Annual Report 2023-24

HCC

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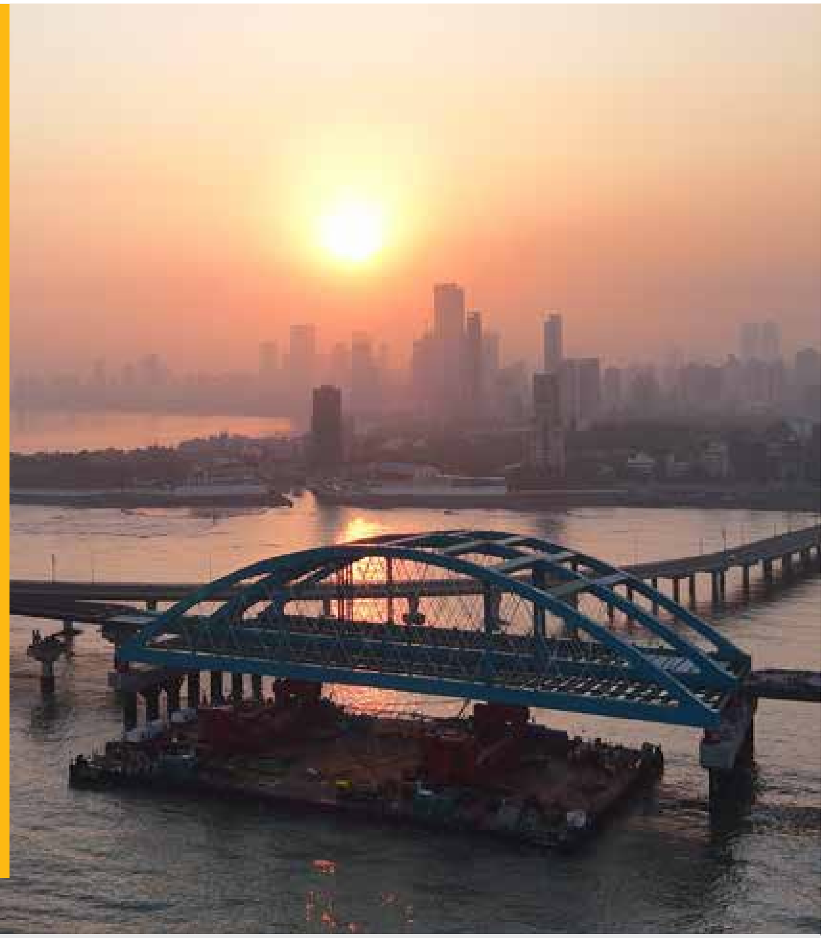


Highlights 2023-24

- Consolidated revenue at ₹7,006.7 crore in FY24 vs ₹8,269.9 crore in FY23
- Standalone revenue of ₹5,043 crore in FY24 versus ₹5,222 crore last year and net profit of ₹178.6 crore in FY24 compared to net profit of ₹253.4 crore last year
- EBITDA margin of 13.6% in FY24
- Order backlog of ₹10,475 crore as of March 31, 2024. The company is the lowest bidder in projects worth ₹4,500 crore where contracts are yet to be signed.
- Key project deliveries and milestones during the year:
  - Completion certificate received for three projects, including Sone Bridge (Bihar), Bistan Lift Irrigation (Rajasthan) and Tata Memorial Centre (Andhra Pradesh)
  - Taking over certificate received for the Nikachhu Hydropower Project (Bhutan)
  - Provisional completion certificate for the Sawalkot Tunnel project (J&K)
  - Handover formalities for Rajasthan Atomic Power Project Unit 7 & 8 (Rajasthan) have begun with the Department of Atomic Energy
- ₹350 crore Rights Issue oversubscribed 250%
- The Mumbai Coastal Road was connected to Bandra Worli Sea Link with a landmark installation of two bow string arch spans.
- The country's longest transportation tunnel, 'T-49' on the Udhampur-Srinagar-Baramulla Rail Link, was dedicated to the nation by Prime Minister Narendra Modi as he flagged off the first electrified trains.

HCC'S MAJOR PROJECTS

- ☐ Completed projects
- ● Projects in progress
- ▲ New projects

ANDHRA PRADESH
- ☐ Cavern for Crude Oil Storage, Vishakhapatnam
- ☐ Godavari Barrage at Rajahmundry
- ☐ Godavari Railway Bridge
- ☐ Polavaram - Right Main Canal
- ☐ Tata Memorial Centre, Hospital
- ☐ Vizag Monolith, West Wall Protection

ARUNACHAL PRADESH
- ☐ Pare Hydro Power Project

ASSAM
- ☐ Bogibeel Rail-cum-Road Bridge
- ☐ Brahmaputra Bridge
- ● NH-37 - Numaligarh to Jorhat Highway
- ☐ NH-54 - Maibang to Nirmbanglo Highway

BIHAR
- ☐ Ganga Bridge at Mokameh
- ☐ Munger Rail-cum-Road Bridge
- ☐ Muzaffarpur Thermal Power Plant
- ● Sahibganj Manihari Bridge
- ☐ Sone Barrage
- ☐ Sone Bridge

CHATTISGARH
- ☐ Bhilai Steel Plant

DELHI
- ☐ Delhi Faridabad Elevated Expressway
- ☐ DMRC - Airport Metro Express Line
- ☐ DMRC - Dwarka to Najafgarh
- ☐ DMRC - Janakpuri West to Palam Station
- ● DMRC - Janakpuri West to RK Ashram Corridor
- ☐ DMRC - Netaji Subhash Place to Shalimar Bagh
- ☐ DMRC - Vishwa Vidyalaya to ISBT
- ☐ Flyover linking existing Munirka flyover to Army RR Hospital

GOA
- ☐ Goa Barge Berth at Marmugoa

GUJARAT
- ● Bhadbhut Barrage
- ☐ Kachchh Branch Canal
- ☐ Kakrapar Atomic Power Project
- ☐ Kalol Mehsana Gas Pipeline
- ☐ Mehsana to Palanpur Highway
- ☐ Saurashtra Branch Canal
- ☐ Swarnim Gujarat Kutch Water Grid

HARYANA
- ☐ Hathnikund Barrage
- ☐ Panipat Chimney

HIMACHAL PRADESH
- ☐ Chamera Hydro Power Project, Stage I
- ☐ Chamera Hydro Power Project, Stage III
- ☐ Kashang Hydro Power Project
- ☐ Nathpa Jhakri Hydro Power Project
- ☐ Sainj Hydro Power Project
- ☐ Sawra Kuddu HRT

JAMMU & KASHMIR
- ☐ Access Road Tunnel to Sawalkote Hydro Power Project
- ● AnjiKhad Cable Stayed bridge
- ● Tunnel T13
- ☐ Kishanganga Hydro Power Project
- ☐ Mughal Road
- ☐ Pir Panjal Tunnel
- ☐ Salal Hydro Power Project
- ● T49A Tunnel - Dharam-Qazigund
- ☐ Uri-II Hydro Power Project

JHARKHAND
- ☐ Chandil Dam
- ☐ Grand Trunk Road Improvement Project

KARNATAKA
- ☐ Bangalore Metro Reach 5, Package 3
- ☐ Cavern for Crude Oil Storage, Padur
- ● Yettinahole Project

KERALA
- ☐ Brahmapuram Diesel Power Plant
- ☐ Dam across Idamalayar
- ☐ Lower Periyar Hydro Power Project
- ☐ Sebarigiri Dam
- ☐ Wellington Bridge, Cochin

LADAKH
- ☐ Chutak Hydro Power Project
- ☐ Nimoo Bazgo Hydro Power Project

MADHYA PRADESH
- ☐ Bistan Lift Irrigation Scheme
- ☐ Road Bridge over River Indravati
- ☐ Satpura Thermal Power Station
- ☐ Tons Hydro Power Project

MAHARASHTRA
- ☐ Bandra-Worli Sea Link
- ● BARC - Integrated Nuclear Recycle Plant, Tarapur
- ☐ Bhama Askhed Pipeline
- ☐ Bhandup Pipeline
- ☐ Bhandup Water Treatment Complex
- ☐ Bhorghat Tunnel
- ☐ DGNP Dry-Dock and Wharves
- ☐ Factory Civil Works for Premier Automobiles Limited
- ☐ Ghatkopar High Level Tunnel
- ☐ Koyna Hydro Power Project Stage I to IV
- ☐ Middle Vaitarna Water Pipeline
- ● Mumbai-Ahmedabad High Speed Rail Pkg C1
- ● Mumbai Coastal Road – Pkg II
- ● Mumbai Metro Line 3: UGC-02

- ☐ Mumbai Metro One
- ☐ Mumbai-Pune Expressway
- ☐ NH-3 MP/Maharashtra Border - Dhule Highway
- ☐ NH-4 - Satara Kolhapur Highway
- ☐ Nhava Sheva WTP Works, Raigadh
- ☐ Residential Buildings, Anushaktinagar
- ☐ Trombay Chimney Works
- ☐ Vaitarna Dam
- ☐ Water Supply Tunnel from Bhandup to Charkop, Mumbai
- ☐ Water Tunnel between E Moses Road and Ruparel College, Mumbai
- ☐ Water Tunnel between Sewri and Futka
- ☐ Water Tunnel from Maroshi to Ruparel College, Mumbai

MANIPUR

- ● Imphal Kangchup Tamenglong Road
- ● Parallel safety tunnel of T-12
- ☐ Railway Tunnel No.1 between Jiribam and Tupul
- ☐ Railway Tunnel No. 3 between Jiribam and Tupul
- ☐ Railway Tunnel No. 10 between Jiribam and Tupul
- ☐ Railway Tunnel No. 12 between Jiribam and Tupul
- ● Railway Tunnel No. 12 between Tupul and Imphal

MIZORAM

- ● Single Line BG Tunnel - 14A
- ☐ Single Line BG Tunnel - 15A

ORISSA

- ☐ Aditya Aluminium Project
- ☐ Dam at Upper Kolab
- ☐ Naraj Barrage, New Cuttack
- ☐ Paradip Port Road

PUNJAB

- ☐ 140 m High Chimney at Ropar
- ☐ Rail Coach Factory at Kapurthala

RAJASTHAN

- ☐ East-West Corridor Project
- ● Nokha Water Supply project
- ● Parwan Dam & Tunnel
- ☐ Rajasthan Atomic Power Project, Units 1 & 2
- ☐ Rajasthan Atomic Power Project, Units 3 & 4
- ☐ Rajasthan Atomic Power Project, Units 5 & 6
- ● Rajasthan Atomic Power Project, Units 7 & 8

TAMIL NADU

- ☐ Chennai Bypass
- ● Chennai Metro Rail - Phase II, Corridor 4 - ECV02
- ● Chennai Metro Rail – Phase II, Corridor 4 – ECV03
- ☐ Ennore Port
- ● Fast Reactor Fuel Cycle Facility, Kalpakkam
- ☐ Residential Buildings, Anupuram
- ☐ Kadamparai Pumped Storage Project
- ☐ Kudankulam Nuclear Power Project, Units 1 & 2
- ☐ Lower Mettur Hydro Power Project
- ☐ Navamalai Irrigation Tunnel
- ☐ Tirupur Water Supply Project
- ☐ Upper Nirar Irrigation Tunnel

TELANGANA

- ☐ JCR Devadula Lift Irrigation Scheme Phase I
- ☐ JCR Devadula Lift Irrigation Scheme Phase II
- ☐ North-South Corridor NHDP Phase II Package AP-8
- ☐ Pranahita Chevella Lift Irrigation Scheme
- ☐ Ramagundam Thermal Power Project

UTTAR PRADESH

- ☐ Allahabad Bypass
- ☐ Gomti Aqueduct
- ☐ Maneri Bhali Hydroelectric Power Project
- ☐ Naini Cable Stayed Bridge
- ☐ Narora Atomic Power Project
- ☐ NH - 28 - Lucknow Muzaffarpur Highway
- ☐ Rihand Dam
- ☐ Sai Aqueduct
- ☐ Sharda and Ghogra Barrages
- ☐ Varanasi Bridge
- ☐ Yamuna Hydro Power Project

UTTARAKHAND

- ☐ Dhauliganga Hydro Power Project
- ● Rishikesh-Karnaprayag New BG line - Pkg 9
- ● Tapovan Vishnugad Hydro Power Project
- ● Tehri Pumped Storage Project
- ● Vishnugad Pipalkoti Hydro Power Project

WEST BENGAL

- ☐ Elevated Road from Park Circus to E.M. Bypass, Kolkata
- ☐ Farakka Barrage
- ☐ Golden Quadrilateral Road Project - Kolaghat to Kharagpur
- ☐ Haldia Docks Project
- ☐ Kalyani Bridge
- ☐ Kolkata Metro
- ☐ Mahananda Barrage
- ☐ NH-34 - Bahrampore - Farakka Highway
- ☐ NH-34 - Farakka - Raiganj Highway
- ▲ NH-34 - Bahrampore – Farakka Highway Major Maintenance
- ☐ Purulia Pumped Storage Project
- ☐ Teesta Barrage
- ☐ Teesta Low Dam - Stage IV

BHUTAN

- ☐ Dagachhu Hydro Power Project
- ☐ Kurichhu Hydro Power Project
- ☐ Nikachhu Hydro Power Project
- ● Punatsangchhu Hydro Power Project
- ☐ Tala Hydro Power Project

CHAIRMAN'S LETTER

Dear Shareholder,

The imperative for robust infrastructure development in India is clear: it underpins our economic growth, fuels sustainable development, and propels our aspirations for global leadership. Over the past decade, we have witnessed transformative progress in our infrastructure landscape, driven by a clear vision for a Viksit Bharat that is inclusive, sustainable, and resilient. The government's commitment to bridging the infrastructure gap between urban and rural areas is commendable, ensuring a more equitable and prosperous society. As we continue to execute on these ambitious initiatives, we remain confident in India's emergence as a global leader in infrastructure, characterized by its dynamism, inclusivity, and resilience.

This transformation is most evident in the revitalization of India's railways. With increased investment, we have witnessed the addition of over 25,000 kilometres of new tracks, surpassing many developed nations. Similarly, the road and highway sector has experienced unprecedented growth, with over 55,000 kilometres of new highways constructed in the past decade. A multi-modal approach, exemplified by PM Gati Shakti Yojana and the National Infrastructure Pipeline, ensures efficient project execution and timely completion. The Sagarmala project leverages our coastline for trade and transportation, reducing costs and promoting sustainable development. Investment in water transport creates jobs and reduces congestion on road and rail networks. Moreover, the expansion of metro networks, growing from five cities in 2014 to twenty today, has revolutionizing urban transportation.

This commitment to infrastructure development is reflected in the government's allocation of 3.3% of GDP towards the sector in FY24. The National Infrastructure Pipeline (NIP), originally targeting ₹111 lakh crore, has been revised to ₹147 lakh crore. The total budgetary outlay for infrastructure-related ministries has increased from ₹3.7 lakh crore in FY23 to ₹5 lakh crore in FY24. India's ambitious plan to invest ₹143 lakh crore on infrastructure between FY24 and FY30, focusing on power, roads, and emerging sectors like wind, solar and pumped storage units (PSPs), underscores our commitment to a sustainable future. With its ability to store a large amount of energy, frequent starts/stops, and faster ramp-ups/ramp-downs, PSPs are ideally suited to address the dynamic supply and demand.

The sheer scale of the government's infrastructure ambitions necessitates significant financial resources. Fortunately, we are witnessing an increase in long-term funding availability. The National Investment and Infrastructure Fund, the National Bank for Financing Infrastructure and Development, and non-bank institutions like Power Finance Corporation, Rural Electrification Corporation, and Indian Renewable Energy Development Agency are playing crucial roles. Furthermore, infrastructure investment trusts, sovereign funds, and green bonds are emerging as viable funding sources.

India's commitment to a robust infrastructure ecosystem extends beyond financial resources. We have undertaken significant structural reforms, including legal reforms to streamline the arbitration framework. The 2021 amendment to the Arbitration and Conciliation Act, 1996, coupled with the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015, facilitates expeditious resolution of commercial disputes. The government's 'Vivad se Vishwas II (Contractual Disputes) scheme further enhances dispute settlement mechanisms.

These reforms are essential for creating a favourable environment and establishing India as a leading hub for international commercial arbitration.

During the year under review, Your Company's strategic focus has been on consolidating our business for sustainable growth. We are committed to long-term goals and identifying opportunities to leverage our strengths, enhance our capabilities and offerings, and explore new avenues for expansion.

Our core competency remains EPC Projects, and we are capitalizing on our strong geographical presence to expand our reach. We are actively pursuing opportunities in the robust hydropower pipeline in Bhutan, where we have a well-established presence. We are also exploring opportunities in Nepal, Israel, UAE and Saudi Arabia.

We are further strengthening our position in Maharashtra, aiming to expand our capabilities by undertaking new work in and around Mumbai. Following the successful completion of several hydropower projects in Jammu & Kashmir, we are the lowest bidder for a new project in the region, positioning us to secure additional projects there.

We are actively pursuing opportunities in the emerging interlinking of rivers sector under the National Perspective Plan (NPP), which is being spearheaded by the National Water Development Agency (NWDA). Additionally, we are exploring partnerships with leading equipment manufacturers to capitalise opportunities in the nuclear power sector. These strategic initiatives reflect our commitment to diversifying our portfolio and expanding into high-growth areas.

Our recent financial performance reflects our commitment to strategic growth and financial stability. The successful oversubscription of our Rights Issue offering, raising ₹350 crore in April 2024, demonstrates strong investor confidence. We are also actively pursuing strategies to unlock disputed receivables, including selective out-of-court settlements, to ensure immediate liquidity. We are also focussed on an accelerated deleveraging plan, which will free our Company to grow faster.

Our subsidiary, Steiner AG in Switzerland, has successfully completed the sale of its construction business subsidiary, Steiner Construction SA, to Demathieu Bard, and marks a significant step in Steiner AG's transition to a pure real estate development company.

HCC has registered a turnover of ₹5,043 crore, with operating profits of ₹687 crore for FY24, driven by the ramp-up of execution across multiple project sites. The Company has continued its focus towards utilising technology to improve productivity and efficiency, timely & profitable execution of its order book, containing working capital and better funds management. The Company is the lowest bidder in projects worth ₹4,500 crore, where contracts are yet to be signed. Another ₹10,400 crore worth bids have been submitted, which are under evaluation. The Company's order book stood at ₹10,475 crore as of March 31, 2024.

HCC has achieved significant milestones in recent months, demonstrating our commitment to project delivery. We have received completion certificates for three key projects: the Sone Bridge, the Bistan Lift Irrigation project, and the Tata Memorial Centre. In Bhutan, we have received completion and taking over certificate from the client for the Nikachhu Hydropower Project. Furthermore, we have received a provisional completion certificate for the Sawalkot Tunnel Project, and handover formalities have commenced for the Rajasthan Atomic Power Project Units 7 & 8 with the Department of Atomic Energy.

We are also making significant progress on several ongoing projects, including the Mumbai Coastal Road Project, Mumbai Metro Line 3, Delhi Metro Rail Corporation's DC06 contract, Railway Tunnels T-49A, T13, T14, and the Anjikhad Cable-Stayed Bridge in Jammu & Kashmir, the Tehri Pumped Storage Plant and Vishnugad Pipalkoti HEP in Uttarakhand, the Fast Reactor Fuel Cycle Facility at Kalpakkam in Tamil Nadu, the Integrated Nuclear Recycle Plant for Bhabha Atomic Research Centre at Tarapur, and the Parwan Dam in Rajasthan.

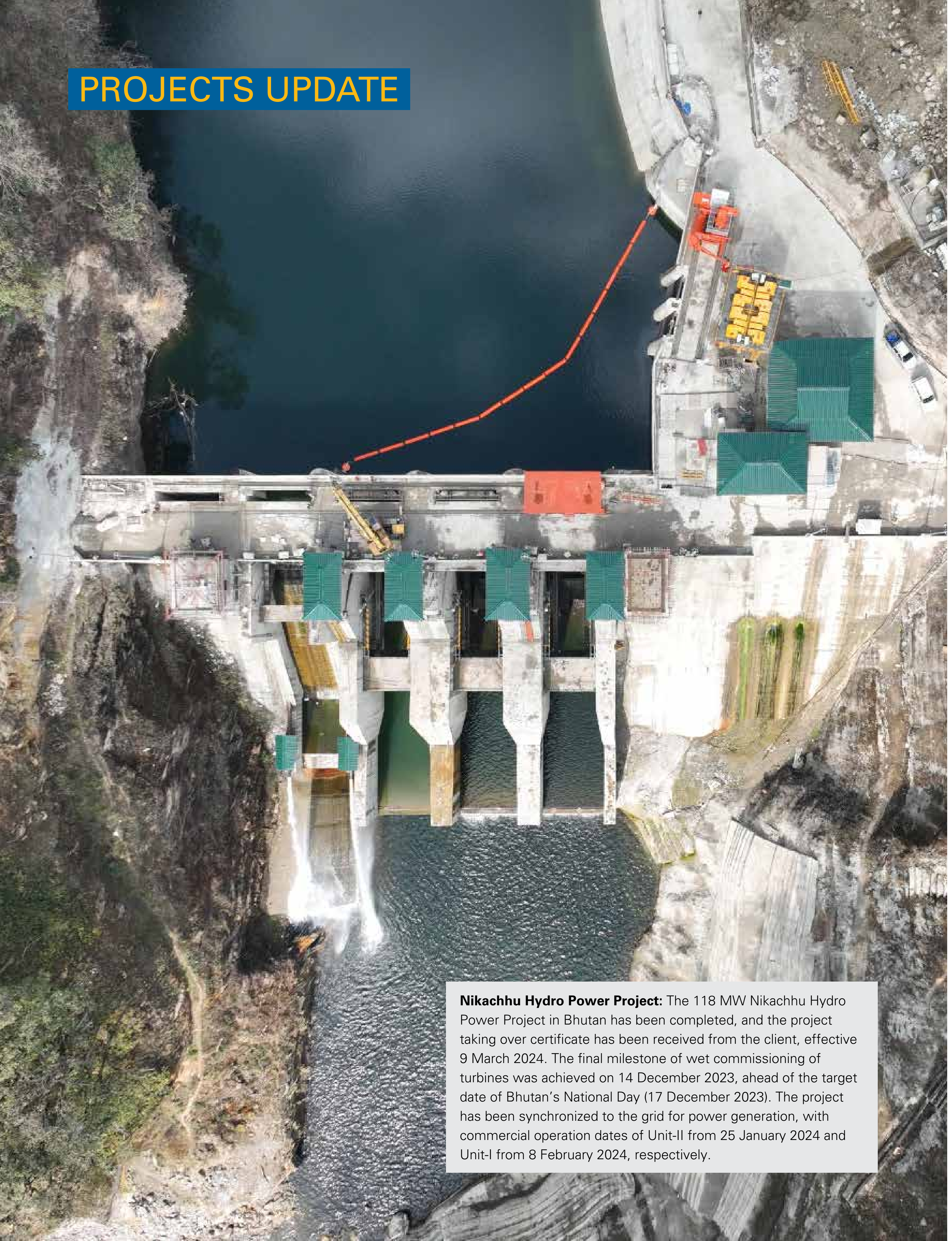
We are committed to a holistic approach to sustainability, integrating social, economic, governance, and financial considerations into all aspects of our operations. Our partnership with the World Economic Forum in the areas of sustainability and urban planning helps shape next practices for the future. We are actively pursuing our goals related to water sustainability, minimizing construction waste, prioritizing employee health and safety, and fostering community development. This commitment to sustainability is integral to our long-term success and reflects our dedication to responsible business practices that align with global best practices.

