



HCC/SEC/RESULT/2024

February 08, 2024

BSE Limited The Corporate Relationship Dept, 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code: 500185, 974246, 974247 974248, 974249 & 974250	National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051. Scrip Code : HCC
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Dear Sir,

Sub.: **Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended December 31, 2023**

As per Regulations 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2023 which were approved and taken on record by the Board of Directors of the Company at its Meeting held today i.e. February 08, 2024 along with Limited Review Reports thereon submitted by the Statutory Auditors.

A copy of the press release is also enclosed herewith.

The Meeting of the Board of Directors of the Company commenced at 2.00 p.m. and concluded at 4.30 p.m.

We request you to kindly take the above on your record.

Thanking you,

Yours Faithfully,
For Hindustan Construction Company Ltd.

Nitesh Kumar Jha
Company Secretary

Encl. : As above

Hindustan Construction Co Ltd

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Press Release

HCC Net Profit up 187% at ₹68.5 crore in Q3 FY24

Consolidated Net Profit at ₹233.2 crore in Q3 FY24

Mumbai: February 08, 2024: HCC E&C reported turnover and EBITDA of ₹1,244.7 crore and ₹153.8 crore, respectively, in Q3 FY24, as against ₹1,155.5 crore and ₹171.4 crore, in Q3 FY23. The Company's order book stood at ₹11,165 crore as of December 31, 2023.

On a consolidated basis, HCC reported revenue of ₹1,474.5 crore in Q3 FY24 versus ₹1,357.6 crore in Q3 FY23. The consolidated net profit was at ₹233.2 crore in Q3 FY24 versus loss of ₹283.7 crore in Q3 FY23. The consolidated figures are not comparable due to the exclusion of step-down subsidiary, Steiner Construction SA's turnover and profits, which per the accounting standard is treated as discontinued operations given the expected sale of the Company in the current quarter. The sale was subsequently concluded on 18 January 2024, the results for which will be reflected in Q4 FY24.

Financial highlights – HCC unaudited standalone results

- Turnover of ₹1,244.7 crore in Q3 FY24 versus ₹1,155.5 crore in Q3 FY23
- Net Profit of ₹68.5 crore in Q3 FY24 compared to ₹25.2 crore in Q3 FY23
- EBITDA margins at 12.4% in Q3 FY24 compared to 14.8% in Q3 FY23

The Company received provisional completion certificates for the Sawalkot Tunnel project in Q3 FY24, while the Nikachhu Hydro Power project achieved the final milestone of water on the turbine on December 10, 2023, and its grid synchronisation for power generation has been completed. In NH34 Package 3, all the works have been completed, and final commercial operation has been awarded for balance stretch of 9.8 Km. Three more projects are in advanced stages of completion, including two projects in Jammu & Kashmir viz Anji Khad Bridge and the railway tunnel T49A, where most of the civil work is completed and finishing work is in the final stages. In the Delhi Metro DC06 package, all civil work has been completed, and architectural finishing works in the station are nearing completion.

The major hydro projects of Tehri and Vishnugad Pipalkoti in Uttarakhand, the Coastal Road Project and Mumbai Metro Line 3 project, have achieved significant progress.

The Company is now focusing on growth through new order acquisitions. It has bid for projects worth ₹6,900 crore, which are under evaluation. Another ₹14,000 crore worth of bids shall be submitted in the coming quarter. Furthermore, a bid pipeline of ₹46,440 crore has been identified for future growth.


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Performance of HCC subsidiary: Steiner AG

Steiner AG reported revenues of CHF 22.9 million (₹218 crore) in Q3 FY24 as compared to CHF 94.3 million (₹802 crore) in Q3 FY23 and net profit of CHF 6.1 million (₹55 crore) in the Q3 FY24 as compared to loss of CHF 40 million (₹329 crore) in the Q3 FY23. The order book stood at CHF 448.4 million (₹4367 crore) at the end of December 31, 2023. The quarterly figures exclude CHF 63.6 million (₹581 crore) of revenue and CHF 5.58 million (₹51 crore) loss for Q3 FY24 for the subsidiary Steiner Construction SA, which has been divested to Demathieu Bard, an international construction group headquartered in France for approximately CHF 98 million (Rs 928 Cr) including liability transfer of around CHF 60 million (Rs 568 Cr).

About HCC:

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With an engineering heritage of nearly 100 years, HCC has executed a majority of India's landmark infrastructure projects, having constructed 26% of India's Hydro Power generation and 60% of India's Nuclear Power generation capacities, over 4,036 lane km of Expressways and Highways, more than 360 km of complex Tunnelling and 395 Bridges. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. The HCC Group, with a group turnover of ₹9,857 crore, comprises of HCC Ltd., HCC Infrastructure Co. Ltd., and Steiner AG in Switzerland.

Walker ChandioK & Co LLP

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Hindustan Construction Company Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Hindustan Construction Company Limited and its joint operations (together referred to as 'the Company') (Refer Annexure 1 for the list of joint operations included in the Statement) for the quarter ended 31 December 2023 and the year to date results for the period 1 April 2023 to 31 December 2023, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'). Attention is drawn to the fact that the Note 3 to the Statement regarding 'total balance value of work on hand' as at 31 December 2023, as included in the Statement has been approved by the Company's Board of Directors, but has not been subjected to audit or review.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India ('ICAI'). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. As stated in:

- (i) Note 7 to the accompanying Statement, the Company's investments in subsidiaries as at 31 December 2023 includes non-current investment and current investment in HCC Infrastructure Company Limited ('HICL'), its wholly owned subsidiary, amounting to ₹ 1,214.65 crore and ₹ 202.50 crore, respectively, stated at cost. The subsidiary's consolidated net-worth as at 31 December 2023 is substantially eroded but, the said investment is considered fully recoverable by the management on the basis of factors stated in the aforesaid note including a valuation report obtained from an independent valuer.

However, in the absence of sufficient appropriate audit evidence to support the significant judgements and estimates relating to underlying assumptions applied by the management in the aforementioned valuation report, we are unable to comment upon the adjustments, if any, that are required to the carrying value of the aforesaid investment and consequential impact, if any, on the accompanying Statement.

- (ii) Note 8 to the accompanying Statement, the Company has recognised net deferred tax assets amounting to ₹ 722.71 crore as at 31 December 2023, which mainly includes deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. However, we are unable to obtain sufficient appropriate audit evidence with respect to the projections for future taxable profits prepared by the management and therefore, are unable to comment on any adjustments that may be required to the carrying value of aforesaid net deferred tax assets as at 31 December 2023.

Our audit report dated 18 May 2023 on the standalone audited financial results of the Company for the year ended 31 March 2023 and our review reports dated 9 November 2023 and 2 February 2023 on the standalone unaudited financial results for the quarter and six month period ended 30 September 2023 and for the quarter and nine month period ended 31 December 2022, respectively, were also qualified in respect of the above matters.

