

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

CIN: U65929DL2020GOI366835

Date: 30th May, 2023

Corporate Relations Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	The Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
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Ref: Scrip Code: 543385; Scrip ID/Symbol: NHIT

Sub: Annual Secretarial Compliance Report for the financial year ended on March 31, 2023

Dear Sir/Ma'am,

Pursuant to Regulation 26J of Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014, we hereby submit the Annual Secretarial Compliance Report of National Highways Infrastructure Trust (NHAI InvIT) (acting through its Investment Manager - National Highways Infra Investment Managers Private Limited) for the financial year ended on March 31, 2023, issued by M/s. MMJB & Associates LLP, Company Secretaries, Mumbai.

You are requested to take the same on your record.

Sincerely,

For **National Highways Infra Trust**

By Order of the Board

National Highways Infra Investment Managers Private Limited

Gunjan Singh

Company Secretary and Compliance Officer

MMJB & Associates LLP

Company Secretaries

803-804, Ecstasy, City of Joy, JSD Road, Mulund - West, Mumbai - 400080. (T) 21678100

Secretarial Compliance Report of National Highways Infra Trust, For the year ended March 31, 2023

To
The Governing Board,
National Highways Infra Trust,
(Acting through its Investment Manager-National Highways Infra Investment Managers Private Limited.)
G - 5 & 6, Sector 10,
Dwarka, New Delhi-110075

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **National Highways Infra Trust** (hereinafter referred as 'the Listed entity') acting through **National Highways Infra Investment Managers Private Limited** (hereinafter referred as 'Governing Board'), having its registered office at G - 5 & 6, Sector 10, Dwarka, New Delhi-110075. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

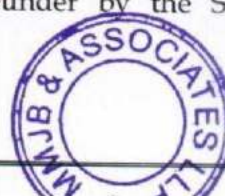
Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that, the listed entity has, during the review period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder, in the manner and subject to the reporting made hereinafter:

We, M/s. MMJB & Associates LLP, Practicing Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by the listed entity,
- (b) the filings/ submissions made by the listed entity to the Stock Exchanges,
- (c) website of the listed entity,
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended on March 31, 2023 ('Review Period') in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and



Exchange Board of India ('SEBI');

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; ('Listing Regulations');
The Listed Entity being High Value Debt Listed Entity, is complying with the provisions of governance norms of listing regulations on Comply or Explain basis during the review period.
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the listed entity during the Review Period)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the listed entity during the Review Period)**
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the listed entity during the Review Period)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the listed entity during the Review Period)**
- (f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ("PIT Regulations")
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (h) 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;
- (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not Applicable to the listed entity during the Review Period)**
- (j) Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("InvIT Regulations")

and circulars/guidelines issued thereunder.

And based on the above examination, we hereby report that, during the Review Period:

- I.(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters as specified in Annexure-1.

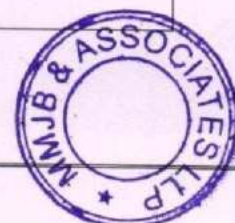


(b)The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken	Type of Action	Details of violation	Fine amount	Observations/ Remarks of the Practising Company Secretary	Management response	Remarks
Not Applicable										

II. Compliance related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	Statutory Auditor has been re-appointed in the Listed Entity and its material subsidiary in compliance of said circular.
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit	NA	No such resignation



	<p>Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	No such resignation

**Observations /Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'*

III. We hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
1	<p><u>Secretarial Standards:</u></p> <p>We have conducted a review of the compliance of listed entity in accordance with the Secretarial Standards issued by ICSI, namely Secretarial Standard 1 and Standard 2.</p>	NA	Secretarial Standard are being complied by the Governing Board of INVIT