I extend my sincere gratitude to the entire HCC team, our valued customers, vendors, and stakeholders for their unwavering support and trust, particularly during these dynamic times. I also express my deep appreciation to my fellow Board Members for their insightful contributions and unwavering support.

The current buoyant market conditions and India's ambitious infrastructure journey present a unique and exciting opportunity for HCC. With our unwavering commitment to excellence, sustainability, and innovation, we are poised to capitalize on these favourable prospects, delivering significant value to our shareholders. Let us embrace this journey of growth and progress with confidence, navigating the evolving business landscape and solidifying HCC's position as a leading force in the infrastructure sector.

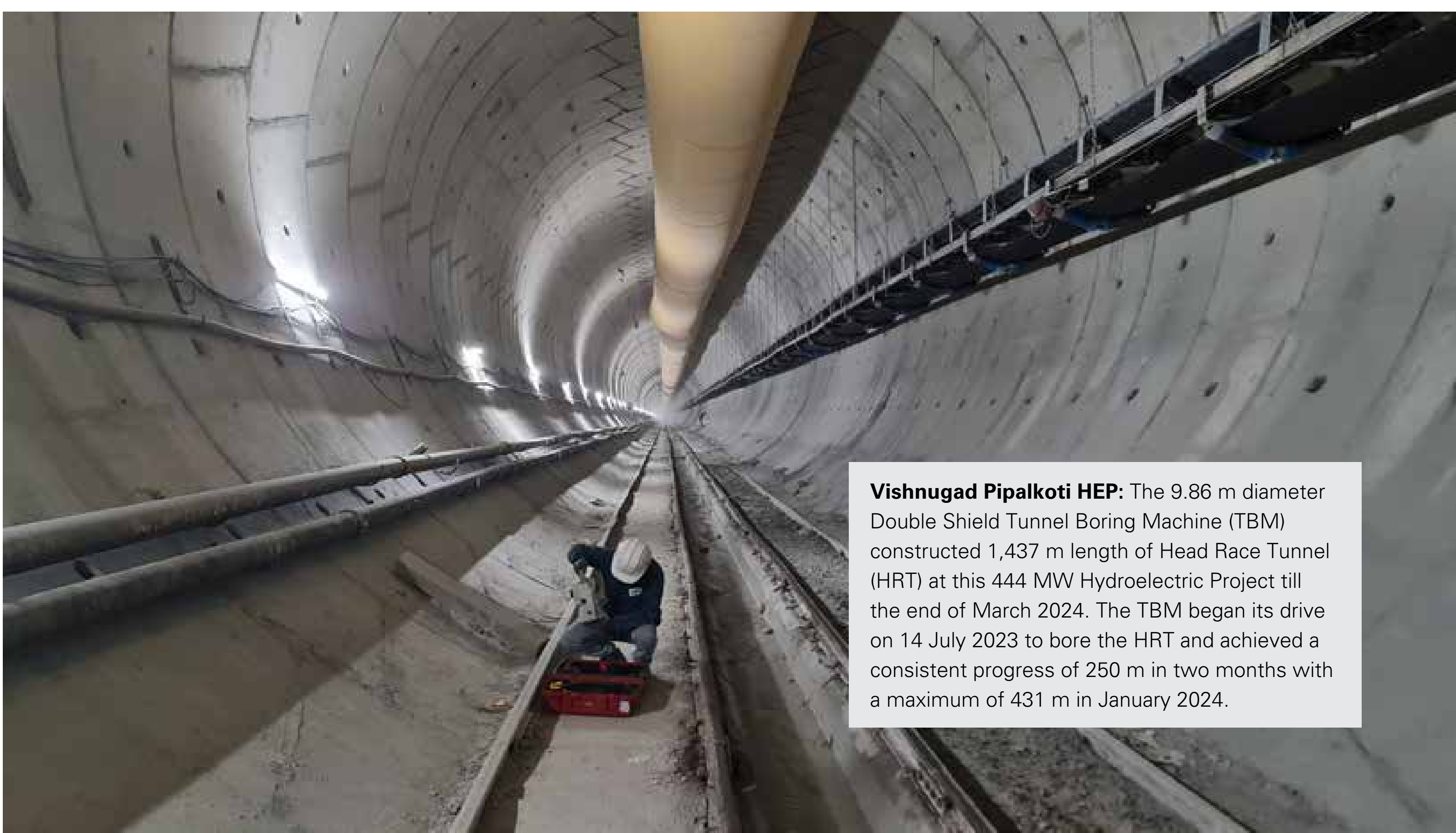
Yours sincerely,

Ajit Gulabchand
Chairman



Nikachhu Hydro Power Project: The 118 MW Nikachhu Hydro Power Project in Bhutan has been completed, and the project taking over certificate has been received from the client, effective 9 March 2024. The final milestone of wet commissioning of turbines was achieved on 14 December 2023, ahead of the target date of Bhutan's National Day (17 December 2023). The project has been synchronized to the grid for power generation, with commercial operation dates of Unit-II from 25 January 2024 and Unit-I from 8 February 2024, respectively.

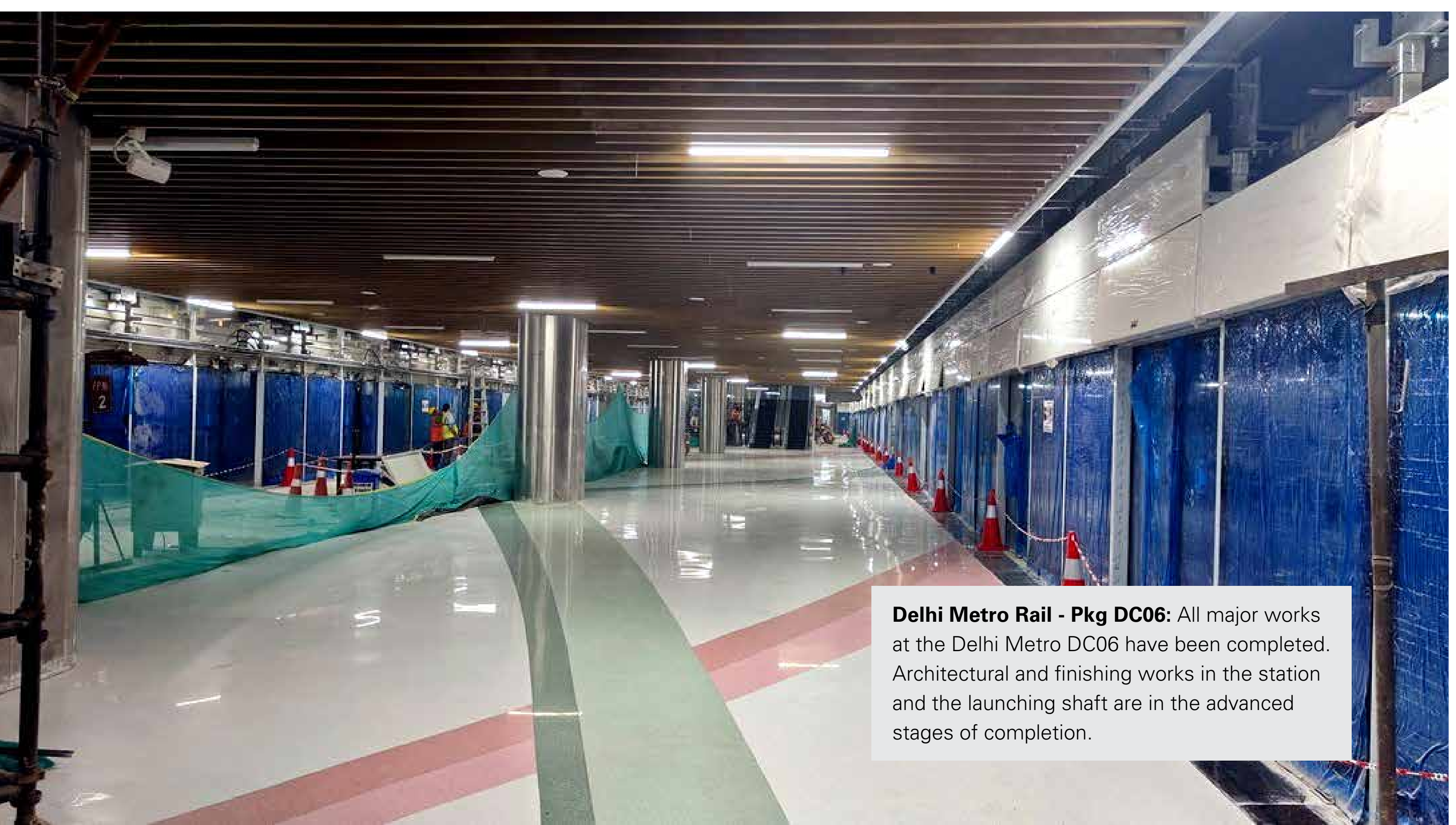
Tehri Pumped Storage: HCC, along with its consortium partner GEPIL, has achieved one more prestigious milestone of successfully lowering the Rotor (250 MW, weight: 490 Ton) in the Generator Pit of Unit # 07 (3rd unit) of 1,000 MW Tehri PSP on March 8, 2024. Earlier, the project team successfully lowered the butterfly valve for units 5 and 6 in January 2024.



Vishnugad Pipalkoti HEP: The 9.86 m diameter Double Shield Tunnel Boring Machine (TBM) constructed 1,437 m length of Head Race Tunnel (HRT) at this 444 MW Hydroelectric Project till the end of March 2024. The TBM began its drive on 14 July 2023 to bore the HRT and achieved a consistent progress of 250 m in two months with a maximum of 431 m in January 2024.

PROJECTS UPDATE

Mumbai Coastal Road Project: At the iconic Mumbai Coastal Road project, the team achieved a landmark milestone: installing two massive bow string arch spans connecting Coastal Road to the Bandra Worli Sea Link. The first span is 2000 MT, and the second is 2500 MT. The bridge was preassembled at Mazagaon Dock in Nhava Sheva, around 62 km from the project site and brought to the project location on a huge 11,000 MT barge. The first arch bridge was installed using the float-over method on 26 April 2024, followed by the second span installation on 15 May 2024.



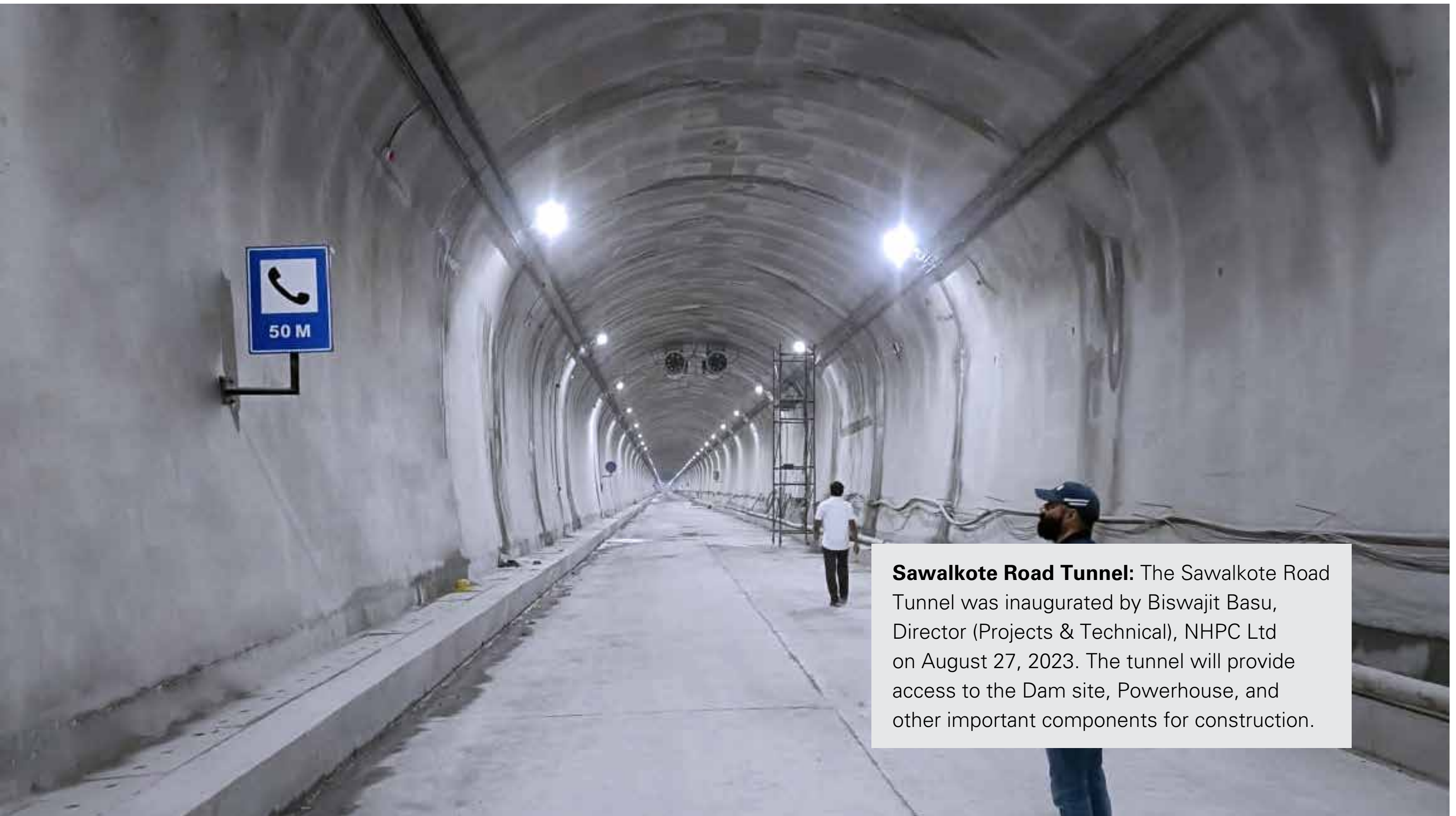
Delhi Metro Rail - Pkg DC06: All major works at the Delhi Metro DC06 have been completed. Architectural and finishing works in the station and the launching shaft are in the advanced stages of completion.

Anji Khad Bridge: The construction of the first cable stay bridge of Indian Railways in J&K along the Indian Railways' 356 km Jammu – Baramulla line was completed in September 2023. Key milestones included the completion of the Ancillary Viaduct, Central Embankment, final stressing of cables and track laying. Approach road, slope stabilization, and other miscellaneous works are underway.

Tunnel T49A: The country's longest transportation tunnel, namely 'T-49' on the Udhampur-Srinagar-Baramulla Rail Link (USBRL), was dedicated to the nation by Prime Minister Narendra Modi when he flagged off the first electrified trains on February 20, 2024. Two electrified trains simultaneously, one from Srinagar to Sangaldan in the southbound direction and northbound from Sangaldan to Srinagar, started service.

PROJECTS UPDATE

Numaligarh Jorhat Road Project: The Numaligarh Jorhat Road Project (NJRP) in Assam accomplished the 4th milestone of 100% physical completion of the 39.72 km Numaligarh Jorhat section of the project on February 29, 2024.



Sawalkote Road Tunnel: The Sawalkote Road Tunnel was inaugurated by Biswajit Basu, Director (Projects & Technical), NHPC Ltd on August 27, 2023. The tunnel will provide access to the Dam site, Powerhouse, and other important components for construction.

Bistan Lift Irrigation Scheme: Received completion certificate for Bistan Lift Irrigation Scheme project. The project will irrigate 22,000 hectares in Bistan region under Gogawan, Bhagwanpura and Khargone tehsils in Khargone district of Madhya Pradesh by drawing water from the main canal of Indira Sagar project.

Parwan Dam: Tunnel Excavation is completed. Overall, 83% of project progress has been achieved till March 2024. Tunnel invert lining and Dam concrete have been completed. Pier works and radial gates installation work are in progress.

STEINER AG

Zukunftspforte Menziken, Canton Aargau: In December 2023, Steiner AG marked a milestone by submitting the building application for the "Zukunftspforte" project. The development at the former Alu Menziken site introduces 163 rental and ownership apartments alongside ground-floor communal and commercial spaces. This innovative project, part of the "Zentrum" concept for Bahnhof Menziken-West, comprises seven buildings, including a tall structure for a village-like entrance featuring appealing 2.5 to 5.5 room apartments, communal areas and a spacious inner courtyard. The project employs the "Integrated Project Delivery IPD" approach, aiming for SNBS sustainability certification with a planned district heating system.

Schachenweid, Canton Zurich: Steiner has filed for the "Schachenweid" project in Oetwil am See, featuring 90 condos and five commercial units. This sustainable development by Erp Architekten boasts eight buildings seamlessly integrated into the landscape. Offering 2.5 to 5.5-room apartments, ample green spaces, and play areas. Following Minergie guidelines, it prioritizes sustainability with a district heating network. With public review starting in November 2023, construction aims to begin by summer 2025, promising an ideal retreat amidst nature and urban connectivity in Oetwil am See.

COMPANY INFORMATION

BOARD OF DIRECTORS

Ajit Gulabchand | Chairman

Arjun Dhawan | Executive Vice Chairman

Jaspreet Bhullar | MD & CEO

N. R. Acharyulu | Independent Director

Santosh Janakiram | Independent Director

Mahendra Singh Mehta | Independent Director

Mukul Sarkar | Nominee Director

Dr. Mita Dixit | Independent Director

Arun Karambelkar | Independent Director

Aditya Pratap Jain | Non-Executive Director

KEY MANAGERIAL PERSONNEL

Girish Gangal | Chief Financial Officer
(w.e.f. April 18, 2024)

Rahul Rao | Chief Financial Officer
(upto April 18, 2024)

Nitesh Kumar Jha | Company Secretary

STATUTORY AUDITORS

Walker Chandiok & Co. LLP, Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai – 400083.

REGISTERED OFFICE

Hincon House, Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai- 400 083.

MANAGEMENT DISCUSSION & ANALYSIS

INTRODUCTION

Hindustan Construction Company Limited ('HCC' or the 'Company') is engaged in the engineering and construction of large infrastructure projects. The Company has core competencies in the design, engineering, and execution of complex projects of national importance in the transportation, power, marine, water, and industrial sectors. HCC's projects are hallmarks of quality, excellence, and precision; the Company has delivered numerous engineering marvels within each of its respective segments.

HCC's contribution to India's infrastructure landscape includes 26% of India's hydropower capacity, over 60% of India's nuclear power generation capacity, 4,036 lane km of roads and expressways, 395 bridges and 360 km of complex tunnelling.

India has an ambitious plan to spend ₹143 lakh crore on infrastructure between FY24 and FY30. The government's ambitious National Infrastructure Pipeline (NIP) program outlines the massive capital inflow into various sub-sectors, including energy, roads, railways, and urban development. This push is expected to give rise to associated industries, create jobs, and stimulate the economy. Specific focus areas are clean and renewable energy projects and establishing resilient urban infrastructure. These efforts seek to enhance India's global competitiveness and improve the quality of life. In addition, India needs sustainable infrastructure development to suit its distinct requirements. Keeping in mind global warming and need to decarbonize society, we must work on solutions that cater to the needs of future generations on a larger scale. Leveraging its expertise in the infrastructure industry, HCC is well-positioned to take advantage of the opportunities as they unfold.

MACROECONOMIC REVIEW

The new National Democratic Alliance government, led by Prime Minister Narendra Modi, has taken charge and leads the country in its third consecutive term. Despite challenges, the Indian economy has improved further and shown resilience. The National Statistical Office (NSO) has put India's real GDP growth for 2023-24 at 8.2%. The Reserve Bank of India (RBI) revised its GDP growth projections for 2024-25 to 7.2% from 7%. In May, 43 professional forecasters invited by the RBI for the 88th Round of Survey of Professional Forecasters, projected a range of GDP growth from 6.4% to 8.1% for 2024-25 and 6.0% to 7.7% for 2025-26. The global economy is expected to be largely stable over the next two years, with the IMF projecting a growth of 3.2% for the world economy for 2024 and 2025.

The Government of India's (GOI) resource position is also robust and the growth push is targeted via continued and larger infrastructure spending. The improved balance sheet of corporates has added further confidence to consumers and capital markets. Furthermore, growth in demand conditions and investment activity are leading to sustainable, long-term economic growth. The Union Government's gross tax revenues were ₹1.4 trillion in 2023-24, and the RBI dividend of ₹2.11 trillion puts it in a very comfortable position. Consequently, GOI has been more aggressive in its fiscal consolidation path with the Budget setting a fiscal deficit target of 4.9% of GDP well below the 5.1% of GDP proposed in the Interim Budget. For 2023-24, the GOI had clocked a fiscal deficit of 5.6% of GDP by the end of the year-- as against the 5.8% of GDP targeted in the revised estimates.

Apart from that, RBI data shows that credit offtake is quite good. In 2023-24, non-food credit from scheduled commercial banks was 22% higher than the previous year. The manufacturing and construction sectors are doing well. Manufacturing indicators like IIP and PMI show healthy trends, while the construction sector showed strong growth over the past year.

The Budget

The first Budget of the new term largely continues the path of the previous budgets of the Modi government. The focus on capital expenditure (Capex) growth for infrastructure continues with the FM allocating ₹11,11,111 crore – amounting to 3.4% of GDP to it. The full-year Budget has increased revenue expenditure by ₹54,744 crore to ₹370.9 lakh crore.

Monetary Policy

The RBI's six-member Monetary Policy Committee (MPC) chose to keep the benchmark Repo rate unchanged at 6.5% for the 9th consecutive time. Robust GDP growth rate over the past four quarters has allowed the RBI to maintain a sharp focus on taming inflation as measured by the consumer price index (CPI).