5. Based on our review conducted as above and the consideration of the review report of the other auditor referred to in paragraph 7 below, except for the possible effects of the matters described in previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 4 to the accompanying Statement regarding uncertainties relating to recoverability of unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables amounting to ₹ 603.88 crore, ₹ 257.66 crore and ₹ 57.52 crore, respectively, as at 31 December 2023, which represent receivables in respect of closed/substantially closed/ suspended projects. The Company is at various stages of negotiation/discussion with the clients or under arbitration/ litigation in respect of the aforementioned receivables. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the management is confident of recovery of these receivables. Our conclusion is not modified in respect of the above matter.

7. We did not review the interim financial information of one (1) joint operation included in the Statement, where such interim financial information reflects Company's share of total revenues of ₹ 152.72 crore and ₹ 297.30 crore, total net profit after tax of ₹ 2.88 crore and ₹ 5.59 crore, and total comprehensive income of ₹ 2.88 crore and ₹ 5.59 crore for the quarter and nine-month period ended on 31 December 2023, respectively, as considered in the Statement. Such interim financial information has been reviewed by another auditor, whose reports have been furnished to us by the management, and our conclusion, in so far as it relates to the amounts and disclosures included in respect of this joint operation, is based solely on the review report of such other auditor.

Further, the aforementioned interim financial information has been prepared in accordance with accounting principles generally accepted in India, including 'Accounting Standards' issued by the ICAI. The Company's management has converted such interim financial information of the joint operation in accordance with Ind AS. We have reviewed these conversion adjustments made by the Company's management. Our conclusion, in so far as it relates to the amounts and disclosures included in respect of this joint operation is based on the review report of the other auditor and the conversion adjustments prepared by the management of the Company and reviewed by us.

Our conclusion is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

8. The Statement includes the interim financial information of six (6) joint operations, which have not been reviewed/ audited by their auditors, and whose interim financial information reflects Company's share of total revenues of ₹ 0.12 crore and ₹ 1.09 crore, total net loss after tax of ₹ 0.71 crore and ₹ 0.37 crore and total comprehensive loss of ₹ 0.71 crore and ₹ 0.37 crore for the quarter and nine month period ended 31 December 2023, respectively, as considered in the Statement. Such interim financial information has been furnished to us by the Company's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unreviewed/ unaudited interim financial information. According to the information and explanations given to us by the management, the interim financial information of aforesaid joint operations is not material to the Company.

Our conclusion is not modified in respect of this matter with respect to our reliance on the aforesaid interim financial information certified by the Board of Directors.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

SHASHI
TADWALKAR

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SHASHI TADWALKAR
Date: 2024.02.08
16:09:59 +05'30'

Shashi Tadwalkar

Partner

Membership No.: 101797

UDIN: 24101797BKCOZH4891

Place: Mumbai

Date: 8 February 2024

Appendix 1

List of joint operations included in the Statement

Sr. No.	Name of the entity
1.	Kumagai – Skanska - HCC - Itochu Group
2.	HCC - L&T Purulia Joint Venture
3.	Alpine - Samsung - HCC Joint Venture
4.	Alpine - HCC Joint Venture
5.	HCC - Samsung Joint Venture CC 34
6.	Nathpa Jhakri Joint Venture
7.	HCC - HDC Joint Venture
8.	HCC - VCCL Joint Venture

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31 DECEMBER 2023							
₹ in crore except earnings per share							
Sr. No.	Particulars	Quarter ended			Nine month ended		Year ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	1,244.73	1,138.76	1,155.45	3,614.36	3,377.25	5,222.01
	(b) Other income (Refer note 5)	19.71	42.34	11.68	79.73	41.88	61.22
	Total income (a+b)	1,264.44	1,181.10	1,167.13	3,694.09	3,419.13	5,283.23
2	Expenses						
	(a) Cost of materials consumed	211.68	193.01	266.68	627.61	758.83	1,009.66
	(b) Subcontracting expenses	700.52	592.62	536.17	1,956.01	1,568.21	2,727.99
	(c) Employee benefits expense	83.26	79.53	81.55	239.83	240.49	323.78
	(d) Finance costs	133.95	134.07	138.43	402.91	516.45	563.97
	(e) Depreciation and amortisation expense	18.75	18.57	18.91	55.47	59.17	78.05
	(f) Other expenses	95.49	110.05	99.62	318.51	308.34	448.19
	Total expenses (a+b+c+d+e+f)	1,243.65	1,127.85	1,141.36	3,600.34	3,453.59	5,251.84
3	Profit/ (Loss) before exceptional items and tax (1-2)	20.79	53.25	25.77	93.75	(34.46)	31.59
4	Exceptional item - Gain (Refer note 5)	87.93	-	-	87.93	223.30	223.30
5	Profit before tax (3+4)	108.72	53.25	25.77	181.68	188.84	254.89
6	Tax expense/ (credit)						
	(a) Current tax	20.99	0.90	0.58	22.65	1.66	1.66
	(b) Deferred tax	19.22	-	-	19.22	-	(0.19)
	Total tax expense (a+b)	40.21	0.90	0.58	41.87	1.66	1.47
7	Net profit for the period/ year (5-6)	68.51	52.35	25.19	139.81	187.18	253.42
8	Other comprehensive income/ (loss)						
	(a) Items that will not be reclassified subsequently to statement of profit or loss (net of tax)						
	- Gain on remeasurement of defined benefit plans	0.44	0.50	0.43	1.40	1.30	1.66
	- Gain/ (loss) on fair value of equity instruments	0.74	6.66	(1.88)	13.72	(3.81)	(1.20)
	(b) Items that will be reclassified subsequently to statement of profit or loss (net of tax)	-	-	-	-	-	-
	Other comprehensive income/ (loss) for the period/ year, net of tax (a+b)	1.18	7.16	(1.45)	15.12	(2.51)	0.66
9	Total comprehensive income for the period/ year (7+8)	69.69	59.51	23.74	154.93	184.67	254.08
10	Paid up equity share capital (Face value of ₹ 1 each)	151.31	151.31	151.31	151.31	151.31	151.31
11	Other equity (excluding revaluation reserves)						569.61
12	Earnings per equity share of face value of ₹ 1 each (Not annualised for the quarters and nine month)						
	(a) Basic (in ₹)	0.45	0.35	0.17	0.92	1.24	1.67
	(b) Diluted (in ₹)	0.45	0.35	0.17	0.92	1.24	1.67
	See accompanying notes to the standalone unaudited financial results						



Hindustan Construction Co Ltd

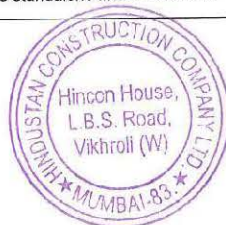
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Notes:

- The standalone unaudited financial results of Hindustan Construction Company Limited (the 'Company' or 'HCC') for the quarter and nine month ended 31 December 2023 ('the Statement') have been prepared to comply in accordance with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and in compliance with presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 (as amended). These results have been reviewed and recommended to the Board of Directors by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 8 February 2024. These results have been subjected to limited review by statutory auditors, who have expressed a modified review conclusion.
- The Company is engaged in a single business segment viz. "Engineering and Construction", which is substantially seasonal in character. The Company's chief operating decision makers monitor and review the operating result of the Company as a whole. Therefore, there are no other reportable segments for the Company as per requirements of Ind AS 108 'Operating Segment'. Further, the Company's margins in the quarterly results vary given the nature of its business and consequent to receipt of awards/ claims or events which may lead to revision in cost to completion. Accordingly, the quarterly results may vary and may not be strictly comparable.
- The total balance value of work on hand as at 31 December 2023 is ₹ 11,165 crore (31 March 2023: ₹ 14,772 crore).
- Unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivable includes ₹ 603.88 crore, ₹ 257.65 crore and ₹ 57.52 crore, respectively, outstanding as at 31 December 2023, representing receivables from customers based on the terms and conditions implicit in the contracts and other receivables in respect of closed/ substantially closed/ suspended projects. These aforementioned receivables are mainly in respect of cost over-run arising due to client caused delays, deviation in design and change in scope of work, for which Company is at various stages of negotiation/ discussion with the clients or under arbitration/ litigation. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the Company is confident that these receivables are good and fully recoverable.
- Exceptional Items includes:

Particulars	Quarter ended			Nine month ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Gain on implementation of debt resolution plan [Refer note (a) below]	-	-	-	-	223.30	223.30
Gain on sale of Land [Refer note (b) below]	87.93	-	-	87.93	-	-
Total	87.93	-	-	87.93	223.30	223.30

- During the year ended 31 March 2023, the Company successfully novated specified debt of lenders aggregating ₹ 2,855.69 crore to Prolific Resolution Private Limited ('PRPL'), a wholly owned subsidiary upto 30 September 2023, with the consideration being the assignment of beneficial interest in the specified arbitration awards and claims with a carrying value of ₹ 2,894.11 crore in favor of PRPL. The Company continues to furnish Corporate Guarantees in favor of the PRPL's lenders for debt novated. Further, the revision in terms of facilities with respect to repayment terms, rate of interest and waiver of penal interest by lenders resulted in a gain of ₹ 223.30 crore which has been presented as an exceptional item for the respective periods. Based on the above and considering the future business plans, including time-bound monetization of assets, the management is confident of meeting the obligations as they fall due. Accordingly, the management considers it appropriate to prepare these financial results on a going concern basis.
 - During the current quarter, the Company has sold a land parcel situated in Village Karnala (Tara), Panvel, Maharashtra along with the structures standing thereon for a consideration of ₹ 95 crore. The resultant gain of ₹ 87.93 crore has been presented as an exceptional item for the quarter and nine month ended 31 December 2023.
- The Company entered into a revised sanction letter with a holder of a Optionally Convertible Debenture ('OCD') which provides for a waiver on the interest accrued prepayment. During the previous quarter, the Company made a prepayment of certain outstanding OCD which resulted in a gain on settlement of debt, representing waiver of interest, amounting to ₹ 24.26 crore which has been recognised as other income for the quarter ended 30 September 2023 and nine month period ended 31 December 2023.
 - As at 31 December 2023, the Company has investments (including deemed investments) in its wholly owned subsidiary HCC Infrastructure Company Limited ('HICL') aggregating ₹ 1,417.15 crore (30 September 2023: ₹ 1,419.65 crore, 31 March 2023: ₹ 1,434.65 crore and 31 December 2022: ₹ 1,564.65 crore) classified as non-current investment ₹ 1,214.65 crore (30 September 2023: ₹ 1,214.65 crore, 31 March 2023: ₹ 1,214.65 crore and 31 December 2022: ₹ 1,214.65 crore) and current investment of ₹ 202.50 crore (30 September 2023: ₹ 205 crore, 31 March 2023: ₹ 220 crore and 31 December 2022: ₹ 350 crore). While the consolidated net worth of HICL as at 31 December 2023 has been substantially eroded, the management has assessed the fair value of HICL based on a valuation report from an independent valuation expert. The valuation includes significant judgements and estimates relating to underlying assumptions in respect of future business plans, cash flows from earn-out considerations, expected share of future revenues of subsidiaries sold and favourable arbitration awards in a subsidiary. Accordingly, based on aforementioned valuation report and future business plan, the management believes that the recoverable amount of investment in HICL is higher than its carrying value. Statutory auditors review report is modified in respect of this matter.
 - As at 31 December 2023, the Company has recognised net deferred tax assets amounting to ₹ 722.71 crore (30 September 2023: ₹ 741.93 crore, 31 March 2023: ₹ 741.93 crore and 31 December 2022: ₹ 741.74 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Company is confident of generating taxable profits from the unexecuted orders on hand/ future projects and expected realisation of claims/ arbitration awards. Accordingly, the management believes it is probable that sufficient future taxable profits will be available against which such deferred tax assets can be utilised. Statutory auditors review report is modified in respect of this matter.
 - The Board of Directors, in their meeting held on 3 August 2023 have approved the issuance of equity shares of the Company for an amount not exceeding ₹ 300 crore by way of rights issue to the eligible equity shareholders in accordance with the applicable laws, including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Companies Act 2013 and Rules made thereunder from time to time, subject to regulatory and statutory approvals, as may be the case under the applicable laws. Pursuant to the above, on 14 December 2023, the Company has filed the Draft Letter of Offer with the Securities and Exchange Board of India ('SEBI') for which requisite regulatory approval are awaited.
- 10 Figures for the previous period/ year have been regrouped/ reclassified to conform to the current period's presentation, wherever considered necessary. The impact of such regroupings/reclassifications is not material to these standalone financial results.