2.	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors/ committees, as may be applicable of the listed entities. • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars/guidelines issued by SEBI. 	Yes	-
3.	<p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website. 	Yes	Since listed entity has become High Value Debt listed entity on October 27, 2022 corporate governance report under Reg 27(2) was not applicable to listed entity for FY 2022-23.
4.	<p><u>Disqualification of Director:</u></p> <p>None of the Director of the Listed Entity are disqualified under Section 164 of Companies Act, 2013.</p>	Yes	Directors of Governing Board are not disqualified
5.	<p><u>To examine details related to Subsidiaries of listed entities:</u></p> <p>(a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries</p>	(a) NA (b) NA	Being HVDL the said provision is applicable on comply or explain basis.
6.	<p><u>Preservation of Documents:</u></p> <p>As per the confirmations given by the listed entity, and on our test check basis, it is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under Listing Regulations.</p>	Yes	-
7.	<p><u>Performance Evaluation:</u></p> <p>The listed entity has conducted performance evaluation</p>	Yes	Governing



	of the Board, Independent Directors, and the Committees on an annual basis as prescribed in SEBI Regulations.		Board of INVIT has complied with the same
8.	<u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee.	(a) NA (b) NA	Being HVDL the said provision is applicable on comply or explain basis
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of Listing Regulations within the time limits prescribed thereunder.	Yes	Listed entity being a debt listed entity has complied with Regulation 51 along with Schedule III of Listing Regulations.
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	No	Refer Annexure-1
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	Yes
12.	<u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	No	Refer Annexure-1



Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 26J of INVIT Regulation and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**For MMJB and Associates LLP
Company Secretaries**



A handwritten signature in blue ink, appearing to read "Deepti Kulkarni".

**Deepti Kulkarni
Designated Partner**

ACS No. 34733

CP No. 22502

PR: 2826/2022

UDIN: A034733E000413848

Date: May 29, 2023

Place: Mumbai

Annexure-1

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation /Circular No.	Deviations	Action Taken	Type of Action	Details of violation	Fine amount	Observations/Remarks of the Practicing Company Secretary	Management response	Remarks
1.	Maintenance of Structured Digital Database (SDD)	Regulation 3(5) of PIT Regulation	Listed Entity was not having SDD software	-	-	Listed Entity was not having SDD software till 4 th September, 2022	-	Listed Entity was not having Structured Digital Database as per PIT Regulation till 04th September, 2022 and the entries were made in delay in the software.	As per requirement of Policy on unpublished Price Sensitive Information and Dealing in Units by the Parties to National Highways Infra Trust ("UPSI Policy") which contains the provisions as prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Compliance Officer shall maintain a digital database of all persons with whom UPSI is shared for any legitimate purpose and the Compliance Officer shall also be responsible to ensure that such databases shall be maintained with adequate	-



2.	Allotment Report Preferential Issue	Clause 7.3.6 of Master Circular SEBI/HO/DDHS/DDHS/Div3/P/CIR/2022/53 dated April 26, 2022	Allotment Report Preferential Issue was not submitted	-	-	Allotment Report w.r.t. Preferential Issue	-	INVIT is required to file allotment report along with placement document with SEBI within 7 days of allotment of units.	During the year, allotment was made to sponsor through preferential issue and to QIBs through further issue on 12.10.2022. The allotment details of preferential issue was getting captured in placement document filed on 17.10.2022 after allotment w.r.t. QIB issue. As there is no prescribed format for the said	internal controls and checks such as time stamping and audit trail to ensure non-tampering of such database.	As the IT System of the Company is operated on NHAI servers, for installing the software for maintaining the said database on NHAI, the necessary permission from NHAI was required to be taken and the request in this regard was made to Head IT, NHAI.	However, due to delay in obtaining the said permission, there was a delay in installation of SDD.	



3.	Composition of Governing Board	Reg 4(2)(e)(v) of INVIT Regulations	Composition of Governing Board is not as per INVIT Regulations	-	-	Governing Board of Investment Manager shall be comprised of 50% of Independent Director (ID).	-	Governing board was not duly constituted from 12th October, 2022 to 29th November, 2022 and from 6th January, 2023 to 11th January, 2023. Mr. Vivek Rae, Independent Director (ID) resigned w.e.f. 12th July, 2022. Hence, ID position became vacant. New ID has been appointed on 11th January 2023.	report therefore, a separate allotment report was not filed to SEBI for preferential allotment. Governing Board had applied to SEBI on 24th January, 2023 for Non-condonation of Non-compliance with respect to eligibility criteria of 50% of Independent Director in the Governing Board Reply of SEBI is awaited.	-
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