The CPI was at an 59-month low of 3.54 % in July 2024, largely because of the base effect, and the RBI has targeted the CPI estimate for 2024-25 at 4.5%. Though the CPI has been well within the target range of 4% +/- 2% of the monetary policy framework, the RBI would like inflation to remain below 4% consistently before it starts cutting rates. More than the overall CPI, food inflation has been worrying – it averaged 7.5% in 2023-24. In July 2024, it fell to 5.42% from the June 2024 figure of 9.36% and April 2024 figure of 8.7%. While food inflation may soften further because of good rainfall in many areas, it is expected to remain an issue for some more time. At least one cause of the persistently high food inflation has been slower agricultural growth. Apart from erratic monsoons, changes in climate and global warming have affected agricultural growth in India. This will gradually worsen, affecting agricultural productivity, unless remedial measures are taken.

The RBI's latest bi-monthly Household Expectations Survey of Inflation, which came out in July, show that respondents expect inflation (and prices of other goods not measured by CPI) to keep rising both in the short term (three months) as well as the long term (one year). While the Household Expectations Survey of Inflation has not tracked the official CPI particularly well in the past, it serves as a useful indicator of price increase expectations of households in urban areas.

The latest Bi-Monthly Consumer Confidence Survey by the RBI in July shows that consumer sentiment has fallen for the second consecutive survey term. Current and future sentiments regarding the economy and employment are low in terms of their current status and one year in the future. Consumers expect to spend more for essential and non-essential goods and services, though it may well be because they expect prices to be higher. The Consumer Confidence Survey also shows that people in the Metros are less optimistic about the future than people in Tier 2 cities.

Challenges

While the overall macroeconomic picture looks good, there are several challenges that the government will need to be mindful of.

For one, RBI data shows that Foreign Direct Investment (FDI) is at its lowest level since 2007. In 2023-24, net FDI was only $10.6 billion compared to the $28 billion in the previous financial year. This was primarily because of an increase in repatriations by investors.

Another worry is unemployment, which remains persistently high. Urban unemployment rate in the fourth quarter of 2023-24 rose to a four-quarter high – 6.7%, according to the periodic labour force survey (PLFS). The jobless rate for youth (15-29 years) is particularly worrying at 17%. The silver lining is a slight rise in the labour force participation rate (LFPR), both overall and women's LFPR. The Union Budget announced five schemes for creating more new jobs, the details of which are being finalised.

The rising adoption of artificial intelligence by corporate India could also increase unemployment. This is not particularly good news for a country with India's demographic profile. However, AI adoption is also expected to help increase productivity and GDP growth, which will help the overall macroeconomic picture.

The other worry is the slow growth in private capital expenditure and private consumption expenditure – the latter grew a mere 3% in the final quarter compared to overall GDP growth of 7.6%. Private consumption expenditure has been one of the two big drivers of Indian economic growth, along with capex on infrastructure. Therefore, the slowing growth in PFCE is not good news for the government. Finally, a low rate of household savings and a spike in consumer debt are also worrying trends. Thus, the government must address these when making policies.

INFRASTRUCTURE AND CONSTRUCTION IN INDIA

Infrastructure is at the forefront of economic development in India to meet India's aim of reaching a US$ 5 trillion economy by 2025. GOI has launched the National Infrastructure Pipeline (NIP), combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme, to augment the growth of the infrastructure sector. The government allocated 3.3% of the country's GDP towards the infrastructure sector in FY24. The NIP introduced in 2019 with an original target of ₹111 lakh crore comprising ~5,800 projects to be completed by 2030 has been revised to ₹147 lakh crore. By the next fiscal year, the achievement is expected to be 70% of the original target. The total budgetary outlay for all infrastructure-related ministries increased from around ₹3.7 lakh crore in FY23 to ₹5 lakh crore in FY24. India has an ambitious plan to spend ₹143 lakh crore on infrastructure between FY24 and FY30, emphasizing power, roads, and developing industries like renewable energy and electric vehicles.

Around ₹69 lakh crore worth of projects are currently at various stages of development, as per the Government's India Investment Grid (IIG) database. Roads & Highways account for the highest share, followed by Railways and Urban Public Transport. The government has created various ambitious targets for the expansion of its transport sectors, which include the construction of a 2 lakh-km national highway network by 2025, increasing the total number of airports in the country from 140 to 220 airports by 2025, higher railway construction speed of 19 km of new tracks every day in FY24, operationalizing 23 waterways by 2030, and developing 35 Multi-Modal Logistics Parks (MMLPs), among others.

In the Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to ₹11.11 lakh crore, which would be 3.4 % of GDP. As per the Interim Budget 2023-24, a capital outlay of ₹2.55 lakh crore has been made for the Railways, an increase of 5.8% over the previous year. Starting with 6,835 projects, the NIP project count now stands at 9,142, covering 34 sub-sectors. Under the initiative, 2476 projects are under the development phase, nearly half of which are in the transportation sector.

The magnitude of funds required to finance the government's ambitions and the pipeline of infrastructure projects is significant. As per the Confederation of Indian Industries (CII), India faces an estimated infrastructure financing gap of over 5% of its GDP.

Roads and Highways

The capital outlay on National Highway construction in India have increased at a CAGR of 40-45% between FY2018–FY2023. Driven by robust Government funding, the Indian road sector will be a key driver of transport infrastructure development in India over the coming 5 years. It is expected that the investment in National Highways to rise by 5-6% between

Numaligarh Jorhat Road Project, Assam

FY2023 to FY2028 led by Expressway execution. Investments in State Highways is expected to rise by 4-5% and Investment in Rural Roads is expected to rise by 1–2% between FY2023 to FY2028. As per the India Investment Grid, over two-thirds of the opportunities in the transport sector are set to be executed under the Engineering, Procurement, and Construction (EPC) mode, while approximately 10% of the total project pipeline will be executed through the PPP mode.

Urban Public Transport – Metro Rail

Bangalore Metro, Karnataka

India currently has the fifth-largest metro network in the world and will soon overtake advanced economies such as Japan and South Korea to become the third-largest network. The Metro rail network reached 860 km and is operational in 20 cities. Upcoming opportunities in the sector include the ongoing review of feasibility in Chandigarh and the exploration of PPP modes, either for complete provisioning of the project or some unbundled services.

Power

The projected power generation installed capacity required to meet the electricity demand in the year 2029-30 in the base case is 774.7 GW, comprising 248.3 GW of Coal, 25.3 GW of gas, 21.1 GW of Nuclear, and 480 GW of Renewable (including 57.7 GW of Large Hydro, 270.1 GW of PV, 118.4 GW of Wind, 19.3 GW of other). Additionally, pumped storage plants (PSP) with an installed capacity of 14.5 GW (with daily storage of 6-7

Nikachhu Hydro Power Project, Bhutan

hours) and a BESS storage-based capacity of around 25 GW with 5 hours may be required in 2029-30.

Hydro-based capacity totalling around 13 GW (including Pump Storage Plants (PSP) of 2.7 GW) is under construction and likely to be ready by 2026-27. Government of India has set an ambitious target for enhancing non-fossil fuel Energy capacity to 500 GW by 2030 (as announced at the COP26 Summit in Glasgow by the Hon'ble Prime Minister of India). Hydro Power, which has unique features like quick ramping, black start capability, etc., is paramount for achieving the above goals. Considering the unique advantages of hydropower (including PSPs) and the increasing need for hydropower for grid stability/ balancing, the government has envisaged adding 51 hydro schemes with an aggregate installed capacity of around 26.4 GW (including 13 Pumped Storage Schemes of 14.2 GW). A nuclear-based capacity of 8,700 MW is under construction and is expected to be commissioned by 2029-30. Additionally, a capacity of 5600 MW is under various stages of administrative approval and may come to market by 2029-30.

Railways

Under the Union Budget 2023-24, a capital outlay of ₹2.40 lakh crore (US$ 29 billion) has been allocated to the Ministry of Railways, the highest ever outlay and about nine times the outlay made in 2013-14. To improve rail connectivity and ease commuter travel, the Union Cabinet approved seven projects for the Ministry of Railways in August 2023 at around

Delhi Metro Rail - Pkg DC06

₹32,500 crore (US$ 3.93 billion), spanning 35 districts in nine States. These projects will add 2,339 km to the existing network. A target of a higher construction speed of 19 km of new tracks daily was planned for FY2024. Indian Railway has planned to build 7 high-speed rail corridors to provide faster rail connectivity across the country. Currently, 452 railway projects of 49,323 km costing approximately ₹7.33 lakh crore are in different stages of planning/sanction/ execution across Indian Railways. Over 342 railway projects have been mapped on the GatiShakti GIS platform developed by BISAG-N.

Airports

India is amongst the fastest-growing aviation markets globally and is expected to witness a rise in the number of air passengers from 144 million in 2019-20 to 400 million in 2025-26. The government plans to invest ₹98,000 crore in constructing new airports and modernizing existing ones by 2025. Modernizing existing airports in the country has also contributed to greater private-sector participation. The government also offers various incentives to investments, such as tax exemptions and reduced customs duties on inputs. Civil Aviation Ministry's "Vision 2040" report states that there will be 190-200 functioning airports in India by 2040. Delhi and Mumbai will have three international airports each, while the top 31 Indian cities will have two operational airports each.

Ports

There are 802 projects worth investment of ₹5.4 lakh crore for implementation under the Sagarmala Programme by 2035, out of which 220 projects worth ₹1.12 lakh crore have been completed and 231 projects worth ₹2.21 lakh crore are under implementation. In addition to the above, 351 projects worth ₹2.07 lakh crore are under various stages of development. These projects are being implemented by relevant central ministries, state governments, major ports, and other agencies primarily through the private or PPP mode.

Water and Irrigation

The Indian irrigation systems market is poised for remarkable growth, with a projected CAGR of 10.9% expected during 2023-2028. India boasts the world's largest irrigated crop area, covering 8.26 million hectares, and the second-largest arable land area, encompassing 159.7 million hectares. The Government of India has launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY), backed by a substantial investment of ₹6.4 lakh crore. This initiative is dedicated to developing irrigation sources, providing a lasting solution to drought and ensuring the prosperity of the agricultural landscape.

Bistan Lift Irrigation Scheme, Madhya Pradesh

India has recently undertaken major structural reforms to facilitate ease of doing business, including legal reforms to revamp the existing arbitration framework. In 2021, the Parliament passed an Amendment to the Arbitration and Conciliation Act 1996. Moreover, the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 has been passed to fast-track commercial dispute resolution.

The government has also implemented a one-time settlement scheme called 'Vivad se Vishwas II (Contractual Disputes)' to settle pending disputes effectively. The Union Finance Minister announced the scheme in the Union Budget 2023-24. The scheme applied to all domestic contractual disputes where one of the parties is either the Government of India or an organization working under its control. Under the scheme, for Court Awards passed on or before 30.04.2023, the settlement amount offered to the Contractor will be up to 85% of the net amount awarded/ upheld by the court. For Arbitral Awards passed on or before 31.01.2023, the settlement amount offered is up to 65% of the net amount awarded.

These government and judiciary initiatives will help improve the institutional capacity necessary to create a vibrant ecosystem and make India the next big hub for international commercial arbitration.

Over the past five years, India has seen an uptick in the availability of funds and diversification in the fundraising avenues. Availability of long-term funding has increased with the involvement of entities such as the National Investment and Infrastructure Fund, National Bank for Financing Infrastructure and Development, non-banks like Power Finance Corporation, Rural Electrification Corporation, and Indian Renewable Energy Development Agency, and through infrastructure investment trust, sovereign funds, and green bonds. Additionally, with non-performing assets being at their lowest over the past decade, coupled with the write-off of bad loans via National Asset Reconstruction Company Ltd and resolution by the National Company Law Tribunal, banks and non-banking companies are now in a comfortable position to further lend to the infrastructure sector.

With international developers still some way from actively investing in infrastructure projects in India, impetus is needed to boost the involvement of pension funds and other institutions. This will require a robust and stable regulatory environment for all sectors, with actions in sync with the policy intent.

HCC: STRATEGIC DEVELOPMENTS

HCC has set its long-term goals by identifying areas that leverage the Company's strengths, while looking to enhance existing capabilities and strengthening its balance sheet for growth.

Business Development

EPC Projects have been the core competency of the Company in conceptualising, designing, executing, and commissioning large, complex projects in the areas of transportation, power and water & irrigation. India continues to remain the primary market for EPC Projects, and the Company is exploring opportunities where it has a strong geographical presence. The Company will tap into the strong Hydro Power pipeline in Bhutan where the Company recently delivered the Nikacchu Hydro Project. It will also explore opportunities in our neighbouring countries like Nepal, Bangladesh and in the Middle East.

The Company has strengthened its position in Maharashtra and would like to expand its capabilities further by undertaking new work in and around Mumbai. After completing several projects in Jammu & Kashmir in the hydropower sector, the Company is the lowest bidder in a project in J&K, and will target more projects in this region. The National Water Development Agency (NWDA) has been entrusted with the interlinking of rivers under the National Perspective Plan (NPP). NPP has two components: the Himalayan Rivers Development Component and the Peninsular Rivers Development Component. 30 link projects have been identified under NPP. The Company is pursuing opportunities in this new sector. Besides these efforts, the Company is exploring opportunities in the nuclear power sector with strategic partnerships with leading equipment manufacturers to improve the scope of its business offerings.

We have engaged with the government on policy formation and have helped strengthen our presence in industry bodies such as the Construction Federation of India (CFI), where Mr. Arjun Dhawan, Executive Vice Chairman of HCC, has been elected National Council Member. Our Chairman, Mr. Ajit Gulabchand, who has been the founding member and President of CFI for the past 24 years, has been nominated as President Emeritus of CFI.

Mr. Arjun Dhawan, Executive Vice Chairman, HCC, is also an active member of the World Economic Forum's Global Commission on Nature-Positive Cities. The Commission brings together city mayors, business leaders, heads of international and non-governmental organizations, and academia to advocate for and deploy a nature-positive urban transformation. The Commission is a trusted space where real-time urban challenges preventing nature-positive urbanization are identified and addressed with the support of an international network of experts clustered in task forces. It will provide guidance, share learnings and success stories, identify opportunities to unlock financing for nature and advocate for nature-positive city design and delivery at global forums and events. As a member of the Commission, he also works with various World Economic Forum's communities and engages with other relevant Forums, global platforms, dialogues, and initiatives that foster public-private collaboration.

Strong Liquidity

With the challenges posed by the pandemic and geopolitics, which resulted in liquidity and supply chain disruptions, the Company has built appropriate cash buffers to meet both opportunities and challenges. The Company successfully completed its Rights Issue offering of ₹350 crore in April 2024, oversubscribed by 250%. Through the Rights Issue, the Paid-up Share Capital has increased by ₹17 crore, from ₹151 crore to ₹168 crore.

In order to unlock its disputed receivables, the Company is selectively engaging with its clients for out of court settlements, which can give immediate liquidity boost. The Company has successfully prepaid the entire fund based debt exposure of two of its lenders by accessing arbitration award monies deposited in court. The Company intends to continue such transactions to accelerate its debt and repayment obligations.

Strategic Divestments

Steiner AG, the wholly owned subsidiary of HCC and a leading Swiss-based real estate firm, has concluded the sale of its construction business subsidiary, Steiner Construction SA, to Demathieu Bard, an international construction group headquartered in France for approximately CHF 98 million (₹928 Cr) including liability transfer of around CHF 60 million (₹568 Cr). For the fiscal year ending March '23, Steiner Construction posted a turnover of CHF 347 million (₹3,076 Cr) and was operating 30 projects. This strategic transaction accelerates Steiner AG's transition to a pure real estate development company, paving the way for long-term growth in this field.

HCC has divested its entire equity shareholding in HCC Real Estate Ltd (HREL), wholly owned subsidiary of the Company, in March 2024. Accordingly, HREL and its subsidiaries-- Nashik Township Developers Ltd, Powai Real Estate Developers Ltd, HCC Aviation Ltd, and HCC Realty Ltd have ceased to be subsidiaries of HCC

Glasi-Quartier, Bülach

RISK MANAGEMENT

HCC is committed to high standards of business conduct and considers a robust risk management framework to be a core component of good governance & management. The key objectives of the policy are to:

- identify and act timely on risks and opportunities
- protect the Company's assets and business interests
- achieve sustainable business growth and safeguard Shareholder's investment
- to ensure compliance with applicable legal and regulatory requirements

All employees actively engage in risk management within their own areas of responsibility and spheres of operations.

The Risk Management process consists of following:

1. Identification of risks at all levels
2. The risks identified be to prioritized based on its likelihood and anticipated impact
3. Action plan to mitigate the risk identified
4. The risk management and mitigation plan reviewed regularly

The combination of likelihood of occurrence and the magnitude of impact provides the risk assessment at the gross level. The assessed risk level is sought to be reduced by initiating control actions called mitigation plans/new controls or strengthening existing controls. Operating team is responsible for implementation of mitigation plan.

The Risk Management framework is structured at two levels:

1. Enterprise Risk Management, which focuses on overall business level risks and addresses processes and systems to mitigate the risks along with specific action plans; and
2. Project Level Risk Management, which deals with the risks from the tendering to execution to handover stage.
3. The Risk Committee meets at least once in 6 (Six) months, to review existing risk management policy, framework, processes, structure, and mitigation plan. The implementation of the Risk Management is monitored through the Risk Organization structure which clearly identifies the Risk Process Owners and details the roles and responsibilities of the key players.

OPERATIONS REVIEW

The Company's core business primarily comprises Engineering and Construction (E&C) services for large projects across sectors like Power (Hydro, Nuclear, Thermal), Transportation (Roads, Bridges, Metros, Ports), Water (Irrigation and Water Supply) and Industrial projects.

The Company has recorded a healthy performance across all sectors and geographies in line with the economic revival in India. It has registered a Turnover of ₹5,043 crore for FY 2023-24, driven by the ramp-up of execution across multiple project sites. The Company has continued its focus towards utilising technology to improve productivity and efficiency, timely & profitable execution of its order book, containing working capital and better funds management.

HIGHLIGHTS FY 2023-24

The project delivery has improved with various initiatives taken during the year. Key achievements include:

- Completion certificates received for Sone Bridge, Bistan Lift Irrigation and Tata Memorial Centre
- Taking over certificate received for the Nikachhu Hydropower Project in Bhutan
- Provisional completion certificate received for the Sawalkot Tunnel Project
- Handover formalities for Rajasthan Atomic Power Project Units 7 & 8 have begun with the Department of Atomic Energy

BUSINESS DEVELOPMENT

HCC's business development strategy focuses on consolidating order book in existing geographies and focusing on high value jobs in less competitive spaces of Urban Infra & Hydro Power. The Company's order book stood at ₹10,475 crore as of March 31, 2024. The Company is the lowest bidder in projects worth ₹4,500 crore, where contracts are yet to be signed. Another ₹10,400 crore worth bids have been submitted, which are under evaluation. Furthermore, a bid pipeline of ₹46,440 crore has been identified for future growth.

PROJECT PERFORMANCE

The performance of projects has been consistent, as reflected in the Company's continuous quarterly results. Certain challenges persist, which include the geopolitical uncertainty that continues to impact inflation, interest rates, and the supply chain, high demand for construction manpower due to the rapid increase of infrastructure projects across the country, especially in urban centres. Inflationary pressures, which led to abnormal increases in diesel, cement and steel prices, have also impacted project cashflows and performance.

PROJECTS UPDATE

Transportation:

Mumbai Coastal Road Project, Maharashtra

The transportation sector has around 48% of the order backlog. Updates on major projects are as follows:

- At the iconic Mumbai Coastal Road project, the team achieved a landmark milestone of installation of two massive bow string arch spans that connect Coastal Road to the Bandra Worli Sea Link. The first span is 2000 MT, and the second is 2500 MT. The bridge was preassembled at Mazagaon Dock in Nhava Sheva, around 62 km from the project site and brought to the project location on a huge 11,000 MT barge. The first arch bridge was installed using the float-over method on 26 April 2024, followed by the second span installation on 15 May 2024.
- The country's longest transportation tunnel, namely 'T-49' on the Udhampur-Srinagar-Baramulla Rail Link (USBRL), was dedicated to the nation by Prime Minister Narendra Modi when he flagged off the first electrified trains on February 20, 2024. Two electrified trains simultaneously, one from Srinagar to Sangaldan in the southbound direction and northbound from Sangaldan to Srinagar, started service. The T49 tunnel falls between the Khari-Sumber section of the Udhampur-Srinagar-Baramulla Rail Link.
- The Mumbai Metro Line-3 project has achieved four key milestones, which include 100% NATM completion at Kalbadevi & Grant Road Stations; handing over the Upline and Downline corridors for track works; 100% utility and road restoration at CST Station; and the platform slab at Grant Road station. The finishing works at all four stations are in the advanced stages of completion.
- The Numaligarh Jorhat Road Project (NJRP) in Assam accomplished the 4th milestone of 100% physical completion of the project's 39.72 km Numaligarh Jorhat section on February 29, 2024.
- All major works at the Delhi Metro DC06 have been completed. Architectural and finishing works in the station and the launching shaft are in the advanced stages of completion.
- Railway Tunnels T13 & T14 in Jammu and Kashmir: All work is completed, and the trial runs of trains have begun.
- Anji Khad Cable-Stayed Bridge in Jammu & Kashmir: Major civil work of the bridge has been completed, including the track laying. Approach road, slope stabilization, and other miscellaneous works are underway.
- Imphal Kangchup Temenglong Road in Manipur: 48.2 km of Dense Bituminous Macadam (DBM) works, and 19.1 km of Bituminous Concrete (BC) works completed out of 65.3 km. Balance Road works, Slope Protection works, and structure works are in progress.
- The Sawalkote Road Tunnel was inaugurated by Biswajit Basu, Director (Projects & Technical), NHPC Ltd on 27 August 2023. The tunnel will provide access to the Dam site, Powerhouse, and other important components for construction.