11 Additional disclosures as per Clause 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Unit of measurement	Quarter ended			Nine month ended		Year ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
Debt Equity ratio : Total Debt/ (Equity Share Capital + Other equity less capital reserve)	Times	2.23	2.42	3.35	2.23	3.35	2.77
Debt Service Coverage ratio : (Earnings before interest [^] , depreciation and amortisation, exceptional items and tax)/ (Interest [^] on debt for the period/ year + Principal repayment of borrowings and lease liabilities within one year) - Annualised	Times	0.98	1.24	1.01	1.06	0.79	0.91
Interest Service Coverage ratio : [(Earnings before interest [^] , depreciation and amortisation, exceptional items and tax)/ Interest [^] on debt for the period/ year] - Annualised	Times	1.40	1.74	1.46	1.51	1.07	1.23
Outstanding redeemable preference shares	₹ in crore	-	-	-	-	-	-
Debenture redemption reserve	₹ in crore	54.99	54.99	54.99	54.99	54.99	54.99
Net Worth (Equity Share Capital + other equity less capital reserves)	₹ in crore	860.66	790.97	636.34	860.66	636.34	705.73
Net Profit after tax	₹ in crore	68.51	52.35	25.19	139.81	187.18	253.42
Basic earnings per share (Not annualised for the quarter and nine month)	₹	0.45	0.35	0.17	0.92	1.24	1.67
Diluted earnings per share (Not annualised for the quarter and nine month)	₹	0.45	0.35	0.17	0.92	1.24	1.67
Current Ratio (Current assets/ Current liabilities)	Times	1.22	1.12	1.18	1.22	1.18	1.13
Long-term debt to working capital (Non-current borrowings + Current maturities of long-term debt)/ Net working capital	Times	1.09	3.71	2.78	1.99	2.78	3.41
Bad debts to accounts receivable ratio (Bad debts/ Average trade receivables)	%	-	-	-	-	-	-
Current liability ratio (Current liabilities/ Total liabilities)	Times	0.56	0.57	0.55	0.56	0.55	0.58
Total debts to total assets ratio [(Non-current borrowings + Current borrowings)/ Total assets]	Times	0.22	0.22	0.25	0.22	0.25	0.23
Debtors Turnover [(Revenue from operations/ Average trade receivable)] - Annualised	Times	1.95	1.78	1.92	1.84	1.35	1.51
Inventory Turnover [(Cost of Goods Sold/ Average inventory)] - Annualised Cost of Goods sold = Cost of materials consumed + Subcontracting expenses	Times	26.77	21.03	18.27	22.81	18.17	21.59
Operating Margin [(Earnings before finance costs, depreciation and amortisation, exceptional items and tax less Other Income)/ Revenue from operations]	%	12.35%	14.36%	14.84%	13.07%	14.84%	13.64%
Net Profit Margin [Profit after tax/ Revenue from operations]	%	5.50%	4.60%	2.18%	3.87%	5.54%	4.85%

The Company continue to maintain 100% asset cover for the Non Convertible Debentures issued by it.

[^] Excludes interest expenses on interest on advance from customers.

for Hindustan Construction Company Limited



Jaspreet Bhullar
Managing Director & Chief Executive Officer
DIN : 03644891

Mumbai, Dated : 8 February 2024



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Independent Auditor’s Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Hindustan Construction Company Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results (‘the Statement’) of **Hindustan Construction Company Limited** and its joint operations (‘the Holding Company’) and its subsidiaries (the Holding Company and its subsidiaries together referred to as ‘the Group’), its associates and joint ventures (refer Annexure 1 for the list of subsidiaries, associates, joint ventures and joint operations included in the Statement) for the quarter ended 31 December 2023 and the consolidated year to date results for the period 1 April 2023 to 31 December 2023, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Holding Company’s management and approved by the Holding Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (‘Ind AS 34’), prescribed under section 133 of the Companies Act, 2013 (‘the Act’), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India (‘ICAI’). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.

Hindustan Construction Company Limited
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

4. As stated in Note 3 to the accompanying Statement, the Holding Company has recognised net deferred tax assets amounting to ₹ 722.71 crore as at 31 December 2023, which mainly includes deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. However, in view of the history of losses recorded by the Holding Company, we are unable to obtain sufficient appropriate audit evidence with respect to the projections for future taxable profits prepared by the Holding Company's management and therefore, are unable to comment on any adjustments that may be required to the carrying value of aforesaid net deferred tax assets as at 31 December 2023.

Our audit report dated 18 May 2023 on the consolidated financial results of the Group for the quarter and year ended 31 March 2023 and review reports dated 9 November 2023 and 2 February 2023 on the consolidated unaudited financial results of the Group for the quarter and six month period ended 30 September 2023 and for the quarter and nine-month period ended 31 December 2022, respectively, were also qualified in respect of this matter.

5. As given in Note 7 to the Statement, the following qualification is given by another firm of Chartered Accountants vide their report dated 7 February 2024 on the financial statements of HREL Real Estate Limited, a subsidiary of the Holding Company which is reproduced by us as under:

"As stated in Note XX to the accompanying Statement, HREL Real Estate Limited ('HREL') provided corporate guarantees and put options to the lenders of its erstwhile subsidiaries Lavasa Corporation Limited ('LCL') and Warasgaon Assets Maintenance Limited ('WAML'). Pursuant to LCL and WAML's admission under the Corporate Insolvency and Resolution Process in accordance with the Insolvency and Bankruptcy Code, 2016 (IBC), notices were received for invoking such corporate guarantees and put options.

On 21 July 2023, Hon'ble National Company Law Tribunal ('NCLT') approved the resolution plan for LCL ('Resolution Plan'). Management has filed an application before NCLT for obtaining the copy of the Resolution Plan, which is pending as on date. The erstwhile Resolution Professional has shared an extract of the approved Resolution Plan during the quarter indicating that the aforesaid corporate guarantees are continued. On the basis of factors stated in the aforesaid note, the management is unable to make any reliable estimate of the financial liability and as a result, no adjustments have been made to these financial results. In the absence of management's estimation of the consequential financial liability, we are unable to comment upon the adjustments required to be made the accompanying financial statements."

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 7 and 8 below, except for the possible effects of the matter described in previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. We draw attention to:

- (i) Note 4 to the accompanying Statement, regarding uncertainties relating to recoverability of unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables amounting to ₹ 603.88 crore, ₹ 257.66 and ₹ 57.52 crore, respectively, as at 31 December 2023, which represent various receivables in respect of closed/ substantially closed/ suspended projects. The Holding Company is at various stages of negotiation/ discussion with the clients or under arbitration/ litigation in respect of the aforementioned receivables. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the management of Holding Company is confident of recovery of these receivables. Our conclusion is not modified in respect of the above matter.

Hindustan Construction Company Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- (ii) the matter described in Note 6 to the Statement and the following Emphasis of Matter paragraph included in the review report on the interim condensed consolidated financial statements of Steiner AG, a step-down subsidiary of the Holding Company, reviewed by an independent firm of Chartered Accountants, vide their review report dated 24 January 2024 which is reproduced by us as under:

"We draw attention to the explanatory comment of the interim condensed consolidated financial information describing the experienced liquidity difficulties the company faced during the three-month period and the nine-month period then ended 31 December 2023. These circumstances indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. The company's ability to continue as a going concern depends on whether it can achieve the proposed liquidity measures."

