained by the Company. Your Directors appointed Mrs. Netra Shashikant Apte, Practising Cost Accountant (Membership No. 11865 and Firm Registration No. 102229) to audit the cost accounts of the Company for the financial year 2019-20 on a remuneration of ₹ 100,000/- (Rupees One Lakh only) per annum excluding taxes and for the financial year 2020-21, remuneration amounting to ₹ 100,000/- (Rupees One Lakh Only.) per annum excluding taxes. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to Mrs. Netra Shashikant Apte, Cost Auditor is included in the Notice convening the Annual General Meeting.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Makarand M. Joshi & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for financial year 2019-20. The Secretarial Audit Report for financial year 2019-20 is annexed herewith as **"Annexure E"**.

Fixed Deposits

Your Company has not accepted or renewed any deposit from public during the year under review.

Related Party Transactions

All Related Party Transactions that were entered into during the financial year were in compliance with the requirement of the Companies Act, 2013 and the Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Related Party Transactions are placed before the Audit Committee and also the Board, as the case may be, for approval.

A statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors for their approval/ noting on a quarterly basis.

There are no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

As per applicable provisions of the Companies Act, 2013, the details of contracts and arrangements with related parties in Form AOC 2 are annexed herewith as **"Annexure F"**.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Significant and Material orders Passed by The

Regulators or Courts

There are no significant & material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

Risk Management Policy

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 3 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Human Resource Management

IRB has a large pool of experienced and skilled technical manpower, with which IRB executes world-class projects and delivers excellent quality. IRB aims to keep its employees abreast of the latest technical developments and emerging technologies related to the construction of roads and structures, toll operations, collection processes and road maintenance activities. The Company encourages its executives to attend seminars and symposiums conducted by professional bodies of global repute. Employees are also nominated to attend other professional skill-building programmes.

IRB's reputation of providing a congenial work environment that respects individuality and encourages professional

growth, innovation and performance, acts as a strong pull to attract new industry talent. Human resources continue to be one of the core focus areas. Open work culture, effective communications, fair and equitable treatment and welfare of employees are significant value propositions, which help IRB to retain its highly engaged talent pool and generate trust among its employees. IRB remains the 'employer of choice' with one of the lowest attrition rates in the infrastructure sector and has won many awards like Dream Companies to work in construction Sector in India. In the year 2019-20, IRB won National Best Employer Brand Award of Employer Branding Institute, India.

Corporate Social Responsibility

IRB Group believes in making meaningful and lasting contribution to the societies in which it operates. Being engaged in the development of infrastructure facilities, we clearly realise that the foundations are the bedrock upon which all the future progress will be made. Hence, the Group values and ardently promotes activities, which contribute in building strong foundations of the society in which we operate. Under the guidance of the Board, the Group Companies has formulated CSR Policy, which enables them to take up initiatives in various activities like providing education & healthcare, promoting gender equality, measures for the welfare of the armed forces etc.

Towards its commitment to help the underprivileged sections of the society, Group has focused on one area for its attention and that is Right to Education. We have constructed one school in Tonk, Rajasthan where 305 children (165 girls and 140 boys) of disadvantaged sections of the society are getting free education and studying in different classes from Pre Primary to Class VIII since last eight years. Encouraged with the response of children and local villagers around the school, we replicated the same template of school building construction in Pathankot, Punjab. The school building has been constructed and classes have started from the Academic year 2017-18. Currently 245 students, belonging to disadvantaged category of population, have joined the school. With our focus being on girl child education, preference for admission was given to girl child like done earlier in school in Rajasthan. As a result we have 145 girls and 100 boys studying in the school.

We in IRB realise the impact the education has on a society's overall growth and wellbeing, health and employment. For the better future of a society, there is no better way to contribute than to focus on educating the girl child. IRB Schools have deliberately been ensuring that there will always be more girl students than boy students, studying in school run by it. Therefore, among 550 students we have a total of 310 girl students in our Schools at Tonk and Pathankot.

In addition to providing quality free education, students are also coached and encouraged to participate in sports activities. 8 students (4 boys and 4 girls) of our IRB School Tonk, Rajasthan were selected for State Level Participation in children under 14 years age group for 100x 4 Relay Race competition.

In addition, the school was also declared Champion School at District Level School Meet.

What is remarkable about these schools is that these are creating a new trail in encouraging girl children of the area in taking up education even in traditional and backward rural societal segments of Rajasthan and Punjab. These schools provide well constructed modern permanent school buildings having ventilated and well lighted class rooms, clean and filtered drinking water, and hygienic sanitation and lavatory facilities. Strict screening of the school staff and CCTV monitoring stringent control of visitors to the schools are some of the factors, which inspire confidence in parents of children to trust IRB Schools to provide a safe and nurturing environment where children study.

As the operations and teaching functions have stabilised in Jakror Village School, Pathankot, we are now initiating preliminary acquisition activities for our third school in Maharashtra. An endowment fund created with one of the leading Educational Trust to provide merit cum means scholarships to deserving students is also functional since last few years.

The Group continues to financially support and foster brilliant and promising sports persons and artists. The Group support many Engineering and Educational institutes for promoting their Educational and Cultural activities by financial support. In addition, extending support to many NGOs engaged in Swachh Bharat Mission.

CSR Policy adopted by the Board is available on the website of the Company www.irb.co.in.

The IRB Group in aggregate has spent substantial amount towards CSR activities during F.Y.2019-20 as stated in the financial statements.

The Annual Report on CSR activities is annexed herewith as **“Annexure G”**.

Particulars of Employees

Details of remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **“Annexure H”**.

Particulars of employee remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the said information is being sent to the members of the Company. The said information is available for inspection and any member interested in obtaining such information may write to the Company Secretary.

Business Responsibility Report

As stipulated under the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Business Responsibility Report describing the initiatives taken by the Company from environmental, social and governance perspective is attached as part of the Annual Report as **“Annexure I”**.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

There was no earning in the foreign currency, while foreign currency expenditure during the year was ₹ 0.47 Million. Since the Company does not have any manufacturing facility, the other particulars required to be provided in terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable.

Acknowledgements

Your Directors take this opportunity to thank the Ministry of Road Transport & Highways, National Highways Authority of India, Maharashtra State Road Development Corporation Ltd., Maharashtra Industrial Development Corporation, Public Works Dept., various State Governments, Central Government for their support and guidance. Your Directors also thank Ministry of Corporate Affairs, BSE Ltd., National Stock Exchange of India Ltd. Depositories, Regulators, Financial Institutions and Banks, Credit Rating Agencies, Stakeholders, Suppliers, Contractors, Vendors and business associates for their continuous support. The Company also looks forward to their support in future. Also, your Directors convey their appreciation to the employees at all levels for their enormous personal efforts as well as collective contribution to the Company's growth.

For and on behalf of the Board of Directors

Virendra D. Mhaiskar

Chairman & Managing Director
Registered Office: Off No. 11th Floor/1101
Hiranandani Knowledge Park,
Technology Street, Hill Side Avenue,
Powai, Mumbai – 400076

Place: Mumbai
Date: June 18, 2020