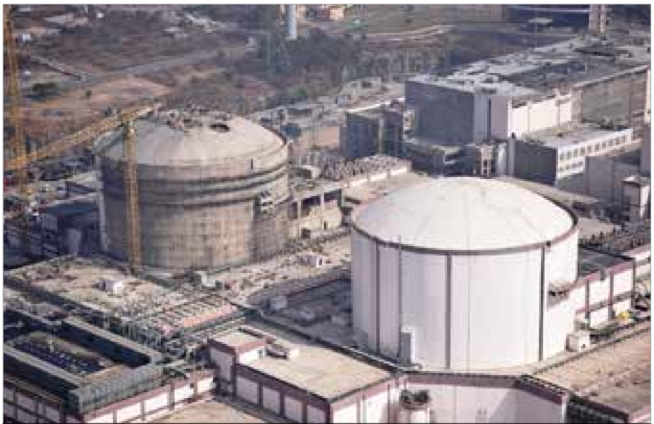
Hydro Power:

Tehri Pumped Storage, Uttarakhand

26% of the order backlog is from the Hydro sector, and the performance of projects has improved with various support measures from clients. Updates on major projects are as follows:

- HCC, along with its consortium partner GEPIL, has achieved one more prestigious milestone of successfully lowering the Rotor (250 MW, weight: 490 Ton) in the Generator Pit of Unit # 07 (3rd unit) of 1,000 MW Tehri PSP on March 8, 2024. Earlier, the project team successfully lowered the butterfly valve for units 5 and 6 in January 2024.
- The 9.86 m diameter Double Shield Tunnel Boring Machine (TBM) constructed 1437 m length of Head Race Tunnel (HRT) at 444 MW Vishnugad Pipalkoti Hydroelectric Project till the end of March 2024. The TBM began its drive on 14 July 2023 to bore the HRT and achieved a consistent progress of 250 m in two months with a maximum of 431 m in January 2024.
- The 118 MW Nikachhu Hydro Power Project in Bhutan has been completed, and the project taking over certificate has been received from the client, effective 9 March 2024. The final milestone of wet commissioning of turbines was achieved on 14 December 2023, ahead of the target date of Bhutan's National Day (17 December 2023). The project has been synchronised to the grid for power generation, with the commercial operation date of Unit-II from 25 January 2024 and Unit-I from 8 February 2024, respectively.

Nuclear Power:



• Rajasthan Atomic Power Project Units 7 & 8

Updates on major projects are as below:

- The Fast Reactor Fuel Cycle Facility (FRFCF) at Kalpakkam in Tamil Nadu: The work on the fuel reprocessing plant building, substation building, and allied structures is on schedule. Cell walls, beams and columns are in progress.
- The Rajasthan Atomic Power Project Units 7 & 8: In Nuclear Buildings 7 and 8, all structural and finishing works are completed. The finishing works in the Control building are nearing completion.
- The Integrated Nuclear Recycle Plant for Bhabha Atomic Research Centre (BARC) at Tarapur: The civil structures, allied mechanical and electrical works for the fuel processing building, lab building, and disposal block are on schedule.

Water Supply and Irrigation:

Parwan Dam, Rajasthan

- Parwan Dam in Rajasthan: Tunnel Excavation completed. Overall, 83% of project progress has been achieved till March 2024. Tunnel invert lining and Dam concrete completed. Pier works, and installation work for radial gates are in progress.

MANAGEMENT SYSTEMS

HCC has implemented an Integrated Management System (IMS) by merging ISO's quality, environment, and occupational health & safety standards—ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, respectively. This system streamlines the Company's entire operation.

HCC is dedicated to delivering quality products to its customers, supported by its Mission, Vision, IMS policy, and objectives, along with established processes and systems. The effectiveness of IMS implementation is maintained through MRM meetings and internal and external IMS audits at both project sites and head office functions.

In FY 23-24, as part of ISO's continuous evaluation process, HCC completed its ISO surveillance audit. The surveillance audit involved an audit across all functions at the head office and various projects. Four projects, one from each sector— Metro, Hydro, Transport, and Nuclear— were selected and underwent the surveillance audit. Upon completion of the audit, the auditing body reconfirmed HCC's adherence to the standards.

Throughout FY 23-24, various National and International days were celebrated at all projects and the head office to raise awareness and educate the masses, underscoring our commitment to safety and environmental stewardship. During these observances, a range of HSE-related training and promotional activities were conducted, including

- First Aid Training
- Fire Fighting Training
- Plantation Drives
- Cleaning Drives
- Various Field Games
- Awards and Recognition for Workers

The events observed at the projects included

- National Safety Day
- World Quality Day
- World Environment Day
- World AIDS Day
- World Water Day

Industry Awards received:

1. In April 2023, the DMRC DC-06 project received the 2nd National Quality Innovation Award by the Institution of Engineers (India) for implementing innovative quality management systems in the project.
2. In July 2023, the Parwan Gravity Dam Project was awarded Certificate of Appreciation by the Client for achieving 4.1 million Safe Man-hours.
3. In September 2023, the DMRC DC-06 project received Safety Innovation Awards 2023 by the Institution of

Engineers (India) for implementing innovative safety management systems in the project.

4. In March 2024, the Vishnugad Pipalkoti Hydro Electric Project was awarded Certificate of Appreciation by the National Safety Council in recognition of appreciable achievement in Occupational Safety & Health in 2023.
5. In March 2024, the Vishnugad Pipalkoti Hydro Electric Project was awarded the Certificate of Appreciation by THDC for achieving 6.1 million Safe Man-hours.
6. In March 2024, the MML-3 project was awarded Certificate of Appreciation by the National Safety Council in recognition of appreciable achievement in Occupational Safety & Health during the year 2023.
7. In April 2024, the MML-3 project was awarded Certificate of Appreciation by MAPLE for achieving 6 million Safe Man-hours.

KEY SUBSIDIARIES

HCC INFRASTRUCTURE COMPANY LTD.


Farakka Raiganj Highway (NH-34), West Bengal

HCC Infrastructure Company Limited (HICL), a wholly owned subsidiary of Hindustan Construction Company Limited, has developed ~₹7,000 Crore NHAI concessions on DBFOT (Design, Build, Finance, Operate and Transfer) basis. The Company has been focussing on Public Private Partnership (PPP) projects with government entities under various BOT / BOOT / HAM / Annuity models.

HICL has undertaken various strategic initiatives over the last 2-3 years to revitalize itself through strategic divestments, thereby fulfilling its obligations towards its shareholders and lenders and completing the reorganisation of itself through a merger of a few of its subsidiaries. In FY23-24, HICL became completely debt-free and has arbitration awards to the tune of ~₹1,008 Crore as of March 31, 2024. The award amounts have been deposited in the court and can be withdrawn against security.

Pursuant to the sale of Baharampore Farakka Highways Limited (BFHL), in FY23-24, based on agreed terms, HICL achieved and received a maximum earnout of ₹110 Crore. The construction of Baharampore Bypass (including the Bhagirathi bridge) has also been completed.

In FY23-24, HICL also decided to undertake EPC / Construction contracts and took on the ₹183.5 crore Major Maintenance (MM) Agreement for BFHL. HICL has received a Contractor Payout amounting to ₹42.53 Crore per the MM Agreement's terms. In the BOT space, new NHAI projects have come up, and the Company is acting as a technical partner providing end-to-end development expertise, including project construction, to Concessionaires in the country. HICL continues to evaluate projects across the PPP space, including Ropeways Sector and Personalized Rapid Transit.

STEINER AG


Luxburgerfeld, Canton Thurgau

Steiner AG, HCC's wholly owned subsidiary, is a leading Swiss real estate service provider with a focus on project development. One of the largest Swiss real estate developers with a track record of managing a pipeline of up to CHF 6 bn GDV, Steiner has developed and constructed iconic residential, office, industrial and logistics projects over the last 100 years.

With long-term focus on reducing business risk and improving profitability, Steiner embarked on a journey of organisational restructuring and exited its construction business. Now Steiner AG is a pure play real estate developer, benefiting from industry know-how, scalability effects, wide network and in-house digital technology support.

Steiner's Real Estate Development (RED) business works on an asset-light model characterized by low capital intensity sustaining a scalable and efficient origination strategy, driving substantial growth and profitability.

Some of the major projects being executed by Steiner AG are::

- Construction of Glasi-quarter, a new urban district in Bülach with 500-plus apartments, a residential and care centre, a hotel and over 20,000 m² of light-industrial and service-sector units.
- Gupfengarten residential development in Niederweningen,


Zukunftspforte Menziken, Canton Aargau

a condominium development with a good mix of apartments and row houses, in total of 57 units.

- Vitznau residential project in Lucerne, development of condominiums with a good mix of apartments of a total of 16 units with a wonderful view of the Vierwaldstättersee lake.
- Mix city project in Renens, Lausanne, a multipurpose and urban green building for industries which incorporates an ambitious architectural approach and innovative features, including urban agriculture on the roof and innovative energy production methods.
- Le Day Project in Vallorbe (Canton Vaud), five buildings with 72 apartments
- The floating Gardens project in Zug is a residential construction project comprising two modern buildings with 14 high-quality apartments.
- Unter Erlen development project in Wollerau (Canton Schwyz), a high-quality residential area with views of Lake Zurich with a total area of approx. 19,000 m^2.

Steiner AG reported revenues of CHF 183 million (₹1,679 crore) in FY24 as compared to CHF 337 million (₹2,793 crore) in the previous year (restated) and a Profit Before Tax of CHF 24 million (₹220 crore) as compared to a net loss of CHF 55 million (₹452 crore) in the previous year (restated). The Company secured fresh orders worth CHF 72 million (₹654 crore). The order book stood at CHF 425 million (₹3,907 crore) at the end of the financial year.

HUMAN RESOURCES (HR)

HCC, being one of the pioneers in the industry and having the legacy of contributing to the nation's infrastructure development, has always been the employer of choice in the construction industry. As an organization, we value our employees as our greatest asset. Over the decades, we have been transforming our workspaces, environments, and systems to support, build and grow our employees.

We have built a great employer brand and robust processes to attract and retain the best talent without external support. HCC review's its policies frequently to ensure they align with the market's best practices and are employee-friendly. Our policies supporting our employees' wellness, health, and security have kept them engaged and continued with us for long tenures.

Our total workforce count is 12,150, of which 3,969 is the permanent employee count and 8,181 is our temporary staff count.

We have been hiring employees across genders, regions, religions, physical abilities, educational backgrounds and experience. We had 184 employees join us across the organization in FY 2023-24 of which 57% are millennials. We continue to hire fresh graduates from Tier 1 & Tier 2 Engineering and Management Institutes, building our Talent pipeline for the future.

With our focus on diversity and inclusion, we have increased the intake of fresh graduates and postgraduates from campus. We take pride in stating that we have among the highest retention rate of campus hires. We have enabled our project sites with infrastructure and facilities supporting female employees. We continue to provide wide exposure to young talent across departments, functions, and sectors, enabling them to grow and take over future leadership roles.

Our performance management systems ensure that we have robust mechanisms to identify, reward and retain our top performers.

Our digitization journey continues. We partnered with a top global player for our payroll. We also brought in the global best HRIS and HRMS on board, which will be implemented in the coming financial year.

We continue to develop our talent through various behavioural, functional, and technical training programs. During the year, we had 6,310 man-hours learning hours through various online and offline training initiatives. We deliver programs in partnership with industry experts and educational institutes ensuring experiential learning through case studies and live projects.

Celebrations have been a key part of bringing employees together. Various events, such as Festivals, National holidays, Women's Day etc, were celebrated across locations, HO & project sites. In addition, project sites celebrate milestone achievements at their respective locations. Special achievements are highlighted and celebrated across the organisation.

Our POSH Policy upholds the dignity of employees irrespective of gender, respects gender differences, and is gender neutral. We ensure that every employee is sensitized and made aware of the policies and the way we work together in harmony through regular awareness sessions and declarations.

Our attrition rates are falling yearly, and we take all measures to retain the best of our talent. Capability building across sectors, functions, and levels continues to be of the utmost priority, to prepare the organisation for the future.

FINANCIAL REVIEW

Table 1: Abridged Profit and Loss account of HCC

(₹crore)

	Standalone	
	FY 24	FY 23
Income from Operations	5,042.7	5,222.0
Other Income	125.0	61.2
Total Income	5,167.7	5,283.2
Construction Cost (incl. material)/ Other Exp.	4,032.0	4,185.8
Employees Cost	323.7	323.8
EBITDA (excluding Other Income)	687.0	712.4
EBITDA margin (%) (excluding Other Income)	13.6%	13.6%
Finance Cost	542.9	664.0
Depreciation	67.8	78.1
Exceptional items - Gain / (Loss)	168.6	223.3
Profit / (Loss) Before Tax after Exceptional Items	369.9	254.9
Tax expense	191.3	1.5
Profit / (Loss) After Tax	178.6	253.4
Other comprehensive income / (loss)	21.4	0.7
Total Comprehensive Income (after Tax)	200.0	254.1

Key Financial Ratios

	Standalone		Reason for variance more than 25%
	FY 24	FY 23	
Debtors Turnover Ratio (in times)	1.95	1.51	Some receivables against arbitration awards were transferred to Prolific Resolution Private Limited as a part of the debt resolution plan. Therefore, the average trade receivables of the previous year were higher than those of the current year.
Inventory Turnover Ratio (in times)	24.18	21.59	The change in ratio is less than 25%.
Interest Coverage Ratio (in times)	1.69	1.23	Owing to a reduction in interest cost due to successful debt restructuring and an increase in operating EBITDA due to improved operational performance.
Current Ratio	1.10	1.13	The change in ratio is less than 25%.
Debt Equity Ratio	1.92	2.77	Owing to the reduction in debt and increase in net worth on account of profit for the year.
Operating Profit Margin (%)	13.62	13.64	The change in ratio is less than 25%.
Net Profit Margin^ (%)	3.54	4.85	Owing to a reduction in profit after tax for the year and an increase in net worth on account of profit of the year.
Return on Net Worth	19.71	35.91	Owing to a reduction in profit after tax for the year and an increase in net worth on account of profit of the year.

^ Before Other comprehensive income/(loss), net of tax

CORPORATE SOCIAL RESPONSIBILITY

At HCC, business excellence goes hand in hand with a commitment to improving people's lives in the community it serves. While executing some of the country's largest and most challenging projects, we take it upon ourselves to adopt sustainable practices that serve the community's well-being - both in the immediate vicinity of its work operations and beyond. As per section 135 of The Companies Act 2013, HCC has formalized a CSR policy, keeping Schedule VII in mind. The IMS procedure for effective implementation of the policy has been made. HCC's CSR activities are structured under five focus areas – Sustainability Reporting, Water, Disaster Relief, HIV/AIDS awareness, and Community development initiatives.

SUSTAINABILITY REPORTING

HCC believes in environmental transparency and disclosing its activities' economic, environmental, and social impacts through sustainability reports. It has published fourteen sustainability reports accredited by the Global Reporting Initiative guidelines. The Company engages a third-party assurance provider to review the contents and accuracy of its sustainability reporting.

We are committed to a holistic approach to sustainability, integrating social, economic, governance, and financial considerations into all aspects of our operations. Our partnership with the World Economic Forum in the areas of sustainability and urban planning helps shape next practices for the future. We are actively pursuing our goals related to water sustainability, minimizing construction waste, prioritizing employee health and safety, and fostering community development. This commitment to sustainability is integral to our long-term success and reflects our dedication to responsible business practices that align with global best practices.

The Company is a member of the UN Global Compact (UNGC) and TERI-World Business Council on Sustainable Development and a signatory to various UNGC initiatives, including 'Caring for Climate' and 'The CEO Water Mandate'.

CEO WATER MANDATE

The Company monitors water usage across its construction project sites and encourages water conservation measures. HCC is the first Indian Company to endorse the United Nations Global Compact's 'The CEO Water Mandate' and makes it a point to embed water resources management principles in all its activities.

Our efforts of projects based on the 4R water principle (Reduce, Recycle, Reuse and Recharge) have resulted in significant reduction in freshwater use, higher water-use efficiency, and significant return of adequately treated water to the natural environment. With these practices, we aim to become a water-efficient and ultimately water-neutral company.

HCC is conscious of watershed management around its project sites. While extracting water from the natural resources, proper monitoring systems are put in place for judicious water utilization. During water scarcity, the local communities are supported by the Company by providing drinking water supply.

The water use efficiency across operations, accompanied by a community-based water conservation intervention, has helped the Company maintain Water Positive status for the ninth consecutive year.

DISASTER RELIEF AND RESPONSE

HCC, with its trained engineers, project management capabilities, and heavy equipment, is best equipped to handle disaster response and evacuation during the disaster period. HCC project sites are among the first to respond during disasters, have helped evacuate people, and initiated relief work. HCC is one of the founding members of the Disaster Resource Partnership, an initiative of the World Economic Forum that was created to implement quick relief during natural disasters. The Company has provided timely interventions in several rescue and relief operations within India and internationally since 2004.

HIV/AIDS EDUCATION AND AWARENESS

In recognition of HIV/AIDS's severe impact on migrant workers, HCC formed an HIV/AIDS workplace policy and adopted an intervention programme that focuses on educating and raising HIV/AIDS awareness among migrant workers at the Company's projects. The toolbox talks were conducted during safety weeks, emphasizing HIV/AIDS training.

COMMUNITY DEVELOPMENT

HCC has traditionally been contributing to communities in and around its project sites to improve their quality of life.

INTERNAL CONTROLS AND THEIR ADEQUACY

HCC has an adequate system of internal control to ensure that the resources are used efficiently and effectively so that:

- assets are safeguarded and protected against loss from unauthorized use or disposition.
- all significant transactions are authorized, recorded, and reported correctly.
- financial and other data are reliable for preparing financial information.
- other data are appropriate for maintaining the accountability of assets.

The internal control is supplemented by an extensive internal audit programme, management review, and documented policies, guidelines, and procedures.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the infrastructure sector, significant changes in India's political and economic environment, exchange rate fluctuations, tax laws, litigation, labour relations, and interest costs.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY

Hindustan Construction Company Ltd. ('the Company' or 'HCC') has always been committed to develop sustainable value for all its stakeholders including customers, employees, shareholders, suppliers, regulatory authorities and the communities that it operates in. In this pursuit, the Company believes in managing and conducting business by adopting strong value systems.

This involves institutionalizing the highest standards of corporate governance across business activities, which is based on the principles of accountability, transparency, responsibility, and fairness in all aspects of its operations. This is the corner stone of HCC's business philosophy.

The Company has an active and independent Board that provides supervisory and strategic advice and direction. The entire governance system is supported by well-structured systems and procedures that ensure well informed decision making across different levels of management.

This Chapter reports the Company's compliance with the Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) as given below:

I. BOARD OF DIRECTORS

a) Composition of the Board

The Board of Directors ('The Board') has an optimum combination of Executive and Non-Executive Directors, which includes a Woman Independent Director and is in conformity with the provisions of the Companies Act, 2013 ('the Act') and Regulation 17 of the SEBI Listing Regulations.

Composition of the Board as on March 31, 2024

Category	No. of Directors
Chairman (Non-Executive)	1
Executive Vice Chairman	1
Managing Director	1
Independent Directors (including Woman Independent Director)	5
Non-Executive Director	1
Nominee Director	1

All the Directors possess the requisite qualifications and experience in general corporate management, finance, banking, law, operations and other allied fields enabling them to contribute effectively.

Except for Mr. Ajit Gulabchand and Mr. Arjun Dhawan, who are related inter-se, the other Directors of the Company are not related to each other.

b) Number of Board Meetings

The Board met 4 times during the financial year 2023-24 on May 18, 2023, August 03, 2023, November 09, 2023, and February 08, 2024. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

c) Directors' attendance record and details of Directorships/Committee Positions held

None of the Directors on the Board is a Member of more than ten Board-level Committees or Chairman of more than five such Committees and none of the Directors serves as an Independent Director in more than seven listed companies.

Table 1 below gives the names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and Board-level Committee positions held by them.

Table 1: Details of the Directors as on March 31, 2024

Name of the Director(s)	Category	No. of Board Meetings held during FY 2023-24	No. of Board Meetings attended during FY 2023-24	Whether attended last AGM held on August 30, 2023	No. of Directorships of other public companies*	Committee Positions #		Whether having any pecuniary or business relation with the Company
						Chairman	Member	
Ajit Gulabchand**	Promoter, Chairman^ Non-Executive Director	4	4	Yes	3	-	2	None
Arjun Dhawan**	Executive Vice Chairman	4	4	Yes	2	-	1	None
Jaspreet Bhullar	Managing Director & Chief Executive Officer	4	4	Yes	2	-	-	None
N.R. Acharyulu	Independent Director	4	4	Yes	-	-	1	None
Santosh Janakiram	Independent Director	4	3	Yes	1	2	1	None
Mahendra Singh Mehta	Independent Director	4	4	Yes	2	1	2	None
Mukul Sarkar	Non-Executive Nominee Director (Exim Bank, Lender)	4	3	No	2	-	-	None
Dr. Mita Dixit	Woman Independent Director	4	4	Yes	2	-	1	None
Arun Karambelkar	Independent Director^^	4	4	Yes	1	1	1	None
Aditya Pratap Jain^^^	Non-Executive Director	4	3	Yes	-	-	-	None

Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee in public companies excluding private limited companies, high value debt listed companies, foreign companies, and companies under Section 8 of the Companies Act, 2013, has been considered.

*Excludes private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013.

** Mr. Arjun Dhawan is son-in-law of Mr. Ajit Gulabchand.

^ Mr. Ajit Gulabchand has been appointed as Director, not liable to retire by rotation and also as the Non-Executive Chairman of the Company with effect from April 01, 2023 by the Members of the Company at their Extra Ordinary General Meeting held on February 14, 2023.

^^ Mr. Arun Karambelkar, Non-Executive Non-Independent Director was appointed as Independent Director with effect from June 07, 2023.

^^^ Mr. Aditya Pratap Jain was appointed as Non-Executive Director with effect from June 07, 2023.

d) Information to the Board

The Company provides information as set out in Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations to the Board and the Board Committees to the extent applicable.

A detailed agenda folder is sent to each Director within the timeline prescribed under the Act and the SEBI Listing Regulations. All the agenda items are appended with necessary supporting information and documents (except for price sensitive information, which are circulated separately before the Meeting) to enable the Board to take informed decisions.

Further, the Board also reviews the Annual Financial Statements of the unlisted subsidiary companies. Pursuant to Regulation 24 of the SEBI Listing Regulations, the Minutes of the Board Meetings and a statement of all significant transactions and arrangements entered into by the Company's unlisted subsidiary companies are placed before the Board.

e) Directors with pecuniary relationship or business transaction with the Company

During the financial year 2023-24, the Chairman, Executive Vice Chairman and Managing Director received salary, perquisites, and allowances, while all the Non-Executive Directors received Sitting Fees.

Additional Information related to Directorship in other listed entities as on March 31, 2024 as per the SEBI Listing Regulations

Name of the Director(s)	Name of other Listed entities	Category of Directorship
Ajit Gulabchand	-	-
Arjun Dhawan	-	-
N.R. Acharyulu	-	-
Santosh Janakiram	Ador Fontech Ltd.	Independent Director
Mahendra Singh Mehta	Lloyds Metals and Energy Ltd.	Independent Director
Mukul Sarkar	Jain Irrigation Systems Ltd.	Nominee Director
Dr. Mita Dixit	Anuh Pharma Ltd.	Independent Director
	Shetron Limited	Independent Director
Arun Karambelkar	Capacit'e Infraprojects Ltd.	Independent Director
Jaspreet Bhullar	-	-
Aditya Pratap Jain	-	-

f) Remuneration to Directors

Table 2 gives the details of remuneration paid to Directors for the financial year ended March 31, 2024.