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

8. We did not review the interim financial information of seventeen (17) subsidiaries, and one (1) joint operation included in the Statement, whose financial information reflects total revenues of ₹ 217.81 crore and ₹ 1,666.87 crore, net profit after tax of ₹ 22.39 crore and net loss after tax of ₹ 4.06 crore, total comprehensive income of ₹ 11.87 crore and total comprehensive loss of ₹ 18.48 crore, for the quarter and nine-month period ended 31 December 2023, respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of ₹ 19.79 crore and ₹ 23.55 crore and total comprehensive income of ₹ 19.79 crore and ₹ 23.55 crore, for the quarter and nine-month period ended on 31 December 2023, respectively, as considered in the Statement, in respect of four (4) associates and one (1) joint venture, whose interim financial information have not been reviewed by us.

The aforementioned interim financial information have been reviewed by other auditors, whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint operation, associates and joint ventures is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

9. We did not review the interim financial information of one (1) joint operation included in the Statement, where such interim financial information reflects group's share of total revenues of ₹ 152.72 crore and ₹ 297.30 crore, net profit after tax of ₹ 2.88 crore and ₹ 5.59 crore, and total comprehensive income of ₹ 2.88 crore and ₹ 5.59 crore, for the quarter and nine-month period ended on 31 December 2023, respectively, as considered in the Statement. Such interim financial information has been reviewed by another auditor, whose reports have been furnished to us by the management, and our conclusion, in so far as it relates to the amounts and disclosures included in respect of this joint operation, is based solely on the review report of such other auditor and procedure performed by us as stated in paragraph 3 above.

Further, the aforementioned interim financial information of the above joint operation has been prepared in accordance with accounting principles generally accepted in India, including 'Accounting Standards' issued by the ICAI. The Holding Company's management has converted such interim financial information of the joint operation in accordance with Ind AS. We have reviewed these conversion adjustments made by the Company's management. Our conclusion, in so far as it relates to the amounts and disclosures included in respect of this joint operation is based on the review report of the other auditor and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditor.

Hindustan Construction Company Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

10. The Statement includes the interim financial information of ten (10) subsidiaries, which have not been reviewed/ audited by their auditors, whose interim financial information reflect total revenues of ₹ 0.77 crore and ₹ 1.81 crore, net loss after tax of ₹ 1.35 crore and ₹ 2.13 crore, total comprehensive loss of ₹ 1.35 crore and ₹ 2.13 crore for the quarter and nine-month period ended on 31 December 2023 respectively, as considered in the Statement. The Statement above includes the Group's share of net profit after tax of Nil and ₹ 0.10 crore and total comprehensive income of Nil and ₹ 0.10 crore, for the quarter and nine-month period ended 31 December 2023, in respect of one (1) associate, based on their interim financial information, which have not been received/ audited by their auditors, and have been furnished to us by Holding Company's management.

Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, are based solely on such unaudited/ unreviewed interim financial information. According to the information and explanations given to us by the management, such interim financial information is not material to the Group. Our conclusion is not modified in respect of this matter with respect to our reliance on the interim financial information certified by the Board of Directors.

11. The Statement includes the interim financial information of six (6) joint operations, which have not been reviewed/ audited by their auditors, whose interim financial information reflects group's share of total revenues of ₹ 0.09 crore and ₹ 1.06 crore, net loss after tax of ₹ 0.71 crore and ₹ 0.37 crore, total comprehensive loss of ₹ 0.71 crore and ₹ 0.37 crore for the quarter and nine-month period ended 31 December 2023 respectively, as considered in the Statement. Such interim financial information has been furnished to us by the Holding Company's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unreviewed/ unaudited interim financial information. According to the information and explanations given to us by the Holding Company's management, such interim financial information is not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the aforesaid financial information certified by the Board of Directors.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

SHASHI

TADWALKAR

Shashi Tadwalkar

Partner

Membership No. 101797

Digitally signed by SHASHI
TADWALKAR
Date: 2024.02.08 16:09:08
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UDIN: 24101797BKCOZI7500

Place: Mumbai

Date: 8 February 2024

Hindustan Construction Company Limited
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and
Year to Date Results of the Company pursuant to the Regulation 33 and Regulation 52 read with
Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as
amended)

Annexure 1

List of entities included in the Statement

Subsidiary Companies	
HCC Contract Solutions Limited	HCC Aviation Limited
Western Securities Limited	Steiner AG
HREL Real Estate Limited	HCC Realty Limited
Panchkutir Developers Limited	HCC Operation and Maintenance Limited
HCC Mauritius Enterprises Limited	Steiner Promotions et Participations SA
Highbar Technologies Limited	Steiner (Deutschland) GmbH
HCC Infrastructure Company Limited	VM + ST AG
HCC Mauritius Investments Limited	Steiner Leman SAS
HRL Township Developers Limited	Steiner India Limited
HRL (Thane) Real Estate Limited	Powai Real Estate Developer Limited
Nashik Township Developers Limited	Baharampore – Farakka Highways Limited (upto 28 March 2023)
Maan Township Developers Limited	Raiganj - Dalkhola Highways Limited
Manufakt8048 AG	Steiner Construction SA (incorporated w.e.f. 12 July 2022)
Narmada Bridge Tollways Limited	Prolific Resolution Private Limited (upto 30 September 2023)
Badarpur Faridabad Tollways Limited	
Associates	
Highbar Technocrat Limited	Evostate Immobilien AG
Evostate AG	MCR Managing Corp. Real Estate
Hegias AG, Zurich (incorporated w.e.f. 18 August 2022)	
Joint Operations	
Kumagai - Skanska - HCC - Itochu Group	Alpine - HCC Joint Venture
HCC - L&T Purulia Joint Venture	HCC - Samsung Joint Venture CC 34
Alpine - Samsung - HCC Joint Venture	Werkarena Basel AG
Nathpa Jhakri Joint Venture	HCC – VCCL Joint Venture
HCC - HDC Joint Venture	
Joint Venture	
Prolific Resolution Private Limited (w.e.f. 30 September 2023)	