The Company did not advance loans to any of its Directors during the financial year 2023-24.

Table 2: Remuneration paid to Directors during the financial year ended March 31, 2024

Name of the Director(s)	Salaries, Perquisites & Allowances* (₹)	Sitting fees** (₹)	Total (₹)
Ajit Gulabchand (Chairman)	3,00,00,000	16,00,000	3,16,00,000
Arjun Dhawan (Executive Vice Chairman)	5,50,00,000	-	5,50,00,000
Jaspreet Bhullar (Managing Director and Chief Executive Officer)	3,85,00,000	-	3,85,00,000
N.R. Acharyulu (Independent Director)	-	15,00,000	15,00,000
Santosh Janakiram (Independent Director)	-	7,00,000	7,00,000
Mahendra Singh Mehta (Independent Director)	-	12,00,000	12,00,000
Mukul Sarkar^ (Nominee Director)	-	3,00,000	3,00,000
Dr. Mita Dixit (Woman Independent Director)	-	8,00,000	8,00,000
Arun Karambelkar (Independent Director)	-	4,00,000	4,00,000
Aditya Pratap Jain (Non-Executive Director)	-	3,00,000	3,00,000
Total	**12,35,00,000**	**68,00,000**	**13,03,00,000**

* Excludes ₹ 7,50,000/- towards Company's contribution to Provident Fund and Superannuation Fund being exempt under the provisions of Income Tax Act, 1961.
**Sitting fees comprises payment made to Non-Executive Directors for attending Board Meetings and/or Committee Meetings.
^ In case of Mr. Mukul Sarkar, the sitting fees for attending Board Meetings were paid to EXIM Bank.

g) Details of Equity Shares / Stock Options held by the Non-Executive Directors

The details of the Equity Shares / Stock Options held by the Non-Executive Directors as on March 31, 2024, are given in Table 3 below.

Table 3: Details of Equity Shares held by Non-Executive Directors as on March 31, 2024

Name of the Director(s)	No. of Equity Shares	No. of Stock Options
Ajit Gulabchand	21,17,294	Nil
N.R. Acharyulu	Nil	Nil
Santosh Janakiram	Nil	Nil
Mahendra Singh Mehta	Nil	Nil
Mukul Sarkar	Nil	Nil
Dr. Mita Dixit	Nil	Nil
Arun Karambelkar	Nil	Nil
Aditya Pratap Jain	Nil	Nil

h) Code of Conduct

The Board has laid down two separate Codes of Conduct ('Code(s)')- one for the Non-Executive Directors including Independent Directors and the other for Executive Directors and Senior Managerial Personnel ('Senior Management'). These Codes have been placed on the Company's website www.hccindia.com. The Codes lay down the standard of conduct which is expected to be followed by the Directors and Senior Management in their business dealings and in particular, on matters relating to integrity at the workplace in business practices and in dealing with stakeholders. A declaration that the Members of the Board and Senior Management have affirmed compliance under the Code during the financial year 2023-24 has been signed by Mr. Jaspreet Bhullar, Managing Director and Chief Executive Officer of the Company and same is annexed to this Report.

i) Familiarisation Programme for Board Members

The Company has a familiarisation programme for the Independent Directors with regard to their roles, rights and responsibilities in the Company. It provides details regarding the nature of the industry in which the Company operates, the business models of the Company etc. which aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights, and responsibilities.

The details of the familiarisation programme for Independent Directors are available on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Policy%20for%20Familiarisation%20Program%20for%20Independent%20Directors.pdf.

j) Nomination and Remuneration Policy

The Non-Executive Directors are paid sitting fees of ₹ 1,00,000/- each for attending the Meetings of the Board and its Committees, which are within the limits laid down by the Act read with relevant Rules thereunder. In respect of Mr. Mukul Sarkar, Nominee Director, the sitting fees are paid to Exim Bank.

The Nomination and Remuneration Policy containing, *inter-alia*, criteria for making payment to Non-Executive Directors is available on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Nomination-and-Remuneration-Policy.pdf

k) Independent Directors' Meeting

In terms of the Schedule IV to the Act and Regulation 25 of the SEBI Listing Regulations, Independent Directors of the Company are required to hold at least one Meeting in a financial year without the attendance of Non-Independent Directors and Members of Management.

During the year under review, Independent Directors of the Company met separately on February 08, 2024, *inter-alia,* for –

- Evaluation of performance of Non-Independent Directors and the Board of the Company as a whole.
- Evaluation of performance of the Chairman of the Company, taking into views of Executive and Non-Executive Directors.
- Evaluation of the quality, content, and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

l) Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided

Not Applicable

II. BOARD COMMITTEES

Details of the role and composition of the Committees, including the number of Meetings held during the financial year and attendance at Meetings, are provided below:

a) Audit Committee

As on March 31, 2024, the Audit Committee comprised of three Independent Directors viz. Mr. Mahendra Singh Mehta, Chairman, Mr. N. R. Acharyulu and Dr. Mita Dixit as Members. All Members of the Audit Committee possess accounting and financial management knowledge.

The Senior Management team comprising of Executive Vice Chairman, Chief Executive Officer, Chief Financial Officer, Chief Internal Auditor and the representative of the Statutory Auditors are invited for the Meetings of the Audit Committee. The Company Secretary is the Secretary to the Committee.

The Audit Committee met 4 times during the year, i.e., on May 18, 2023, August 03, 2023, November 09, 2023, and February 08, 2024. The details of the composition of the Committee and attendance at the Meetings are given in Table 4.

Table 4: Details of the composition of the Audit Committee and attendance at the Meetings during the financial year 2023-24

Name of the Director(s)	Category	Position	No. of Meetings attended
Mahendra Singh Mehta	Independent Director	Chairman	4
N. R. Acharyulu	Independent Director	Member	4
Dr. Mita Dixit	Woman Independent Director	Member	4

Mr. Mahendra Singh Mehta, Chairman of Audit Committee was present in the Annual General Meeting of the Company held on August 30, 2023, to answer the Members' queries.

The terms of reference of the Audit Committee are reproduced below:

- Overseeing of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of subsection 3 of Section 134 of the Act.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the Management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Modified opinion(s) in the draft audit report.
- Reviewing with the Management, quarterly financial statements before submission to the Board for approval.
- Reviewing with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the Management, performance of the statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with the internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussions with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussions to ascertain any area of concern.

- To look into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors.

- To review the functioning of the Whistle Blower mechanism/Vigil mechanism.

- Approval for appointment of CFO after assessing the qualifications, experience, and background, etc. of the candidate.

- Carrying out any other functions as specified in the terms of reference, as amended from time to time.

Review of Information by Audit Committee

- Review of the utilization of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/ advances/investments.

- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

Besides the above, the role of the Audit Committee includes mandatory review of the following information:

- Management Discussion and Analysis of financial condition and results of operations.

- Management letters/letters of internal control weaknesses issued by the statutory auditors, if any.

- Internal audit reports relating to internal control weaknesses.

- The appointment, removal, and terms of remuneration of the Chief Internal Auditor.

- Statement of deviations.

b) Nomination and Remuneration Committee

As of March 31, 2024, the Nomination and Remuneration Committee comprised of 3 (three) Directors viz. Mr. Mahendra Singh Mehta, Chairman, Mr. Ajit Gulabchand and Mr. Santosh Janakiram as Members. The Chief Human Resources Officer is invited for the Meetings. The Company Secretary is the Secretary to the Committee.

The Nomination and Remuneration Committee met once during the financial year i.e. on March 29, 2024. The details of the composition of the Committee and attendance at the Meeting are given in Table 5 below:

Table 5: Details of the composition of the Nomination and Remuneration Committee and attendance at the Meeting during the financial year 2023-24

Name of the Director(s)	Category	Position	No. of Meetings attended
Mahendra Singh Mehta	Independent Director	Chairman	1
Ajit Gulabchand	Chairman	Member	1
Santosh Janakiram	Independent Director	Member	1

The role of the Nomination and Remuneration Committee of the Company, *inter-alia*, is as under:

- Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board a Policy, relating to the remuneration of the Directors, Key Managerial Personnel, and Senior Management Personnel.

- Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.

- Formulation of criteria for evaluation of Independent Directors and the Board.

- Devising a policy on diversity of Board of Directors.

- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

- Recommending whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director.

- Recommending appointment of Senior Management and remuneration payable to them.

Performance Evaluation criteria for Independent Directors

Performance evaluation criteria for Independent Directors as approved by Nomination and Remuneration Policy is contained in the Nomination and Remuneration Policy which is available on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Nomination-and-Remuneration-Policy.pdf.

Annual performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole was carried out by the Independent Directors in their separate Meeting held on February 08, 2024. The performance evaluation of the Independent Directors as well as of other Board-level Committees was carried out by the entire Board in its Meeting held on May 24, 2024.

c) Stakeholders Relationship Committee

As of March 31, 2024, the Stakeholders Relationship Committee comprised of 3 (three) Directors viz. Mr. Santosh Janakiram, Chairman, Mr. Ajit Gulabchand and Mr. Arjun Dhawan as Members. Mr. Nitesh Kumar Jha, Company Secretary is the Compliance Officer of the Company.

The Stakeholders Relationship Committee met once during the year i.e., on February 08, 2024. The details of the composition of the Committee and attendance at the Meeting are given in Table 6 below:

Table 6: Details of the composition of the Stakeholders Relationship Committee and attendance at the Meeting during the financial year 2023-24

Name of the Director(s)	Category	Position	No. of Meetings attended
Santosh Janakiram	Independent Director	Chairman	1
Ajit Gulabchand	Chairman	Member	1
Arjun Dhawan	Executive Vice Chairman	Member	1

During the year under review, queries/complaints were received by the Company from members/investors/authorities, majority of which have been redressed/resolved to date, satisfactorily as shown in Table 7 below:

Table 7: Details of queries/complaints received and attended during the financial year 2023-24

Sr. No.	Nature of Query/Complaint	Pending as on April 01, 2023	Received during the above period	Redressed during the above period	Pending as on March 31, 2024*
1.	Transfer/Transmission/Duplicate	3	122	120	5
2.	Non-receipt of warrants	0	0	0	0
3.	Dematerialisation/ Rematerialisation of Securities	0	7	5	2
4.	Complaints Received Through:				
	a. Directly from the Shareholders	0	0	0	0
	b. Consumer Forum/ Court Case/ Legal Notice	0	0	0	0
	c. Advocate	0	0	0	0
	d. SEBI	0	3	3	0
	e. Stock Exchanges	0	2	2	0
	f. NSDL, CDSL, MOCA	0	0	0	0
	g. Any Other Governing Body	0	0	0	0
5.	Other Queries	1	29	30	0
	TOTAL	**4**	**163**	**160**	**7**

*Received in the last week of March 2024 and same have been resolved as on the date of this Annual Report to the satisfaction of the shareholders.

In accordance with the Act and SEBI Listing Regulations, the role of the Stakeholders Relationship Committee, *inter-alia*, is as under:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.
- All other matters related to shares/debentures.

d) Corporate Social Responsibility (CSR) Committee

As of March 31, 2024, the CSR Committee comprised of 3 (three) Directors viz. Mr. Ajit Gulabchand, Chairman, Mr. Mahendra Singh Mehta and Mr. N. R. Acharyulu as Members.

The role of the Committee *inter-alia*, is as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act,2013.
- Formulate and recommend to the Board, an annual action plan in pursuance of the CSR Policy, which shall include the following, namely:
  - (i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
  - (ii) the manner of execution of such projects or programmes as specified in the Act and Rules made thereunder.
  - (iii) the modalities of utilization of funds and implementation schedules for the projects or programmes.
  - (iv) monitoring and reporting mechanism for the projects or programmes; and
  - (v) details of need and impact assessment, if any, for the projects undertaken by the Company.
- Recommending the CSR expenditure to be incurred by the Company to the Board for its approval.
- Any other functions as may be assigned by the Board.

The CSR Committee met once during the year i.e., on February 08, 2024 and same was attended by all the Members. The Minutes of the Meeting of the CSR Committee are noted by the Board.

The CSR Policy is available on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Corporate_Social_Responsibility_Policy.pdf

e) Risk Management Committee

As of March 31, 2024, the Risk Management Committee comprised of 5 (five) Members. The Risk Management Committee met twice during the year i.e., on July 20, 2023 and January 11, 2024 and the gap between the Meetings was not more than one hundred and eighty days.

The details of the composition of the Committee and attendance at the Meetings are given in Table 8 below:

Table 8: Details of the composition of the Risk Management Committee and attendance at the Meetings during the financial year 2023-24

Name of the Director(s)	Category	Position	No. of Meetings attended
Mahendra Singh Mehta	Independent Director	Chairman	2
Arjun Dhawan	Executive Vice Chairman	Member	1
N. R. Acharyulu	Independent Director	Member	2
Jaspreet Bhullar	Managing Director & Chief Executive Officer	Member	2
Rahul Rao	Chief Financial Officer	Member	2

Mr. Rahul Rao has ceased to be Member of the Committee consequent upon his resignation from the position of Chief Financial Officer of the Company with effect from April 18, 2024 and Mr. Girish Gangal, Chief Financial Officer of the Company has been appointed as Member of the Committee with effect from April 18, 2024.

Risk Management Framework

The Company has established a well-documented and robust risk management framework under the provisions of the Act.

Under this framework, risks are identified across all business processes of the Company on a continuous basis. Once identified, these risks are managed systematically by categorizing them into Enterprise Level Risk and Project Level Risk. These risks are further broken down into various subcategories of risks such as operational, financial, contractual, order book, project cost and time overrun etc. and proper documentation is maintained in the form of activity log registers, mitigation reports; and monitored by respective functional heads. Review of these risk and documentation is undertaken by Risk Management Committee regularly at agreed intervals.

III. COMPLIANCE

a) Senior Management:

Particulars of Senior Management including changes therein since the close of the previous financial year are mentioned in the table below:

Sr. No.	Name of Senior Management Personnel	Designation	Change since last financial year
1.	Girish Gangal	Chief Financial Officer	Appointed w.e.f. April 18, 2024
2.	Rahul Rao	Chief Financial Officer	Resigned w.e.f. April 18, 2024
3.	Nitesh Kumar Jha	Company Secretary and Compliance Officer	NA
4.	Santosh Kumar Rai	Operations Director and Chief Business Officer	NA
5.	Aniruddha Singh	Chief Human Resources Officer	NA
6.	Gurudas Digambar Naik	Executive Vice President – Contracts and Claims	NA
7.	Sanjay Dave	Senior Vice President – Hydro Electric Projects	NA
8.	Vivek Ganesh Shenoy	Vice President – Project Monitoring and Controls	NA
9.	Suresh Karki	Vice President – Operations	NA
10.	Mohammad Azharuddin	Vice President – Procurement and Sub-Contracts	NA
11.	Praveen Hari Shettigar	Chief Technology Officer and Head – Tendering	NA
12.	Dayanand Samuel	Vice President – Nuclear Thermal and Special Projects	NA
13.	Arup Dutta	Vice President – Equipment	NA
14.	Manmeet Singh Basson	Operations Director – Hydro	NA
15.	Sajith Kumar	Project Manager – Vishnugad Pipalkoti Hydropower Project	NA

b) Accounting treatment in preparation of Financial Statements

The Financial Statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ('IND-AS') notified under the Companies (Accounting Standards) Rules, 2015.

c) Subsidiary Companies

In accordance with Regulation 24 of the SEBI Listing Regulations, Steiner AG, Switzerland falls under the category of unlisted material subsidiary of the Company.

Steiner AG was incorporated on March 18, 1980 in Zurich, Switzerland. Deloitte AG was appointed as a Statutory Auditor of Steiner AG on September 09, 2020.

Mr. Santosh Janakiram, Independent Director of the Company is also Independent Director on the Board of the Steiner AG, Switzerland.

The Minutes of the Board Meetings of the subsidiary companies are placed before the Board.

The details of all significant transactions and arrangements entered into by the unlisted subsidiary companies are periodically placed before the Board.

The Policy for determining "Material Subsidiaries" is available on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Policy%20for%20Determining%20Material%20Subsidiaries.pdf

d) Code for Prevention of Insider Trading Practices and other Policies

"Code of Conduct for Prevention of Insider Trading (revised on August 05, 2024)" and the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" adopted in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 requires pre-clearance for dealing in the Company's securities and also allows the formulation of trading plan subject to certain conditions as mentioned in the said Regulations. It also prohibits the purchase or sale of Company's securities by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary is designated as the Compliance Officer for this Code.

e) CEO/CFO Certification

The Compliance Certificate for the financial year ended March 31, 2024, as required under the SEBI Listing Regulations, is signed by CEO and CFO of the Company and same is annexed to this Report.

f) Pledge of Equity Shares

The aggregate shareholding of the Promoters and Members of the Promoter Group as on March 31, 2024, was 28,12,01,980 equity shares of ₹ 1/- each representing 18.59% of the paid-up equity share capital of the Company.

In aggregate, pledge has been created on 23,99,19,286 equity shares held by Promoter Companies, representing 15.86% of the paid-up equity share capital of the Company as on March 31, 2024.

g) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has a well formulated Policy on Prevention & Redressal of Sexual Harassment. The objective of the Policy is to prohibit, prevent and address issues of sexual harassment at the workplace. The Policy covers all employees, irrespective of their nature of employment and is also applicable in respect of all allegations of sexual harassment made by an outsider against an employee.

The Company has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the financial year 2023-24, no case of Sexual Harassment was reported.

h) Chart/Matrix setting out the skills/experiences/ competencies of the Board of Directors:

In compliance with the provisions of the SEBI Listing Regulations, the Board of Directors has identified the following skills/expertise/competencies with reference to its Business and Industry that are fundamental for the effective functioning of the Company:

Sr. No.	Skill Area
1.	Strategic Thinking, Planning and Management
2.	Leadership Traits
3.	Accounting and Financial Management expertise
4.	Expertise in Engineering and Construction, Infrastructure, Industrial Projects
5.	Expertise in Transportation- Road, Bridges, Metros and urban transport system
6.	Expertise in Hydro, Marine and Water projects
7.	Expertise in Nuclear Power and Special Projects
8.	Expertise in General Project Contracting
9.	Expertise in Commerce, Fund Management, Legal, Communication, Economics
10.	Information Technology/Digital Skills/additional skills

The Directors appointed on the Board are from diverse backgrounds and possess core skills/expertise/ competencies with regard to the industries/fields from where they have come.

i) Credit Rating

During the year, CARE Ratings Ltd. (the Credit Rating Agency) has revised the ratings of bank facilities from CARE B+; Stable to CARE BB; Stable (Double B; Outlook: Stable). Further, ICRA Limited (the Credit Rating Agency) has revised the ratings of debt securities from ICRA B; Stable to ICRA BB; Stable (Double B; Outlook: Stable) and CARE Rating also assigned the rating of debt securities to CARE BB; Stable (Double B; Outlook: Stable). Details of the credit ratings for debt instruments issued and bank facilities availed by the Company are mentioned as below:

Sr. No.	Nature of Instruments	Ratings
1.	Non-Convertible Debentures	CARE BB; Stable ICRA BB; Stable
2.	Bank Facilities	CARE BB; Stable / CARE A4
3.	Optionally Fully Convertible Debenture	CARE BB; Stable

j) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The necessary disclousres have been made in the Notes to Fniaincial Statments for the financial year ended March 31, 2024.

IV. SHAREHOLDER INFORMATION

a) Disclosures regarding the Board of Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under the Act and the SEBI Listing Regulations. Based on the same, the Board has confirmed that in its opinion, the Independent Directors are meeting with the criteria of Independence and are Independent of the Management. Detailed profiles of the Directors seeking re-appointment in pursuance of the Act and the SEBI Listing Regulations read with Secretarial Standards-2 on General Meetings, as applicable are annexed to the Notice of the ensuing Annual General Meeting of the Company.

b) Means of Communication

In accordance with the SEBI Listing Regulations, the Company has maintained a functional website www.hccindia.com containing information about the Company and the same is updated from time to time. The quarterly and annual results are published in Business Standard (English) and Sakal (Marathi), which are national and local dailies respectively and also displayed on the Company's website. Official news releases and presentations made to institutional investors or to analysts, are also uploaded on the website of the Company.

The Company also disseminates to the Stock Exchanges (i.e., BSE and NSE), all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/operations and issues press releases, wherever necessary, for the information of the public at large. A designated email id has been created for Member's correspondence viz., secretarial@hccindia.com.

c) General Body Meetings

During the financial year 2023-24, Annual General Meeting was held on August 30, 2023.

d) Postal Ballot and procedure

During the year, no resolution was passed through postal ballot. Also, no resolution is proposed to be passed through postal ballot.

e) General Shareholder Information (Forthcoming Annual General Meeting)

Date:	September 17, 2024
Day:	Tuesday
Time:	11.00 a.m.
Venue:	Through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") only

Last date for Receipt of Proxies

Not applicable as AGM will be held through Video Conferencing.

Financial Year

The financial year of the Company covers the financial period from April 1 to March 31.

During the financial year under review, the Board Meetings for approval of quarterly and annual financial results were held on the following dates:

1st Quarter Results	:	August 03, 2023
2nd Quarter Results	:	November 09, 2023
3rd Quarter Results	:	February 08, 2024
4th Quarter & Annual Results	:	May 24, 2024

The tentative dates of the Board Meetings for consideration of financial results for the financial year ending March 31, 2025, are as follows:

1st Quarter Results	:	August 05, 2024
2nd Quarter Results	:	November 14, 2024
3rd Quarter Results	:	February 06, 2025
4th Quarter & Annual Results	:	May 08, 2025

Date of Book Closure

Wednesday, September 11, 2024 to Tuesday, September 17, 2024 (both days inclusive)

Listing

Presently, the equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fees for the financial year 2024-25 to BSE and NSE.

Stock Codes:

ISIN (equity shares) in NSDL & CDSL	INE549A01026
BSE Code	500185
NSE Code	HCC

Corporate Identification Number:

Corporate Identity Number (CIN) of the Company is L45200MH1926PLC001228.

Details of the AGM/EGM held in the last three years along with Special Resolutions passed thereat:

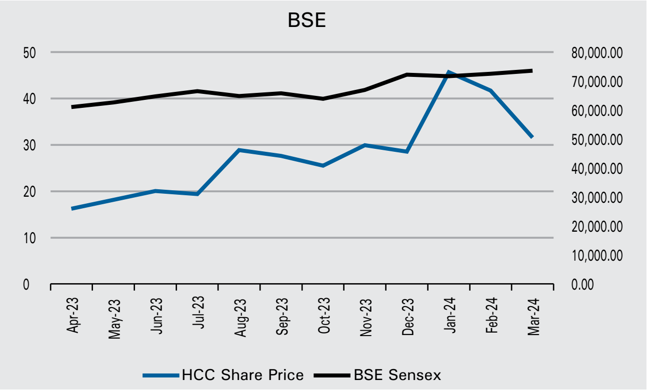
Day, Date & Time	Particulars of Special Resolutions passed
Annual General Meeting Thursday, September 23, 2021, at 11.00 a.m. through Video Conferencing	1. Appointment of Mr. N. R. Acharyulu (DIN: 02010249) as an Independent Director of the Company 2. Issue of Securities of the Company
Extra Ordinary General Meeting Wednesday, March 23, 2022, at 11.00 a.m. through Video Conferencing	1. Approval for issuance of Non-Convertible Debentures ("the NCDs") through private placement as a part of the Debt Resolution Plan of the Company 2. Authorisation to the Board of Directors to give Guarantees/Loans and/or make Investments and/or provide Securities in connection with Loans to any person/other body corporate including subsidiary companies 3. Approval for the restructuring of existing Optionally Convertible Debentures ("Existing OCDs") issued by the Company 4. Authorisation to the Board of Directors to enter into and implement the Resolution Plan of the Company and to deal with all other matters in relation to the Resolution Plan
Extra Ordinary General Meeting Wednesday, June 22, 2022, at 11.00 a.m. through Video Conferencing	1. Re-appointment of Mr. Arjun Dhawan (DIN : 01778379) as a Whole-time Director of the Company for a period of 5 years commencing from April 01, 2022

Day, Date & Time	Particulars of Special Resolutions passed
Annual General Meeting Thursday, September 29, 2022, at 11.00 a.m. through Video Conferencing	1. Re-appointment of Mr. Santosh Janakiram (DIN:06801226), as an Independent Director of the Company 2. Re-appointment of Mr. Mahendra Singh Mehta (DIN: 00019566), as an Independent Director of the Company 3. Payment of Remuneration to Mr. Ajit Gulabchand, Chairman and Managing Director of the Company for the period April 01, 2022 to March 31, 2023 4. Payment of Remuneration to Mr. Arjun Dhawan, Vice Chairman and Whole-time Director of the Company for the period April 01, 2022 to March 31, 2025 5. Payment of a consolidated amount in lieu of the remuneration (accrued, but not paid) to Mr. Ajit Gulabchand, Chairman & Managing Director of the Company for the period April 01, 2019 to March 31, 2022 6. Payment of a consolidated amount in lieu of the remuneration (accrued, but not paid) to Mr. Arjun Dhawan, Vice Chairman & Whole-time Director of the Company for the period April 01, 2019 to March 31, 2022 7. Issue of Securities of the Company
Extra Ordinary General Meeting Tuesday, February 14, 2023, at 11.00 a.m. through Video Conferencing	1. Alteration of existing Articles of Association of the Company 2. Re-appointment of Mr. Ajit Gulabchand (DIN: 00010827) as Director, not liable to retire by rotation and as the Non-Executive Chairman of the Company with effect from April 01, 2023, upon expiry of his present tenure as Chairman and Managing Director of the Company on March 31, 2023 and payment of remuneration for a period of 3 years commencing from April 01, 2023 3. Appointment of Mr. Jaspreet Bhullar (DIN: 03644691), Chief Executive Officer as Director, liable to retire by rotation and Managing Director and Chief Executive Officer (MD & CEO) of the Company, for a period of 5 years with effect from April 01, 2023, and payment of remuneration for a period of 3 years commencing from April 01, 2023
Annual General Meeting Wednesday, August 30, 2023, at 11.00 a.m. through Video Conferencing	1. Appointment of Mr. Arun Karambelkar (DIN: 02151606) Non-Executive-Non-Independent Director as an Independent Director of the Company 2. Re-appointment of Dr. Mita Dixit (DIN: 08198165), as an Independent Director of the Company 3. Alteration of existing Articles of Association of the Company to enable Nomination of Director by Debenture Trustee 4. Issue of Securities of the Company 5. Divestment of entire interest in Steiner Construction SA, Switzerland, a step-down material subsidiary of the Company by Steiner AG, Switzerland, a material subsidiary of the Company

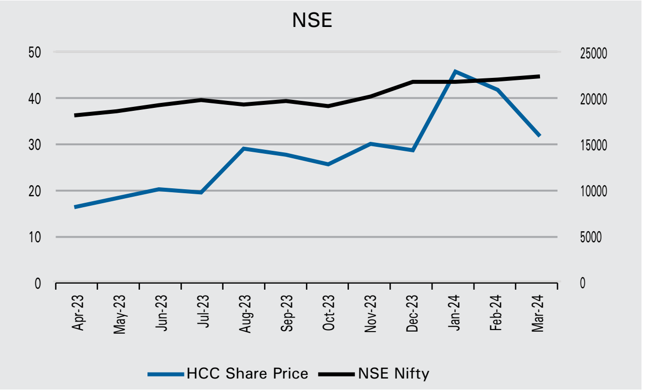
Share Price Data: High/Low and Volume during each month of the financial year 2023-24 at BSE and NSE

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Lakh)	High (₹)	Low (₹)	Volume (Lakh)
April 2023	16.65	13.66	585.18	16.65	13.65	2,738.61
May 2023	18.50	15.65	965.92	18.55	15.65	4,874.95
June 2023	21.64	17.76	2,298.11	21.65	17.75	12,976.88
July 2023	22.19	18.58	1,840.94	22.20	18.55	10,316.68
August 2023	30.29	19.25	2,735.34	30.30	19.25	18,333.25
September 2023	30.09	23.37	455.10	30.25	23.35	5,499.45
October 2023	29.70	23.62	860.70	29.70	23.60	7,782.44
November 2023	32.20	25.44	1,116.76	32.20	25.45	9,739.09
December 2023	33.85	27.71	900.77	33.85	27.70	7,451.49
January 2024	46.32	28.50	1,927.01	46.30	28.45	15,219.35
February 2024	47.92	38.00	751.00	47.90	38.15	6,546.47
March 2024	42.79	30.25	448.37	42.80	30.25	2,542.86

Chart A & B show the movement of HCC share prices compared to the principal indices - Sensex & Nifty



(Chart A)



(Chart B)

Distribution of shareholding as on March 31, 2024

Distribution range of Shares	No. of Shares	Percentage	No. of Shareholders	Percentage
1 to 500	5,47,62,158	3.62	3,60,449	69.83
501 to 1000	5,33,56,054	3.53	62,774	12.16
1001 to 2000	6,12,43,533	4.05	38,449	7.45
2001 to 3000	4,17,66,035	2.76	15,840	3.07
3001 to 4000	2,66,88,361	1.76	7,285	1.41
4001 to 5000	3,96,28,513	2.62	8,219	1.59
5001 to 10000	9,02,32,267	5.96	11,657	2.26
Greater than 10000	1,14,53,51,323	75.70	11,516	2.23
Total	**1,51,30,28,244**	**100.00**	**5,16,189**	**100.00**

Shareholding Pattern

Categories	As on March 31, 2024	
	No. of Shares	Percentage
Promoter and Promoter Group	28,12,01,980	18.59
Foreign Institutional Investors / FPIs –Corporation	13,90,97,266	9.19
Central Government / State Government	20,000	0.00
NBFCs registered with RBI / Insurance Companies / Other Financial Institutions	16,26,180	0.11
Mutual Funds / Alternate Investment Funds	3,01,77,781	1.99
Nationalised and other Banks	9,28,11,173	6.13
NRI/Foreign Nationals	2,00,58,282	1.33
Investor Education and Protection Fund Authority Ministry of Corporate Affairs	33,90,764	0.22
Others- Public	94,46,44,818	62.44
Total	**1,51,30,28,244**	**100.00**

List of Top 20 Shareholders of the Company as on March 31, 2024

Sr. No.	Name of the Shareholder	Category	No. of Shares	Percentage
1	Hincon Holdings Ltd	Promoter Company	21,60,23,600	14.28
2	Hincon Finance Limited	Promoter Company	6,22,61,186	4.12
3	Canara Bank-Mumbai	Nationalised Banks	2,92,97,546	1.94
4	HDFC Trustee Company Limited- HDFC Infrastructure Fund	Mutual Funds	2,83,20,009	1.87
5	Export- Import Bank of India	Non Nationalised Banks	2,42,51,091	1.60
6	India Insight Value Fund	FPI (Corporate)- I	2,00,10,000	1.32
7	Chetan Jayantilal Shah	Public	1,80,00,000	1.19
8	Vanguard Total International Stock Index Fund	FPI (Corporate)- I	1,68,81,376	1.12
9	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	FPI (Corporate)- I	1,62,19,880	1.07
10	ICICI Bank Limited	Non Nationalised Banks	1,38,18,139	0.91
11	Ishares Core MSCI Emerging Markets ETF	FPI (Corporate)- I	1,02,73,974	0.68
12	Bank of Baroda	Nationalised Banks	99,88,037	0.66
13	Jainam Share Consultants Private Limited	Other Bodies Corporate	98,75,570	0.65
14	Sonal Rajeev Sangoi	Public	87,18,000	0.58
15	Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	FPI (Corporate)- I	79,20,496	0.52
16	Mahesh Dinkar Vaze	Public	70,00,000	0.46
17	Union Bank of India	Nationalised Banks	62,86,803	0.42
18	SPDR Portfolio Emerging Markets ETF	FPI (Corporate)- I	54,79,053	0.36
19	Jaideep Narendra Sampat	Public	51,51,399	0.34
20	Abu Dhabi Investment Authority- Monsoon	FPI (Corporate)- I	47,40,267	0.31

Dematerialization of Shares and Liquidity

As on March 31, 2024, 1,50,91,59,536 equity shares representing 99.74% of the total equity share capital of the Company, were held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2024, is given below:

Particulars	No. of Equity Shares	Percentage
Physical Segment	38,68,708	0.26
Demat Segment		
NSDL	1,02,57,09,575	67.79
CDSL	48,34,49,961	31.95
Total	**1,51,30,28,244**	**100.00**

The Promoters hold their entire equity shareholding in the Company in dematerialized form. The Company's equity shares are regularly traded on BSE and NSE.

Employees Stock Options (ESOPs)

a) As on March 31, 2024, 82,71,402 (Eighty-Two Lakh Seventy-One Thousand Four Hundred and Two) options were available for grant to the eligible employees.

b) Each option, when exercised, as per the exercise schedule, entitles the holder to subscribe for one equity share of the Company of face value ₹1/- each.

c) Out of 3,71,748 (Three Lakh Seventy One Thousand Seventh Hundred Fourty Eight) options granted to eligible employee in financial year 2022-23, 1,87,574 (One Lakh Eighty Seven Thousand Five Hundred and Seventy Four) options have been vested on March 16, 2024.

Details regarding Listing and redemption of Debt Securities

During the year, the Company has not issued any debenture. Further, the Company has redeemed 351 Non-Convertible Debentures (NCDs) of ₹10,00,000/- each, aggregating to ₹ 35.10 Crore carrying a coupon rate 0.01% p.a. during the financial year under review.

Following are the details of Debenture Trustee in respect of the non-convertible debt securities of the Company:

Axis Trustee Services Ltd.
Axis House,
Bombay Dyeing Mill Compound,
Pandurang Budhkar Marg,
Worli, Mumbai- 400 025.
Email id: debenturetrustee@axistrustee.in
Contact Person: Mr. Sagar Shetty
Tel: + 91 9967789906

Share Transfer system

With effect from April 01, 2019, requests for effecting transfer of physical securities are not processed by the Company / Registrar except to the extent permitted by SEBI. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e., NSDL and CDSL within 21 days.

Address for Members' correspondence

Members are requested to correspond with the Registrar and Share Transfer Agents at the below given address on all matters relating to non-receipt of Annual Report, payment of dividend and any other query relating to Equity Shares or Debentures of the Company.

Registrar and Share Transfer Agents:

Contact Officer: Ms. Mary George,
Link Intime India Private Limited*
Unit: Hindustan Construction Company Ltd.
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai – 400 083
Telephone: +91-22-66568484
Fax: +91-22-66568494
Email: csg-unit@linkintime.co.in
Website: https://www.linkintime.co.in

*Pursuant to the Order passed by National Company Law Tribunal (NCLT) dated December 18, 2023, TSR Consultants Private Limited has merged with Link Intime India Private Limited with effect from December 22, 2023.

The Company has maintained an email id i.e. secretarial@hccindia.com which is designated for investor correspondence for the purpose of registering any investor related complaints and the same has been displayed on the Company's website: www.hccindia.com

Members may contact the Compliance Officer and/or the Investor Relations Officer at the following address:

Compliance Officer:

Mr. Nitesh Kumar Jha, Company Secretary
Hindustan Construction Company Ltd.
Hincon House, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai- 400 083, India.
Tel: +91-22-2575 1000
Website: www.hccindia.com
Email: secretarial@hccindia.com

Investor Relations Officer:

Mr. Santosh Kadam
Hindustan Construction Company Ltd.
Hincon House, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai-400 083, India
Tel: +91-22-2575 1000
Website: www.hccindia.com
Email: secretarial@hccindia.com

f) Disclosure under Regulation 30 and 46 of SEBI Listing Regulations regarding certain agreements with the media companies

No agreement(s) have been entered with media companies and/ or their associates which has resulted/will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable. The Company has not entered into any other back-to-back treaties / contracts/ agreements/MoUs or similar instruments with media companies and/or their associates.

g) Investor safeguards and other information:

i. Dematerialisation of shares

Members are requested to convert their physical holdings to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held.

ii. Transfer of Unclaimed Dividend and Equity Shares to Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund Rules), 2016 ('the IEPF Rules'), during the year under review, no amount of unclaimed dividend and corresponding equity shares were due to be transferred to IEPF account.

iii. Update Address/E-Mail Address/Bank Details

To receive all communications/corporate actions promptly, Members holding shares in dematerialised form are requested to please update their address/ email address/ bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

iv. Electronic Service of Documents to Members at the Registered Email Address

The Company shall send all documents to Members like General Meeting Notices (including AGM), Annual Reports and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those Members, whose email address is registered with Depository Participant (DP)/Registrar & Share Transfer Agents (RTA) (hereinafter referred as "registered email address") and made available to the Company, which has been deemed to be the Member's registered email address for serving the aforesaid documents. Members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DPs from time to time and Members holding shares in physical form have to write to Link Intime India Private Limited, at its specified address.

It may be noted that the Annual Report of the Company is available on the Company's website www.hccindia.com for ready reference.

h) **Plant locations -** Not Applicable

V. OTHER DISCLOSURES

1. There were no material related party transactions entered by the Company that may have a potential conflict with the interests of the Company. The Company has formulated a policy on Related Party Transactions and the said Policy is available on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Policy_for_Related_Party_Transactions.pdf

2. Except as mentioned below, there were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years:

   During the Financial Year 2020-21, the Company was levied a fine of ₹ 2,12,400 by both NSE and BSE for non-compliance with Regulation 17 (1) of SEBI Listing Regulations for the period commencing from 01st January 2020 to 05th February 2020. The Company paid the fine to both the Stock Exchanges on 26th October 2020.

3. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations. None of the personnel has been denied access to the Audit Committee. The same is placed on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Vigil_Mechanism_Policy.pdf

4. The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and the mandatory requirements under Schedule II and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations as amended.

5. The Company is not dealing in commodities and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.

6. The Company has complied with the discretionary requirements with respect to Internal Audit and Office for Non-Executive Chairman.

7. There is no non-compliance of any requirement of Corporate Governance Report as per Part C of Schedule V of the SEBI Listing Regulations.

8. The Policy for determining material subsidiaries is available on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Policy%20for%20determining%20Material%20Subsidiaries.pdf

9. Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations-Not Applicable for the financial year 2023-24.

10. A certificate from BNP & Associates, Company Secretary in practice, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed to this Report.

11. There are no shares lying in the demat suspense account or unclaimed suspense account of the Company as on March 31, 2024 and hence, the details of the same are not provided.

12. Details relating to fees paid to the Statutory Auditors are given in Note 29.1 to the Standalone Financial Statements and Note 32 to the Consolidated Financial Statements for the year ending March 31, 2024.

13. There were no instances during the year where Board has not accepted recommendation given by the Committees.

14. There are no outstanding global depository receipts or American depository receipts or warrants.

Auditors' Certificate on compliance with the conditions of Corporate Governance

The Company has obtained a Certificate from its Statutory Auditors regarding compliance of the conditions of Corporate Governance, as stipulated in the SEBI Listing Regulations, which is annexed with this Report and shall be sent to all the Members of the Company and the Stock Exchanges along with the Annual Report of the Company.

CERTIFICATION BY CEO AND CFO UNDER REGULATION 17(8) OF THE SEBI LISTING REGULATIONS

The Board of Directors of Hindustan Construction Company Ltd.

We have reviewed the financial statements and the cash flow statement of Hindustan Construction Company Ltd. for the year ended March 31, 2024 and that to the best of our knowledge and belief:

a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

i. significant changes in internal control over financial reporting during the year.

ii. significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and

iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Girish Gangal
Chief Financial Officer

Jaspreet Bhullar
Managing Director & Chief Executive Officer

Place: Mumbai
Date: May 24, 2024

DECLARATION BY THE CEO UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V THE SEBI LISTING REGULATIONS

To,
The Members,
Hindustan Construction Company Ltd.

I hereby declare that all the Directors and the Senior Management of the Company have affirmed compliance with their respective Codes for the financial year ended March 31, 2024.

For Hindustan Construction Company Ltd.

Jaspreet Bhullar
Managing Director & Chief Executive Officer

Place: Mumbai
Date : May 24, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Hindustan Construction Company Ltd.
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai-400 083

We, BNP & Associates, Practicing Company Secretaries, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hindustan Construction Company Limited, having CIN L45200MH1926PLC001228 and having its registered office at Hincon House, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including verification of Director Identification Number (DIN) status as per the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or by any other statutory regulatory authority for the Financial year ended March 31, 2024.

Sr. No	DIN	Name of the Directors	Designation	Date of Appointment*
1	00010827	Mr. Ajit Gulabchand	Chairman	March 3, 1983
2	01778379	Mr. Arjun Dhawan	Executive Vice Chairman	April 01, 2017
3	02010249	Mr. Ramanujacharyulu Nateri	Independent Director	May 2, 2016
4	06801226	Mr. Santosh Janakiram Iyer	Independent Director	June 17, 2019
5	00019566	Mr. Mahendra Singh Mehta	Independent Director	June 17, 2019
6	00893700	Mr. Mukul Sarkar	Nominee Director	February 06, 2020
7	08198165	Mrs. Mita Dixit	Independent Director	February 06, 2020
8	02151606	Mr. Arun Vishnu Karambelkar	Independent Director	June 23, 2021
9	03644691	Mr. Jaspreet Singh Bhullar	Managing Director & CEO	April 01, 2023
10	08115375	Mr. Aditya Pratap Jain	Non-Executive Non-Independent Director	June 7, 2023

*Date of appointment of Directors are incorporated above as appearing on MCA Portal.

Ensuring the eligibility of every Director for appointment / continuity on the Board is the responsibility of the Management of the Company. We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management of the Company has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No.
P2014MH037400]
PR No. 637/2019

Place: Mumbai
Date: May 24,2024

Venkataraman Krishnan
Partner
ACS: 8897/CP No: 12459
UDIN: A008897F000437182

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Hindustan Construction Company Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 23 May 2024 with **Hindustan Construction Company Limited (**"the Company").

2. We have examined the compliance of conditions of corporate governance by Hindustan Construction Company Limited ('the Company') for the year ended on 31 March 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI') , and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2024.

   We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Shashi Tadwalkar
Partner
Membership No: 101797
UDIN: 24101797BKCPCU8111

Place: Mumbai
Date: 24 May 2024

BOARD'S REPORT

To,
The Members of Hindustan Construction Company Ltd.

1. Report

The Board of Directors ("The Board") is pleased to present the 98th Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2024.

2. Financial Highlights (As per IND AS)

Standalone (₹ in crore)

		Year ended 31 March 2024		Year ended 31 March 2023
Income from Operations		5042.71		5222.01
Profit before Finance cost, Depreciation and Amortisation, Exceptional Items, Other Income and Tax		686.97		712.39
Less: Finance Costs	542.89		663.97	
Depreciation and amortisation	67.77		78.05	
Exceptional Items – gain	168.56	(442.10)	223.30	(518.72)
Add: Other Income		124.99		61.22
Profit /(Loss) before Tax		369.86		254.89
Less: Tax Expense		191.29		1.47
Profit/(Loss) after Tax		178.57		253.42
Add: Other Comprehensive Income		21.39		0.66
Total Comprehensive Income / (Loss) carried to Other Equity		**199.96**		**254.08**

3. Dividend

In order to conserve the resources, the Board has not recommended any dividend for the financial year ended March 31, 2024.

4. Transfer to Reserves

During the year under review, no amount is proposed to be transferred to the General Reserve of the Company.

5. Strategic Development

HCC has set its long-term goals by identifying areas that leverage the Company's strengths, while looking to enhance existing capabilities and strengthening its balance sheet for growth.

Business Development

EPC Projects have been the core competency of the Company in conceptualising, designing, executing, and commissioning large, complex projects in the areas of transportation, power and water & irrigation. India continues to remain the primary market for EPC Projects, and the Company is exploring opportunities where it has a strong geographical presence. The Company will tap into the strong Hydro Power pipeline in Bhutan where the Company recently delivered the Nikacchu Hydro Project. It will also explore opportunities in our neighbouring countries like Nepal, Bangladesh and in the Middle East.

The Company has strengthened its position in Maharashtra and would like to expand its capabilities further by undertaking new work in and around Mumbai. After completing several projects in Jammu & Kashmir in the hydropower sector, the Company is the lowest bidder in a project in J&K, and will target more projects in this region. The National Water Development Agency (NWDA) has been entrusted with the interlinking of rivers under the National Perspective Plan (NPP). NPP has two components: the Himalayan Rivers Development Component and the Peninsular Rivers Development Component. 30 link projects have been identified under NPP. The Company is pursuing opportunities in this new sector. Besides these efforts, the Company is exploring opportunities in the nuclear power sector with strategic partnerships with leading equipment manufacturers to improve the scope of its business offerings.