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31 DECEMBER 2023

₹ in crore except earnings per share

Sr. No.	Particulars	Quarter ended			Nine month ended		Year ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Continuing operations						
	Income						
	(a) Revenue from operations	1,474.47	1,832.59	1,357.62	5,233.58	5,843.56	8,267.30
	(b) Other income	37.63	38.20	11.89	92.74	42.25	55.74
	Total income (a+b)	1,512.30	1,870.79	1,369.51	5,326.32	5,885.81	8,323.04
2	Expenses						
	(c) Cost of materials consumed	211.68	193.01	296.66	627.61	758.90	1,009.64
	(d) Subcontracting expenses	793.24	1,089.90	952.92	2,989.19	3,884.22	5,395.45
	(e) Changes in inventories	(27.86)	0.04	(19.58)	(30.80)	(12.40)	(11.04)
	(f) Employee benefits expense	149.24	153.88	169.42	467.14	576.84	727.95
	(g) Finance costs	146.25	256.08	235.63	648.49	746.32	1,012.31
	(h) Depreciation and amortisation expense	30.43	27.76	31.98	87.19	86.20	127.64
	(i) Other expenses	109.45	141.97	132.51	391.73	412.85	599.57
	Total expenses (a+b+c+d+e+f+g)	1,412.43	1,852.64	1,759.54	5,180.55	6,462.93	8,861.52
3	Profit/ (loss) before share of profit of associates and joint ventures, exceptional items and tax (1-2)	99.87	8.15	(430.03)	145.77	(577.12)	(538.48)
4	Share of profit of associates and joint ventures (net)	14.61	4.08	4.90	22.55	6.99	9.99
5	Profit/ (Loss) before exceptional items and tax (3+4)	114.48	12.23	(395.13)	168.32	(570.13)	(528.89)
6	Exceptional items - Gain/ (Refer note 9)	197.93	1.53	31.04	199.40	254.34	409.74
7	Profit/ (Loss) before tax (5+6)	312.41	13.76	(364.09)	367.78	(315.79)	(119.15)
8	Tax expense/ (credit)						
	(a) Current tax	45.74	6.03	3.32	48.97	11.39	4.15
	(b) Deferred tax	33.45	1.35	(33.69)	35.62	(73.08)	(70.79)
	Total tax expense/ (credit) (a+b)	79.19	7.38	(80.37)	84.59	(61.69)	(66.64)
9	Profit/ (loss) for the period from continuing operations (7-8)	233.22	6.38	(283.72)	283.19	(254.10)	(52.51)
10	Discontinued Operations [Refer notes 10(a) and 10(b)]						
	Profit/ (loss) before tax from discontinued operations	-55.50	(8.54)	26.03	(50.96)	38.36	28.99
	Tax expense/ (credit) of discontinued operations	-4.58	0.64	0.16	-	1.93	4.32
	Profit/ (loss) from discontinued operations (after tax)	-50.92	(9.18)	25.87	(50.96)	36.43	24.67
11	Other comprehensive income/ (loss)						
	(a) Items that will not be reclassified subsequently to statement of profit or loss (net of tax)						
	- Gain/ (loss) on remeasurement of defined benefit plans	0.44	0.50	0.43	1.40	1.30	(20.23)
	- Gain/ (loss) on fair value of equity instruments	0.74	6.66	(1.89)	13.72	(4.58)	0.53
	(b) Items that will be reclassified subsequently to statement of profit or loss (net of tax)						
	- Translation gain/ (loss) relating to foreign operations	27.52	(15.97)	(28.54)	22.62	(19.39)	(6.06)
	Other comprehensive income/ (loss) for the period/ year, net of tax (a+b)	28.70	(8.81)	(30.00)	37.74	(22.67)	(25.76)
12	Total comprehensive income/ (loss) for the period/ year (9+10+11)	211.00	(11.61)	(287.85)	269.97	(240.34)	(53.60)
	Profit/ (loss) for the period/ year attributable to:						
	Owners of the parent	182.30	(2.80)	(257.85)	232.23	(217.67)	(27.84)
	Non - controlling interest	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*
	Other comprehensive income/ (loss) for the period/ year attributable to:						
	Owners of the parent	28.70	(8.81)	(30.00)	37.74	(22.67)	(25.76)
	Non - controlling interest	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*
	Total comprehensive income/ (loss) for the period/ year attributable to:						
	Owners of the parent	211.00	(11.61)	(287.85)	269.97	(240.34)	(53.60)
	Non - controlling interest	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*
13	Paid up equity share capital (Face value of ₹ 1 each)	151.31	151.31	151.31	151.31	151.31	151.31
14	Other equity (excluding revaluation reserves)						(865.69)
15	Earnings/ (loss) per share (Face value of ₹ 1 each) - for continuing operations						
	(Not annualised for the quarters and nine month)						
	(a) Basic EPS (in ₹)	1.54	0.04	(1.88)	1.87	(1.58)	(0.35)
	(b) Diluted EPS (in ₹)	1.54	0.04	(1.88)	1.87	(1.58)	(0.35)
	Earnings/ (loss) per share (Face value of ₹ 1 each) - for discontinued operations						
	(Not annualised for the quarters and nine month)						
	(a) Basic EPS (in ₹)	(0.34)	(0.06)	0.17	(0.34)	0.24	0.15
	(b) Diluted EPS (in ₹)	(0.34)	(0.06)	0.17	(0.34)	0.24	0.15
	Earnings/ (loss) per share (Face value of ₹ 1 each) - for total operations						
	(Not annualised for the quarters and nine month)						
	(a) Basic EPS (in ₹)	1.20	(0.02)	(1.71)	1.53	(1.44)	(0.19)
	(b) Diluted EPS (in ₹)	1.20	(0.02)	(1.71)	1.53	(1.44)	(0.19)

* represents amount less than ₹ 1 lakh

See accompanying notes to the consolidated unaudited financial results

Hindustan Construction Co Ltd

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CIN : L45200MH1926PLC001228



Notes:

- 1 The consolidated unaudited financial results of Hindustan Construction Company Limited and its joint operations (the 'Holding Company' or 'HCC') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and associates and joint venture for the quarter and nine month period ended 31 December 2023 ('the Statement') have been prepared to comply in accordance with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, from time to time and in compliance with presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These results have been reviewed and recommended to the Board of Directors by the Audit Committee and subsequently approved by the Board of Directors of the Holding Company at their respective meetings held on 8 February 2024. These results have been subjected to limited review by statutory auditors, who have expressed a modified review conclusion.
- 2 The Group is engaged in a single business segment viz. 'Engineering and Construction', which is substantially seasonal in character. The Chief Operating Decision Makers ('CODM') monitor and review the operating results of the Group as a whole. Therefore, there are no other reportable operating segments for the Group as per requirements of Ind AS 108 'Operating Segment'. Further, the Group's margins in the quarterly results vary given the nature of its business and consequent to receipt of awards/ claims or events which may lead to revision in cost to completion. Accordingly, the quarterly results may vary and may not be strictly comparable.
- 3 As at 31 December 2023, the Holding Company has recognised net deferred tax assets amounting to ₹ 722.71 crore (30 September 2023: ₹ 741.93 crore, 31 March 2023: ₹ 741.93 crore and 31 December 2022: ₹ 741.74 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Holding Company is confident of generating taxable profits from the unexecuted orders on hand/ future projects and expected realisation of claims/ arbitration awards. Accordingly, the Holding Company's management believes it is probable that sufficient future taxable profits will be available against which such deferred tax assets can be utilised. Statutory auditors review report is modified in respect of this matter.
- 4 Unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivable includes ₹ 603.88 crore, ₹ 257.66 crore and ₹ 57.52 crore, respectively, outstanding as at 31 December 2023, representing receivables from customers of the Holding Company based on the terms and conditions implicit in the contracts and other receivables in respect of closed/ substantially closed/ suspended projects. These aforementioned receivables are mainly in respect of cost over-run arising due to client caused delays, deviation in design and change in scope of work; for which the Holding Company is at various stages of negotiation/ discussion with the clients or under arbitration/ litigation. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the Holding Company is confident that these receivables are good and fully recoverable.
- 5 During the year ended 31 March 2023, the Holding Company has successfully novated specified debt of lenders aggregating ₹ 2,855.69 crore to Prolific Resolution Private Limited ('PRPL'), a wholly owned subsidiary of the Holding Company until 30 September 2023, with the consideration being the assignment of beneficial interest in the specified arbitration awards and claims with a carrying value of ₹ 2,894.11 crore in favor of PRPL. The Holding Company has furnished a Corporate Guarantee in favor of the PRPL's lenders for debt novated. Further, the revision in terms of facilities with respect to repayment terms, rate of interest and waiver of penal interest by lenders resulted in a gain of ₹ 223.30 crore which has been presented as an exceptional item for the year ended 31 March 2023. Based on the above and considering the future business plans, including time-bound monetization of assets, the management is confident of meeting the obligations as they fall due. Accordingly, the management considers it appropriate to prepare these financial results on a going concern basis.
- 6 The performance of Steiner AG ('SAG'), a wholly owned step-down subsidiary, has suffered due to the ongoing impact of the pandemic, higher inflation and Ukraine war on the supply chain. The management has initiated liquidity enhancing measures including accelerating pending receivables with customers. While SAG was not in compliance with certain financial covenants with a Bank syndicate to provide guarantees for its construction projects in earlier periods, however, as at 31 December 2023, the financial covenants compliance requirements are not applicable. The management also expects the overall economic situation in Swiss market to stabilize along with the interest rate environment. Based on all of the above, the management is optimistic of success and accordingly considers it appropriate to prepare the consolidated financial statements of SAG on a going concern basis.
- 7 HREL Real Estate Limited ('HREL') had provided corporate guarantees and put options to the lenders of its erstwhile subsidiaries namely, Lavasa Corporation Limited ('LCL') and Warasgaon Assets Maintenance Limited ('WAML') in respect of amounts borrowed by these subsidiaries, the aggregate liability in respect of which as at 31 December 2023 stands at ₹ 7,926.64 crore. Pursuant to default in repayment of dues, such lenders, have issued letter to invoke the aforesaid corporate guarantee/ put options in earlier years. Further, LCL and WAML were admitted under the Corporate Insolvency and Resolution Process in accordance with the Insolvency and Bankruptcy Code, 2016 (IBC). On 21 July 2023, Mumbai bench of Hon'ble National Company Law Tribunal ('NCLT') has approved the resolution plan for LCL and WAML based on the approval given by the CoC. However, there are ongoing litigations under IBC in connection with the implementation of approved Resolution Plan. Further, HCC and HREL have made application before NCLT for obtaining the copy of the Resolution Plan, which is pending as on date. The erstwhile Resolution Professional has shared the extract of the Resolution Plan indicating that the aforesaid guarantees are continued. Pending the receipt and detailed evaluation of the approved Resolution Plan, a reliable estimate of the consequential financial liability on HREL cannot be made and accordingly no provision is recognised in the financial statements of HREL as at 31 December 2023. The Statutory auditors review report is modified in respect of this matter. Further, the aforementioned liabilities of lenders are restricted to HREL and do not have any recourse to the Holding Company or other Group companies.
- 8 The Holding Company entered into a revised sanction letter with a holder of a Optionally Convertible Debenture ('OCD') which provides for a waiver on the interest accrued prepayment. During the previous quarter, the Holding Company made a prepayment of certain outstanding OCD which resulted in a gain on settlement of debt, representing waiver of interest, amounting to ₹ 24.26 crore which has been recognised as other income for the quarter ended 30 September 2023 and nine month period ended 31 December 2023.




9 Exceptional items includes :

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	₹ in crore					
Gain on sale of Land (Refer note (a) below)	87.93	-	-	87.93	-	-
Gain on implementation of debt resolution plan of Holding Company (Refer note 5)	-	-	-	-	223.30	223.30
Gain on settlement of debt	-	-	31.04	-	31.04	43.96
Gain on sale of an erstwhile subsidiary [Refer note 10(b) and 11]	110.00	1.53	-	111.53	-	142.48
Total	197.93	1.53	31.04	199.46	254.34	409.74

a) During the current quarter, the Holding Company has sold a land parcel situated in Village Karnala (Tara), Panvel, Maharashtra along with the structures standing thereon for a consideration of ₹ 95.00 crore. The resultant gain of ₹ 87.93 crore has been presented as an exceptional item for the quarter and nine month ended 31 December 2023.

10(a) During the previous quarter, Steiner AG ("SAG"), a step down subsidiary of the Holding Company, entered into a binding term sheet for 100% stake sale of Steiner Construction SA ("SCSA"), a wholly owned subsidiary of SAG. On 4 December 2023 a Share Purchase Agreement (SPA) has been executed, however, certain substantive condition precedents to the SPA remained unfulfilled as at 31 December 2023. Therefore, SCSA as at 31 December 2023 continues to be presented as discontinued operations in accordance with Ind AS 105, 'Non-current Assets Held for Sale and Discontinued Operations'. The requisite disclosures in accordance with Ind AS 105 are given below:

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	₹ in crore					
Revenue from operations	588.87	540.65	677.18	1,767.83	918.94	1,589.29
Other income	-	-	-	-	-	-
Total income	588.87	540.65	677.18	1,767.83	918.94	1,589.29
Total expenses	544.37	549.19	651.88	1,818.79	830.29	1,559.22
Profit/ (loss) before tax	(55.50)	(8.54)	25.30	(50.95)	38.65	30.07
Tax expense on profit on sale of discontinued operation	(4.58)	0.64	0.02	-	1.79	4.15
Profit/ (loss) from sale of discontinued operations, net of tax	(50.92)	(9.18)	25.28	(50.95)	36.86	25.92

10(b) During the earlier years, HCC Concessions Limited ("HCL") (now merged with HICL) entered into a binding term sheet with Cube Highways and Infrastructure II Pte. Limited ("Cube") for a 100% stake sale of Bahrapmore-Farakka Highways Limited ("BFHL"), a step-down subsidiary of Holding Company. Consequently, the results of BFHL's operations were presented as discontinued operations in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations.