We have engaged with the government on policy formation and have helped strengthen our presence in industry bodies such as the Construction Federation of India (CFI), where Mr. Arjun Dhawan, Executive Vice Chairman of HCC, has been elected National Council Member. Our Chairman, Mr. Ajit Gulabchand, who has been the founding member and President of CFI for the past 24 years, has been nominated as President Emeritus of CFI.

Mr. Arjun Dhawan, Executive Vice Chairman, HCC, is also an active member of the World Economic Forum's Global Commission on Nature-Positive Cities. The Commission brings together city mayors, business leaders, heads of international and non-governmental organizations, and academia to advocate for and deploy a nature-positive urban transformation. The Commission is a trusted space where real-time urban challenges preventing nature-positive urbanization are identified and addressed with the support of an international network of experts clustered in task forces. It will provide guidance, share learnings and success stories, identify opportunities to unlock financing for nature and advocate for nature-positive city design and delivery at global forums and events. As a member of the Commission, he also works with various World Economic Forum's communities and engages with other relevant Forums, global platforms, dialogues, and initiatives that foster public-private collaboration.

Strong Liquidity

With the challenges posed by the pandemic and geopolitics, which resulted in liquidity and supply chain disruptions, the Company has built appropriate cash buffers to meet both opportunities and challenges. The Company successfully completed its Rights Issue offering of ₹ 350 crore in April 2024, oversubscribed by 250%. Through the Rights Issue, the Paid-up Share Capital has increased by ₹17 crore, from 151 crore to 168 crore.

In order to unlock its disputed receivables, the Company is selectively engaging with its clients for out of court settlements, which can give immediate liquidity boost. The Company has successfully prepaid the entire fund based debt exposure of two of its lenders by accessing arbitration award monies deposited in court. The Company intends to continue such transactions to accelerate its debt and repayment obligations.

Strategic Divestments

Steiner AG, the wholly owned subsidiary of HCC and a leading Swiss-based real estate firm, has concluded the sale of its construction business subsidiary, Steiner Construction SA, 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). For the fiscal year ending March '23, Steiner Construction posted a turnover of CHF 347 million (Rs 3,076 Cr) and was operating 30 projects. This strategic transaction accelerates Steiner AG's transition to a pure real estate development company, paving the way for long-term growth in this field.

HCC has divested its entire equity shareholding in HCC Real Estate Ltd (HREL), wholly owned subsidiary of the Company, in March 2024. Accordingly, HREL and its subsidiaries-- Nashik Township Developers Ltd, Powai Real Estate Developers Ltd, HCC Aviation Ltd, and HCC Realty Ltd have ceased to be subsidiaries of HCC.

6. Share Capital of the Company

As on March 31, 2024, the paid-up Equity Share Capital of the Company was ₹ 1,51,30,28,244/- comprising of 1,51,30,28,244 Equity Shares having face value of ₹ 1/- each.

Pursuant to the resolution passed by the Board of Directors at its Meetings held on August 03, 2023 and February 08, 2024, the Company has allotted 166,666,666 Equity Shares of face value of ₹ 1/- each for cash at a price of ₹ 21/- (including a share premium of ₹ 20/-) per Equity Shares for an amount aggregating to ₹ 350 Crore in the ratio of 13 (Thirteen) Rights Equity Shares for every 118 (One Hundred and Eighteen) fully paid equity shares on April 13, 2024.

Post Rights Issue, the paid-up Equity Share Capital of the Company has become ₹ 1,67,96,94,910/- comprising of 1,67,96,94,910 Equity Shares having face value of ₹ 1/- each.

7. Operations

The turnover of the Company during financial year 2023-24 is ₹ 5,042.71 crore as compared to ₹ 5,222.01 crore during financial year 2022-23.

During the year under review, the Company has secured 2 contracts aggregating ₹ 3,815.94 crore (The Company's Share ₹ 1,423.29 crore) in joint venture.

The total balance value of works on hand as on March 31, 2024 is ₹ 10,475.00 crore.

8. Operations of Subsidiaries:

i. HCC Infrastructure Company Ltd.

HCC Infrastructure Company Limited (HICL), a wholly owned subsidiary of Hindustan Construction Company Limited, has developed ~₹ 7,000 Crore NHAI concessions on DBFOT (Design, Build, Finance, Operate and Transfer) basis. The Company has been focussing on Public Private Partnership (PPP) projects with government entities under various BOT / BOOT / HAM / Annuity models.

HICL has undertaken various strategic initiatives over the last 2-3 years to revitalize itself through strategic divestments, thereby fulfilling its obligations towards its shareholders and lenders and completing the reorganisation of itself through a merger of a few of its subsidiaries. In financial year 2023-24, HICL became completely debt-free and has arbitration awards to the tune of ~₹1,008 Crore as of March 31, 2024. The award amounts have been deposited in the court and can be withdrawn against security.

Pursuant to the sale of Baharampore Farakka Highways Limited (BFHL), in financial year 2023-24, based on agreed terms, HICL achieved and received a maximum earnout of Rs. 110 Crore. The construction of Baharampore Bypass (including the Bhagirathi bridge) has also been completed.

In financial year 2023-24, HICL also decided to undertake EPC / Construction contracts and took on the Rs.183.5 crore Major Maintenance (MM) Agreement for BFHL. HICL has received a Contractor Payout amounting to Rs.42.53 Crore per the MM Agreement's terms. In the BOT space, new

NHAI projects have come up, and the Company is acting as a technical partner providing end-to-end development expertise, including project construction, to Concessionaires in the country. HICL continues to evaluate projects across the PPP space, including Ropeways Sector and Personalized Rapid Transit.

ii. Steiner AG

Steiner AG, HCC's wholly owned subsidiary, is a leading Swiss real estate service provider with a focus on project development. One of the largest Swiss real estate developers with a track record of managing a pipeline of up to CHF 6 bn GDV, Steiner has developed and constructed iconic residential, office, industrial and logistics projects over the last 100 years.

With long-term focus on reducing business risk and improving profitability, Steiner embarked on a journey of organisational restructuring and exited its construction business. Now Steiner AG is a pure play real estate developer, benefiting from industry know-how, scalability effects, wide network and in-house digital technology support.

Steiner's Real Estate Development (RED) business works on an asset-light model characterized by low capital intensity sustaining a scalable and efficient origination strategy, driving substantial growth and profitability.

Some of the major projects being executed by Steiner AG are:

- Construction of Glasi-quarter, a new urban district in Bülach with 500-plus apartments, a residential and care centre, a hotel and over 20,000 m² of light-industrial and service-sector units.
- Gupfengarten residential development in Niederweningen, a condominium development with a good mix of apartments and row houses, in total of 57 units.
- Vitznau residential project in Lucerne, development of condominiums with a good mix of apartments of a total of 16 units with a wonderful view of the Vierwaldstättersee lake.
- Mix city project in Renens, Lausanne, a multipurpose and urban green building for industries which incorporates an ambitious architectural approach and innovative features, including urban agriculture on the roof and innovative energy production methods.
- Le Day Project in Vallorbe (Canton Vaud), five buildings with 72 apartments
- The floating Gardens project in Zug is a residential construction project comprising two modern buildings with 14 high-quality apartments.
- Unter Erlen development project in Wollerau (Canton Schwyz), a high-quality residential area with views of Lake Zurich with a total area of approx. 19,000 m2.

Steiner AG reported revenues of CHF 183 million (₹1,679 crore) in FY24 as compared to CHF 337 million (₹2,793 crore) in the previous year (restated) and a Profit Before Tax of CHF 24 million (₹220 crore) as compared to a net loss of CHF 55 million (₹452 crore) in the previous year (restated). The Company secured fresh orders worth CHF 72 million (₹654 crore). The order book stood at CHF 425 million (₹3,907 crore) at the end of the financial year.

9. Subsidiaries, Associates and Joint Ventures

The Company along with Prolific Resolution Private Limited ("Prolific") has entered into an Agreement whereby Jadeja Investments Management Private Limited ("Investor") subscribed to 52,040 equity shares of Prolific on preferential allotment basis. Pursuant to the allotment of 52,040 equity shares to the Investor, the Company's holding in Prolific has been reduced to 49% from existing 100%. Accordingly, Prolific has ceased to be subsidiary of the Company with effect from September 30, 2023.

Steiner AG, Switzerland, a material subsidiary of the Company has divested its entire equity interest in Steiner Construction SA, Switzerland, a step-down material subsidiary of the Company on January 18, 2024, pursuant to Share Purchase Agreement dated December 04, 2023 entered into with Demathieu Bard, a Company headquartered in France. Accordingly, Steiner Construction SA has ceased to be a subsidiary of Steiner AG, Switzerland and the Company with effect from January 18, 2024.

During the year, a petition has been filed with NCLT with respect to scheme of Amalgamation of Raiganj-Dalkhola Highways Limited (Step-Down Subsidiary) with HCC Infrastructure Company Limited (Wholly Owned Subsidiary) vide resolution approved by Board dated February 28, 2024.

Pursuant to Share Purchase Agreement executed between the Company, HREL Real Estate Limited ("HREL"), wholly owned subsidiary of the Company and HRL (Thane) Real Estate Limited ("HRL (Thane)"), HRL (Thane) has become direct subsidiary of the Company with effect from March 29, 2024.

The Company has divested its entire equity shareholding in HREL, wholly owned subsidiary of the Company vide Share Purchase Agreement executed on March 31, 2024. Accordingly, HREL and its following subsidiaries have ceased to be subsidiaries of the Company with effect from March 31, 2024:

1. Nashik Township Developers Limited
2. Powai Real Estate Developers Limited
3. HCC Aviation Limited
4. HCC Realty Limited

Pursuant to initiation of the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 ('IBC') against Lavasa Corporation Limited (LCL), effective August 30, 2018, the Holding Company has lost control / significant influence over LCL and its subsidiaries, associates and joint ventures. Accordingly, the above entities had ceased to be subsidiaries, associates and joint ventures of the Holding Company effective August 30, 2018.

The details as required under Rule 8 of the Companies (Accounts) Rules, 2014 regarding the performance and financial position of the Subsidiaries, Associates and Joint Ventures of the Company are provided in Form AOC-1, which forms part of the Consolidated Financial Statements of the Company for the financial year ended March 31, 2024.

The Company's policy for determining material subsidiaries can be accessed by weblinkhttps://hccindia.com/uploads/Investors/Policy%20for%20determining%20Material%20Subsidiaries.pdf.

10. Public Deposits

The Company has not accepted any deposit falling under Chapter V of the Companies Act, 2013 ("The Act") during the year under review. There were no such deposits outstanding at the beginning and end of the FY 2023-24.

11. Particulars of Loans, Guarantees or Investments

Particulars of Loans, Guarantees and Investments made during the year as required under the provisions of Section 186 of the Act are given in the notes to the Financial Statements forming part of this Annual Report.

Disclosures pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") have been made in the notes to the Financial Statements forming part of this Annual Report.

12. Employee Stock Option Scheme (ESOP)

The HCC ESOP Scheme was approved by the Members of the Company by Special Resolution passed by Postal Ballot on December 10, 2007. The Company had granted 3,71,748 stock options to the eligible employee under the HCC ESOP Scheme on March 16, 2023. Each stock option, when exercised, would entitle the holder to subscribe for one equity share of the Company of face value ₹ 1/- each. Also, 82,71,402 stock options were available for grant to the eligible employees as on March 31, 2024.

The particulars with regard to stock options as on March 31, 2024, as required to be disclosed pursuant to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 read with the applicable SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are set out at **Annexure I** to this Report.

A certificate from BNP & Associates, Secretarial Auditors of the Company, certifying that the Company's ESOP Scheme has been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Resolution passed by the Members for approving the Scheme, shall be placed in the ensuing Annual General Meeting.

13. Consolidated Financial Statements

In accordance with the Act and implementation requirements of Indian Accounting Standards ("IND-AS") on accounting and disclosure requirements and as prescribed by the SEBI Listing Regulations, the Audited Consolidated Financial Statements are provided in this Annual Report.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statements of the Subsidiaries, Associates and Joint Ventures of the Company in the prescribed form AOC-1 is annexed to this Annual Report.

Pursuant to Section 136 of the Act, the Financial Statements of the Subsidiaries are available on the website of the Company under the Investors Section and can be accessed by weblink https://www.hccindia.com/investors/subsidiary-companies-financial-statements.

14. Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements as stipulated by the Securities and Exchange Board of India ("the SEBI").

The report on Corporate Governance as prescribed in the SEBI Listing Regulations forms an integral part of this Annual Report. The requisite certificate from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance along with a declaration signed by MD and CEO of the Company stating that the Members of the Board and Senior Management have affirmed the compliance with Code of Conduct of the Board and Senior Management, is attached to the report on Corporate Governance.

15. Directors

The Members of the Company, based on the performance evaluation carried out by the Board and recommendation of the Board and Nomination and Remuneration Committee ("NRC"), by Special Resolution passed at the 97th AGM held on August 30, 2023 had re-appointed Dr. Mita Dixit, Independent Director, whose term was expiring on August 30, 2023 for a second term of 5 consecutive years with effect from August 30, 2023.

The existing tenure of Mr. N. R. Acharyulu as Independent Director is expiring on September 17, 2024 i.e. date of the 98th AGM and he, being eligible, has offered himself for re-appointment. Based on the performance evaluation carried out by the Board and after reviewing the declaration submitted by him and pursuant to the recommendation of the NRC, the Board recommends his re-appointment for a second term of 5 consecutive years. A resolution proposing his continuation on the Board for the second term pursuant to Section 149(6) of the Companies Act, 2013 including justification for his re-appointment, as his age is more than 75 years, in accordance with Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in the notice of the ensuing 98th AGM.

As per the provisions of Section152 of the Companies Act, 2013, Mr. Aditya Pratap Jain, Non-Executive and Non-Independent Director of the Company, is due to retire by rotation at the ensuring 98th Annual General Meeting and, being eligible, has offered himself for re-appointment. The Board, based on the recommendation of the Nomination and Remuneration Committee, at its Meeting held on August 05, 2024, has recommended his re-appointment as a Non-Executive and Non- Independent Director of the Company, liable to retire by rotation.

Brief profiles of the Directors seeking re-appointment have been given as an annexure to the Notice of the ensuing 98th AGM.

The Independent Directors of the Company viz. Mr. Santosh Janakiram, Mr. Mahendra Singh Mehta, Dr. Mita Dixit, Mr. N. R. Acharyulu and Mr. Arun Karambelkar have furnished the declarations to the Company confirming that they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16 (1)(b) read with Regulation 25(8) of the SEBI Listing Regulations and the Board has taken on record the said declarations after undertaking due assessment of the veracity of the same.

The Company has also received Form DIR-8 from all the Directors pursuant to Section 164(2) and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

16. Key Managerial Personnel

As on March 31, 2024, the following persons were the Key Managerial Personnel ("KMP") of the Company pursuant to Section 2(51) and Section 203 of the Act read with the Rules framed thereunder:

i. Mr. Arjun Dhawan, Executive Vice Chairman.

ii. Mr. Jaspreet Bhullar, Managing Director and Chief Executive Officer.

iii. Mr. Rahul Rao, Chief Financial Officer (resigned w.e.f. April 18, 2024).

iv. Mr. Nitesh Kumar Jha, Company Secretary and Compliance Officer.

Mr. Girish Gangal has been appointed as Chief Financial Officer of the Company with effect from April 18, 2024 in place of Mr. Rahul Rao.

17. Board Committees

The Board had constituted / re-constituted various Committees in compliance with the provisions of the Act and the SEBI Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

All decisions pertaining to the constitution of Committees, appointment of Members and fixing of terms of reference/ role of the Committees are taken by the Board.

The details of the role and composition of these Committees, including the number of Meetings held during the financial year and attendance at these Meetings are provided in the Corporate Governance Section of this Annual Report.

18. Meetings

A calendar of Board Meetings, Annual General Meeting and Committee Meetings is prepared and circulated in advance to the Directors of the Company. The Board met 4 times during the financial year 2023-24 on May 18, 2023, August 03, 2023, November 09, 2023, and February 08, 2024. The maximum time gap between any two consecutive Meetings did not exceed one hundred and twenty days.

19. Familiarization Program of Independent Directors

In compliance with the requirements of the SEBI Listing Regulations, the Company has put in place a familiarization program for Independent Directors to familiarize them with their role, rights and responsibility as Directors, the operations of the Company, business overview etc. The details of the familiarization program are explained in the Corporate Governance Report and the same is also available on the website of the Company and can be accessed by weblink https://hccindia.com/uploads/Investors/Policy%20for%20Familiarisation%20Program%20for%20Independent%20Directors.pdf.

20. A statement regarding opinion of the Board with regard to integrity, expertise, and experience (including the proficiency) of the Independent Directors appointed during the year

The Company has received declaration from the Independent Directors that they meet the criteria of independence as prescribed under Section 149 of the Act and Regulation 16 (1)(b) read with Regulation 25(8) of the SEBI Listing Regulations. In the opinion of the Board, they fulfil the condition for appointment/re-appointment as Independent Directors on the Board and possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5) (iiia) of the Companies (Accounts) Rules, 2014.

21. Independent Directors' Meeting

In terms of Schedule IV of the Act and Regulation 25 of the SEBI Listing Regulations, Independent Directors of the Company are required to hold at least one Meeting in a financial year without the attendance of Non-Independent Directors and Members of Management.

During the year under review, Independent Directors met separately on February 08, 2024, inter-alia, for

- Evaluation of performance of Non-Independent Directors and the Board as a whole;
- Evaluation of performance of the Chairman of the Company, taking into views of Executive and Non-Executive Directors; and

- Evaluation of the quality, content, and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

22. Performance Evaluation

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Independent Directors and the working of its Committees based on the evaluation criteria specified by Nomination and Remuneration Committee for performance evaluation process of the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including, inter-alia, the structure of the Board, Meetings of the Board, functions of the Board, degree of fulfilment of key responsibilities, establishment, and delineation of responsibilities to various Committees and effectiveness of Board processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of Meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/Committee Meetings and guidance/support to the management outside Board/ Committee Meetings.

As mentioned earlier, the performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated in a separate Meeting of Independent Directors. The same was also discussed in the Board Meeting. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

23. Criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Management Personnel

The Nomination and Remuneration Committee has laid down well-defined criteria, in the Nomination and Remuneration Policy, for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Management Personnel.

The said Policy is available on the Company's website and can be accessed by weblink https://hccindia.com/uploads/Investors/Nomination-and-Remuneration-Policy.pdf.

24. Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Employees

The Nomination and Remuneration Committee has laid down the framework for remuneration of Directors, Key Managerial Personnel and Senior Management Personnel in the Nomination and Remuneration Policy recommended by it and approved by the Board. The Policy, inter-alia, defines Key Managerial Personnel and Senior Management Personnel of the Company and prescribes the role of the Nomination and Remuneration Committee. The Policy lays down the criteria for identification, appointment and retirement of Directors, Key Managerial Personnel and Senior Management. The Policy broadly lays down the framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The Policy also provides for the criteria for determining qualifications, positive attributes and independence of Director and lays down the framework on Board diversity.

The said Policy is available on the Company's website and can be accessed by weblink https://hccindia.com/uploads/Investors/Nomination-and-Remuneration-Policy.pdf.

25. Corporate Social Responsibility Policy

CSR provisions as contained in the Section 135 of the Act are applicable to the Company. However, no CSR amount was required to be spent on CSR activities during the financial year ended March 31, 2024.

A brief outline of the Corporate Social Responsibility ("CSR") Policy as recommended by the CSR Committee and approved by the Board, and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure II** of this Report in the prescribed format.

The said Policy is available on the Company's website and can be accessed by weblink https://hccindia.com/uploads/Investors/Corporate_Social_Responsibility_Policy.pdf.

26. Related Party Transactions

The related party transactions attracting the compliance under the Companies Act, 2013 and/or the SEBI Listing Regulations were placed before the Audit Committee and/or Board and/or Members for necessary review/approval.

The routine related party transactions were placed before the Audit Committee for its omnibus approval. A statement of all related party transactions entered was presented before the Audit Committee on a quarterly basis, specifying the nature, value and any other related terms and conditions of the transactions.

There are no details to report in Form AOC-2 with respect to the contracts/arrangements/transaction with related parties in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 for the financial year 2023-24.

The Related Party Transaction Policy is available on the Company website and can be accessed by weblink https://hccindia.com/uploads/Investors/Policy_for_Related_Party_Transactions.pdf.

27. Business Responsibility and Sustainability Report

Pursuant to the provisions of Regulation 34(2)(f) of the SEBI Listing Regulations, Business Responsibility and Sustainability Report for the financial year 2023-24 in the revised format prescribed by the SEBI is furnished at **Annexure III** of this Report.

28. Directors' Responsibility Statement

In accordance with the provisions of Section 134(3) of the Act, the Directors confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

(b) the selected accounting policies were applied consistently, and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the Profit of the Company for the year ended on that date;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) the annual accounts have been prepared on a going concern basis.

(e) the internal financial controls have been laid down to be followed by the Company and such controls are adequate and are generally operated effectively during the year.

(f) proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and are operating effectively.

The Statutory Auditors have opined that the Company has in, all material respects, maintained adequate internal financial controls over financial reporting and that they were operating effectively.

29. Industrial Relations

The industrial relations continued to be generally peaceful and cordial during the year under review.

30. Transfer of Unclaimed Dividend and Equity Shares to Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to IEPF, after the completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to IEPF. During the year under review, there were no unclaimed dividend or equity shares due to be transferred to the IEPF Authority pursuant to IEPF Rules.

31. Particulars of Employees and other additional information

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **Annexure-IV**. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members, excluding statement containing particulars of top 10 employees and the employees, drawing remuneration in excess of limits prescribed under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which forms part of this Report. The said statement is open for inspection. Any Member interested in obtaining a copy of the same may write to the Company Secretary at secretarial@hccindia.com.

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

The information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed under the Companies (Accounts) Rules, 2014 is given in **Annexure V** forming part of this Annual Report.

33. Secretarial Standards

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

34. Statutory Auditors

As Walker Chandiok & Co. LLP, Chartered Accountants, Mumbai, (Firm Registration No.001076N) retire after being Company's Statutory Auditors for a period of 10 consecutive years, the Board proposes to appoint M/s Mukund Chitale & Co., Chartered Accountants, Mumbai (Firm Registration No. 006655W), as Statutory Auditors of the Company at the ensuing 98th AGM for a term of 5 consecutive years from the conclusion of that AGM till the conclusion of the 103rd AGM at such remuneration as may be mutually agreed upon between the Board and the Statutory Auditors, from time to time. M/s Mukund Chitale & Co. are eligible for the said appointment and have furnished necessary certificate of their eligibility and consent to act as the Statutory Auditors of the Company. Accordingly, a resolution seeking approval of the Members for appointment of M/s Mukund Chitale & Co., Chartered Accountants as Statutory Auditors of the Company is included in the Notice of the ensuing 98th AGM.