On 28 March 2023, HICL has completed the 100% stake sale of BFHL to Cube. Pursuant to the above, HICL has received ₹ 373.99 crore towards consideration for sale of equity shares and a resultant gain of ₹ 142.48 crore on sale of BFHL has been recognised during the year ended 31 March 2023. Additionally as part of the sale agreement with Cube, the Group continues to be entitled to contingent considerations in the form of earn-outs (contingent on future traffic revenue projections) and future revenue share over the remaining concessions period, which were not recognised in the absence of certainty over realisation. During the current quarter, pursuant to the earnout threshold being met, the earn-out consideration of ₹ 110 crore have been recognised as well as realised by the Group.

The requisite disclosures in accordance with Ind AS 105 for said period are given below:

Particulars	Quarter ended			Nine months ended		For the period
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	1 April 2022 to 28 March 2023
	₹ in crore					
Revenue from operations	-	-	105.80	-	267.55	372.05
Other income	-	-	5.95	-	7.88	7.88
Total income	-	-	111.75	-	275.43	379.93
Total expenses	-	-	117.35	-	294.51	405.93
Profit/ (loss) before tax	-	-	(5.60)	-	(19.08)	(26.00)
Impact of elimination	-	-	(6.33)	-	(16.79)	(24.92)
Profit/ (loss) before tax	-	-	0.73	-	(0.29)	(1.08)
Tax expense on profit on sale of discontinued operation	-	-	0.14	-	0.14	0.17
Profit/ (loss) from sale of discontinued operations, net of tax	-	-	0.69	-	(0.43)	(1.25)

11 During the previous quarter, Prolific Resolution Private Limited ("PRPL") has issued 52,040 equity shares to Jadeja Investments Management Private Limited ("JIPL") on preferential basis for a consideration of ₹ 25 crore. Pursuant to aforementioned issue of equity shares, as at 30 September 2023, JIPL holds 51% share of PRPL.

Consequent to the above, w.e.f. 30 September 2023, PRPL ceases to be a subsidiary of the Holding Company and based on the terms of the Investment Agreement and Service Agreement, JIPL and HCC have joint control over the relevant activities of PRPL. Consequently, assets and liabilities of PRPL has been derecognised from consolidated financial statements and the Group has recognised a gain on deconsolidation of ₹ 1.53 crore which has been presented as an exceptional item in the financial results for the quarter ended 30 September 2023 and nine month period ended 31 December 2023.

12 The Board of Directors, in their meeting held on 3 August 2023 have approved the issuance of equity shares of the Holding Company for an amount not exceeding ₹ 300 crore by way of rights issue to the eligible equity shareholders in accordance with the applicable laws, including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Companies Act 2013 and Rules made thereunder from time to time, subject to regulatory and statutory approvals, as may be the case under the applicable laws. Pursuant to the above, on 14 December 2023, the Holding Company has filed the Draft Letter of Offer with the Securities and Exchange Board of India ("SEBI") for which requisite regulatory approval are awaited.

13 Figures for the previous period/ year have been regrouped/ reclassified to conform to the current period's presentation, wherever considered necessary. The impact of such groupings/ reclassifications is not material to these consolidated financial results.



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14 Additional disclosures as per Clause 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Unit of Measurement	Quarter ended			Nine month ended		Year ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
Debt Equity ratio:	Times	(4.98)	(3.45)	(5.13)	(4.98)	(5.13)	(7.02)
Total Debt/ (Equity Share Capital + Other equity less capital reserves)							
Debt Service Coverage ratio : [(Earnings before interest ^a , depreciation and amortisation, exceptional items and tax)/ (Interest ^a on debt for the period/ year + Principal repayment of current borrowings and lease liabilities within one year)] - Annualised	Times	1.12	0.77	(0.64)	0.88	0.12	0.30
Interest Service Coverage ratio : [(Earnings before interest ^a , depreciation and amortisation, exceptional items and tax)/ Interest ^a on debt for the period/ year] - Annualised	Times	2.45	1.19	(1.03)	1.51	0.19	0.49
Outstanding redeemable preference shares	₹ Crore	-	-	-	-	-	-
Debenture Redemption reserve	₹ Crore	54.99	54.99	54.99	54.99	54.99	54.99
Net Worth : (Equity Share Capital + other equity less capital reserves)	₹ Crore	(484.19)	(695.11)	(1065.36)	(484.19)	(1066.36)	(754.08)
Net Profit/ (Loss) after tax	₹ Crore	233.22	6.38	(283.72)	283.19	(254.10)	(52.51)
Basic earnings/ (loss) per share (Not annualised for the quarter and nine month)	₹	1.54	0.04	(1.88)	1.37	(1.68)	(0.35)
Diluted earnings/ (loss) per share (Not annualised for the quarter and nine month)	₹	1.54	0.04	(1.88)	1.37	(1.68)	(0.35)
Current Ratio : (Current assets/ Current liabilities)	Times	1.24	1.13	1.12	1.24	1.12	1.16
Long-term debt to working capital : [(Non-current Borrowings + Current maturities of long-term debt)/ Net working capital]	Times	1.40	2.64	7.74	1.40	7.74	5.37
Bad debts to accounts receivable ratio : (Bad debts/ Average trade receivables)	%	-	-	-	-	-	-
Current liability ratio : (Current liabilities/ Total liabilities)	Times	0.62	0.62	0.44	0.62	0.44	0.46
Total debts to total assets ratio : [(Non-current Borrowings + Current Borrowings)/ Total Assets]	Times	0.24	0.25	0.47	0.24	0.47	0.43
Debtors Turnover : [(Revenue from operations/ Average trade receivable)] - Annualised	Times	2.20	2.71	2.08	2.52	2.17	2.22
Inventory Turnover : [(Cost of Goods Sold/ Average inventory)] - Annualised: Cost of Goods sold = Cost of materials consumed + Subcontracting expenses	Times	8.26	10.86	9.85	9.83	12.70	13.11
Operating Margin : [(Earnings before finance costs, depreciation and amortisation, exceptional items and tax less Other income)/ Revenue from operations]	%	17.18%	14.07%	-10.27%	15.50%	3.94%	6.72%
Net Profit/ (Loss) Margin : [Profit/ (Loss) after tax/ Revenue from operations]	%	15.82%	0.35%	-20.90%	5.41%	-4.35%	-0.64%

Notes:

a) The Holding Company continue to maintain 100% asset cover for the Non Convertible Debentures issued by it.

b) Excludes discontinued operations.

^a Excludes interest expenses on interest on advance from customers.

for Hindustan Construction Company Limited



Jaspreet Bhullar
Jaspreet Bhullar
Managing Director & Chief Executive Officer
DIN : 03644691

Mumbai, Dated : 08 February 2024