35. Board's Comment on Statutory Auditors' Qualifications

The explanations on the qualifications/observations/matter of emphasis given by the Statutory Auditors in their Audit Reports have been provided in the respective Notes to the Standalone and Consolidated Financial Statements.

36. Secretarial Audit

Secretarial Audit for the financial year 2023-24 was conducted by M/s. BNP & Associates, Company Secretaries in Practice in accordance with the provisions of Section 204 of the Act. The Secretarial Auditor's Report is annexed to this Annual Report at **Annexure VI**.

The Secretarial Auditor's observations are self-explanatory.

37. Cost Audit

The Company is maintaining the accounts and cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act and Rules made thereunder.

In compliance with the provisions of Section 148 of the Act, the Board had at its Meeting held on August 03, 2023, appointed M/s. Joshi Apte & Associates, Cost Accountants as Cost Auditors of the Company for the financial year 2023-24.

In terms of the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors is required to be ratified by the Members. Accordingly, necessary resolution is proposed at the 98^{th} Annual General Meeting for ratification of the remuneration payable to the Cost Auditors for financial year 2023-24.

38. Risk Management

The Company has established a well-documented and robust risk management framework under the provisions of the Act. Under this framework, risks are identified across all business processes of the Company on a continuous basis. Once identified, these risks are managed systematically by categorizing them into Enterprise Level Risk & Project Level Risk. These risks are further broken down into various subcategories of risks such as operational, financial, contractual, order book, project cost and time overrun etc. and proper documentation is maintained in the form of activity log registers, mitigation reports, and monitored by respective functional heads. Review of these risk and documentation is undertaken by Risk Management Committee regularly at agreed intervals. Further, the Risk Management Committee has been assigned the roles and responsibilities as specified in Schedule II of the SEBI Listing Regulations.

39. Internal Control Systems and their adequacy

The Company has an adequate system of internal control to ensure that the resources are used efficiently and effectively so that:

- assets are safeguarded and protected against loss from unauthorized use or disposition.
- all significant transactions are authorised, recorded and reported correctly.
- financial and other data are reliable for preparing financial information.
- other data are appropriate for maintaining accountability of assets.

The internal control is supplemented by an extensive internal audit program and review by management along with documented policies, guidelines and procedures.

40. Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Act.

41. Whistle Blower Policy/Vigil Mechanism

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee. It is affirmed that no person has been denied access to the Audit Committee.

The said Policy is available on the Company website and can be accessed by weblink https://hccindia.com/uploads/Investors/Vigil_Mechanism_Policy.pdf.

42. Prevention of Sexual Harassment

The Company has always believed in providing a conducive work environment devoid of discrimination and harassment including sexual harassment. The Company has a well formulated Policy on Prevention and Redressal of Sexual Harassment. The objective of the Policy is to prohibit, prevent and address issues of sexual harassment at the workplace. This Policy has striven to prescribe a code of conduct for the employees and all employees have access to the Policy document and are required to strictly abide by it. The Policy covers all employees, irrespective of their nature of employment and is also applicable in respect of all allegations of sexual harassment made by an outsider against an employee.

The Company has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the financial year 2023-24, no case of Sexual Harassment was reported.

43. Reporting of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors to report under Section 143(12) of the Act and the Rules made thereunder.

44. Significant and material Orders passed by the Regulators/Courts, if any

There are no significant or material Orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

45. Material changes and commitment if any, affecting financial position of the Company from the end of financial year till the date of the Report

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the Financial Statements relate and the date of this Report.

46. Annual Return

The Company has uploaded Annual Return on the website of the Company and can be accessed by weblink https://www.hccindia.com/investors.

47. Green Initiatives

In line with the Green Initiatives, the Notice of 98th Annual General Meeting of the Company is being sent to all Members whose email addresses are registered with the Company/Depository Participant(s). Members who have not registered their e-mail addresses, are requested to register their e-mail IDs with their Depository Participant(s)/ Company's Registrar and Share Transfer Agents, Link Intime India Private Limited.

48. Dividend Distribution Policy

Dividend Distribution Policy of the Company endeavours for fairness, consistency and sustainability while distributing profits to the Members and same is attached to this Report as **Annexure VI**.

49. Other Disclosures

During the year under review:

- no proceedings are admitted under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution;
- no shares with differential voting rights and sweat equity shares have been issued;
- there has been no change in the nature of business of the Company.

50. Acknowledgement

The Directors would like to acknowledge and place on record their sincere appreciation to all Stakeholders, Clients, Financial Institutions, Banks, Central and State Governments, the Company's valued Investors and all other Business Partners, for their continued co-operation and support extended during the year.

The Directors also recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to promote its development.

For and on behalf of Board of Directors

Ajit Gulabchand
Chairman

Registered Office:
Hincon House, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai 400 083

Place: Mumbai
Date: August 05, 2024

ANNEXURE I TO THE BOARD'S REPORT

DISCLOSURE PURSUANT TO THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 AND SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 AS AT MARCH 31, 2024

No.	Particulars	Details
a)	No. of Options outstanding (for grant) at the beginning of the year	82,71,402 (Eighty-Two Lakh Seventy-One Thousand Four Hundred Two)
b)	No. of Options granted during the year	Nil
c)	Pricing formula	NA
d)	Vesting Requirements	NA
e)	Maximum term /exercise period of the Options granted	NA
f)	No. of Options vested	1,85,874 (One Lakh Eighty-Five Thousand Eight Hundred Seventy-Four)
g)	No. of Options exercised	Nil
h)	No. of shares arising as a result of exercise of Options	Nil
i)	Money realized by exercise of Options	Nil
j)	No. of Options lapsed	Nil
k)	Variation in the terms of Options	Nil
l)	No. of Options in force (in the hands of employee) at the end of the year	3,71,748 (Three Lakh Seventy-One Thousand Seven Hundred Forty-Eight)
m)	No. of Options exercisable (in the hands of employee) at the end of the year	1,85,874 (One Lakh Eighty-Five Thousand Eight Hundred Seventy-Four)
n)	Balance Options available for grant	82,71,402 (Eighty-Two Lakh Seventy-One Thousand Four Hundred Two)
o)	Employee wise details of stock options granted, during the financial year ended March 31, 2024, to:	
	(i) senior managerial personnel:	Nil
	(ii) any other employee to whom 5% or more of option granted:	Nil
	(iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant:	Nil

For and on behalf of Board of Directors

Ajit Gulabchand
Chairman

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai- 400 083

Place: Mumbai
Date: August 05, 2024

ANNEXURE II TO THE BOARD'S REPORT

REPORTING ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. A brief outline of the CSR Policy of the Company:

The Corporate Social Responsibility (CSR) Policy as recommended by the CSR Committee and approved by the Board of Directors of the Company on June 23, 2021 is available on the Company's website and can be accessed by weblink: https://hccindia.com/uploads/Investors/Corporate_Social_Responsibility_Policy.pdf.

HCC is aware of the social responsibilities that accompany its leadership status. The Company remains steadfast in pursuing holistic growth with responsibility towards the people and the environment. The Company's CSR philosophy is 'Do Good to Do Well and Do Well to Do Good'.

2. Composition of CSR Committee:

Sr. No.	Name and Nature of Directorship	Designation	Number of Meeting of CSR Committee held during the year	Number of Meeting of CSR Committee attended during the year
1	Ajit Gulabchand (Chairman)	Chairman	1	1
2	N. R. Acharyulu (Independent Director)	Member	1	1
3	Mahendra Singh Mehta (Independent Director)	Member	1	1

3. Provide the web link where the Composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the Company's website:

CSR Committee:
http://hccindia.com/investors/board-committees

CSR Policy:
https://hccindia.com/uploads/Investors/Corporate_Social_Responsibility_Policy.pdf

CSR Projects:
http://hccindia.com/about-us/sustainability/community-initiatives

4. Provide the details of the impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	The amount available for set-off from preceding financial years (in ₹)	The amount required to be set-off for the financial year, if any (in ₹)
---------- Nil ----------			

6. Average net profit of the Company as per section 135(5) – Nil

7. (a) Two per cent of average net profit of the Company as per section 135(5) – Not Applicable

(b) Surplus arises from the CSR projects or programmes or activities of the previous financial years – Nil

(c) Amount required to be set off for the financial year – Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) – Nil

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2023-24 (in ₹)	Amount Unspent (in ₹)				
	The total amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Nil	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
-- NA--										

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation – Direct (Yes/ No)	Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Reg. no.
-- NA--									

(d) Amount spent in Administrative Overheads – Nil

(e) Amount spent on Impact Assessment, if applicable – Not Applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e) – Nil

(g) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	Nil
(ii)	Total amount spent for the financial year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-- NA--							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the Reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the Project Completed/ Ongoing
			-- NA--					
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – Not Applicable

a. **Date of creation or acquisition of the capital asset –** Not Applicable

b. **Amount of CSR spent for creation or acquisition of capital asset –** Not Applicable

c. **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. –** Not Applicable

d. **Provide details of the capital asset created or acquired (including complete address and location of the capital asset –** Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) – Not applicable

Arjun Dhawan
Executive Vice Chairman

Ajit Gulabchand
Chairman
and Chairman of CSR Committee

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai - 400 083

Place: Mumbai
Date: August 05, 2024

ANNEXURE III TO THE BOARD'S REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

1) Details of the Listed Entity

1. Corporate Identity Number (CIN) of the Listed Entity: L45200MH1926PLC001228
2. Name of the Listed Entity: Hindustan Construction Company Ltd. (HCC)
3. Year of Incorporation: 1926
4. Registered Office Address: Hincon House, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai- 400083
5. Corporate Address: Hincon House, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai- 400083
6. E-mail: contactus@hccindia.com
7. Telephone: +91 22 25751000
8. Website: www.hccindia.com
9. Financial year for which Report is prepared: 2023-24
10. Name of the Stock Exchange(s) where shares are listed:
    a. National Stock Exchange of India Limited (NSE)
    b. BSE Limited (BSE)
11. Paid-up Capital: ₹ 151.30,28,244 (as on March 31, 2024)
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report:

Particulars	Details
Name	Mr. Sandeep Sawant
Designation	General Manager – Corporate Communications
Telephone Number	+91 22 2575 1353
Email ID	sandeep.sawant@hccindia.com

13. Reporting boundary: Are the disclosures under this Report made on a standalone basis (i.e. only for the Entity) or on a consolidated basis (i.e. for the Entity and all the Entities which form a part of its consolidated financial statements, taken together).

    The disclosures under this Report have been made on a standalone basis. The reporting scope encompasses HCC's project sites and offices across India.

    Some of the Business Responsibility and Sustainability (BRS) initiatives of the Company are also extended to its Subsidiary/ Associate Companies and they are also encouraged to participate in the Company's BRS initiatives.

14. Name of assurance provider

    None

15. Type of assurance obtained

    N/A

2) Products/Services

16. Details of business activities:

Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
Infrastructure	Engineering, Procurement and Construction of Roads, Railways, Metros, Elevated Corridors, Water Supply and Distribution, Irrigation Projects, Hydel Power, Nuclear Power and Process Plants.	100%

17. Products/Services sold by the Entity (accounting for 90% of the Entity's Turnover):

NIC Code			Products/Services	% of total Turnover contributed
Group	Class	Sub Code		
421	4210	42101	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	41.46
422	4220	42201	Construction and maintenance of power plants	42.45
422	4220	42204	Construction and maintenance of water main and line connection, water reservoirs including irrigation system (canal)	10.04

3) Operations

18. Number of locations where plants and/or operations/offices of the Entity are situated

Location	Number of projects	Number of offices	Total
National	37	2	39
International	2	-	2

19. Markets served by the Entity:

a. Number of locations

Locations	Number
National (No. of States)	15
International (No. of Countries)	1

b. What is the contribution of exports as a percentage of the total turnover of the Entity?

Nil

c. A brief on types of customers

HCC is engaged in the engineering and construction of large infrastructure projects, many of which are of national importance. It develops and executes technically complex, high-value projects that span across diverse segments such as transportation, power, marine projects, irrigation and water supply, special buildings and industrial plants. Majority of HCCs clients are State and Central Government departments, Ministries, and local Municipal Bodies.

4) Employees

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent (D)	1,005	951	95.00%	54	5.00%
Other than permanent (E)	44	43	97.00%	1	3.00%
Total Employees (D+E)	**1,049**	**994**	**95.00%**	**55**	**5.00%**
Workers					
Permanent (F)	2,996	2,996	100%	-	-
Other than permanent (G)	8,181	8,181	100%	-	-
Total Workers (F+G)	**11,177**	**11,177**	**100%**	**-**	**-**

b. Differently abled Employees and Workers:

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent (D)	2	2	100%	-	-
Other than permanent (E)	-	-	-	-	-
Total Employees (D+E)	**2**	**2**			
Workers					
Permanent (F)	-	-	-	-	-
Other than permanent (G)	-	-	-	-	-
Total Workers (F+G)	**-**	**-**	**-**	**-**	**-**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and Percentage of Female	
		No. (B)	% (B/A)
Board of Directors	10	1	10%
Key Management Personnel	2	-	-

22. Turnover rate for Permanent Employees and Workers

	FY23-24 (Turnover rate in current FY in %)			FY22-23 (Turnover rate in previous FY in %)		
	Male	**Female**	**Total**	Male	Female	Total
Permanent Employees	25%	1%	26%	33%	1%	34%
Permanent Workers	-	-	-	-	-	-

5) Holding, Subsidiary and Associate Companies (including Joint Ventures)

23. Names of Holding / Subsidiary / Associate Companies / Joint Ventures

Sr. No.	Name of the Subsidiary/Associate Companies (A)	Indicate whether Subsidiary / Associate	% of shares held by Listed Entity#	Does the Entity indicated at column a, participate in the Business Responsibility initiatives of the Listed Entity? (Yes/No)
1	Western Securities Limited	Subsidiary	97.87	No
2	Panchkutir Developers Limited	Subsidiary	100	No
3	HCC Mauritius Enterprises Limited	Subsidiary	100	No
4	HCC Contract Solutions Limited	Subsidiary	100	No
5	Highbar Technologies Limited	Subsidiary	100	No
6	HCC Infrastructure Company Limited	Subsidiary	100	Yes
7	HCC Mauritius Investments Limited	Subsidiary	100	No
8	HRL Township Developers Limited	Subsidiary	100	No
9	Maan Township Developers Limited	Subsidiary	100	No
10	HRL (Thane) Real Estate Limited	Subsidiary	100*	No
11	HCC Operations & Maintenance Limited	Subsidiary	100	No
12	Narmada Bridge Tollways Limited	Subsidiary	100	No
13	Badarpur Faridabad Tollway Limited	Subsidiary	100	No
14	Raiganj-Dalkhola Highways Limited	Subsidiary	100	No

Sr. No.	Name of the Subsidiary/Associate Companies (A)	Indicate whether Subsidiary / Associate	% of shares held by Listed Entity#	Does the Entity indicated at column a, participate in the Business Responsibility initiatives of the Listed Entity? (Yes/No)
15	Steiner India Limited	Subsidiary	100	No
16	Steiner AG, Zurich	Subsidiary	100	No
17	Steiner Promotions et Participations SA (including Manufakt8048 AG, Zurich)	Subsidiary	100	No
18	Steiner (Deutschland) GmbH Paderborn	Subsidiary	100	No
19	Steiner Projekta AG	Subsidiary	100	No
20	VM + ST AG, Zurich	Subsidiary	100	No
21	Prolific Resolution Private Limited	Joint venture	49	No
22	Evostate AG	Associate	30	No
23	MCR Managing Corporate Real Estate	Associate	30	No
24	Hegias AG, Zurich	Associate	23.20	No
25	Highbar Technocrat Limited	Associate	49	No

* Holding shares beneficially.
\# Including Holding through subsidiary companies.

6) CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
    ii. Turnover (in ₹): 5,042.71 Cr
    iii. Net worth (in ₹): 921.08 Cr

7) Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	**FY24 Current Financial Year**			FY23 Previous Financial Year		
	(If Yes, then provide weblink for grievance redress policy)#	**Number of complaints filed during the year**	**Number of complaints pending resolution at close of the year**	**Remark**	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Shareholders	Yes	163	7	Resolved	87	4	Resolved
Employees and workers	Yes	-	-	-	123	11	Resolved
Customers*	Yes	-	-	-	-	-	-
Value chain partners	-	-	-	-	-	-	-
Other (Anonymous emails/letters)	-	-	-	-	-	-	-

\# The Policies guiding HCC's conduct with all its stakeholders including grievance mechanism are available on the Company's Website. The link to the policies: https://hccindia.com/investors/hcc-code

* Customer satisfaction score of 88.20 % in FY23-24.

26. Overview of the Entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Sr. No.	Material issue identified*	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1	Customer experience & satisfaction	O	-	-	Positive
2	Corporate Governance	R	-	Policy revision/ upgradation/ Board review (Refer to Principle–1)	Negative
3	Business Ethics	R	-	Vigil Mechanism Policy and its deployment. The Company has a Vigil Mechanism Policy for its Employees, Vendors and Channel Partners, for further details refer to Principle–1	Negative
4	Employee & workforce engagement, welfare	O	-	-	Positive
5	Health & safety	R	-	Training/ awareness/ technological upgradation/ review at senior level and Board committee. HCC is committed to achieve 'ZERO reportable injuries' at each work front. For more details refer to Principle–3	Negative
6	Human rights & labour conditions	R	-	HCC has always been committed to foster a culture of caring and trust. Training on various issues related to human rights are covered under new employee induction, EHS training, Code of Conduct etc. For more details, refer to Principle 3.	Negative
7	Skilled manpower	O/R	-	Skill based trainings is imparted to Workers based on the needs. For further details refer to Principle 3 on training given to Employees for skill upgradation.	Positive / Negative
8	Sustainable supply chain	O/R	-	Supplier/Vendor Code of Conduct (COC) covers EHS and Human Rights parameters to be adhered and Supply Chain Partners must sign the COC as a part of the contract documents.	Positive / Negative
9	Talent management, attrition, retention, and development	O/R	-	For details, refer to chapter on Human Resources in the Management Discussion and Analysis section.	Positive/ Negative
10	Climate action	O	-	-	Positive
11	Diversity, inclusion & equal opportunity	O	-	-	Positive
12	Data security, privacy, and cyber security	R	-	Policy and deployment, audits/ Cyber Security Assurance Framework	Negative
13	Quality of products and project delivery	O/R	-	For details, refer to chapter on Operations overview in the Management Discussion and Analysis section.	Positive
14	Brand management	O	-	-	Positive

Sr. No.	Material issue identified*	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
15	Water, waste & hazardous material management	O/R	-	For details, refer to Principle 6.	Positive/ Negative
16	Social engagement & impact	O	-	-	Positive

*For more details, refer to chapter on Materiality Assessment in the Sustainability Report.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

P 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

P 2 Businesses should provide goods and services in a manner that is sustainable and safe.

P 3 Businesses should respect and promote the well-being of all Employees, including those in their value chains.

P 4 Businesses should respect the interests of and be responsive to all its stakeholders.

P 5 Businesses should respect and promote human rights.

P 6 Businesses should respect and make efforts to protect and restore the environment.

P 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

P 8 Businesses should promote inclusive growth and equitable development.

P 9 Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy & management process									
1 a. Whether your Entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.hccindia.com/public/investors/list-of-corporate-policies								
2 Whether the Entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4 Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your Entity and mapped to each principle. SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015	ISO14001 and ISO45001	ISO45001	IIRC IR Principle	Indian labour codes	ISO14001	-	IIRC IR Principle	IIRC IR Principle	-

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5	Specific commitments, goals and targets set by the Entity with defined timelines, if any.	-	-	-	-	-	-	-	-	-
6	Performance of the Entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	-	-	-	-	-	-	-	-	-

We advocate efforts to achieve 'ZERO reportable injuries' at each work front.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

   HCC believes in environmental transparency and disclosing its activities' economic, environmental, and social impacts through sustainability reports. It had published thirteen sustainability reports accredited by the Global Reporting Initiative guidelines. The Company engages a third-party assurance provider to review the contents and accuracy of our sustainability reporting.

   One of HCC's overarching sustainability priorities is designing and building infrastructure in an environmentally responsible manner. Its Integrated Management System reflects the commitment to improving environmental, safety and quality performance in ways that go beyond regulatory compliance. The Company is also conscious of material consumption and water footprint and encourages energy-efficient practices.

   The Company is a member of UN Global Compact (UNGC), TERI-World Business Council on Sustainable Development and signatory to various UNGC initiatives, including 'Caring for Climate' and 'The CEO Water Mandate'.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies).

Name of Director	Mr. Arjun Dhawan
Designation	Executive Vice Chairman
DIN	01778379

9. Does the Entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

   Yes, the Company's CSR Committee is responsible for decision making on sustainability related issues.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ any other Committee									Frequency (annually/ Half yearly/ Quarterly/ any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All the policies of the Company are approved by the Board and reviewed periodically or on a need basis by the CSR Committee as a part of ESG review. During the review, the effectiveness of the Policies is evaluated and necessary amendments to Policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with the extant regulations and principles as are applicable.																	

11.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the Entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes. ISO certification body has conducted audit in various head office functions and projects on different subjects such as ISO9001, ISO14001, ISO45001 and BDO India conducts sustainability assurance. During the audit process they check working of the related policies of the Company. They do it through checking policy elements, procedures and action plans etc.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Entity does not consider the principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The Entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The Entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA – Data not available

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every Entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total Number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors (BOD)	-	Business, strategy, risk, and update of laws	-
Key Managerial Personnel	-	Business, strategy, risk, and update of laws	-
Employees other than BOD and KMPs	3 no of programmes	Business principles for Responsible Organisation Code of Conduct, Principles of Corporate Governance and POSH	100%
Workers	96,645 hours of training	EHS training	100% (EHS induction training is mandatory for all workers who resume work)

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the Entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:

The Company had no monetary and non-monetary fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the Entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year 2023-24 based on materiality thresholds.

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed: Not applicable

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the Entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   Yes, The Company has 'zero tolerance' of any practice that may be classified as corruption, bribery or giving or receipt of bribes. The Code of Conduct of the Company serves as a guide for all Executive Directors, Senior Management Personnel and Functional Heads including Members of the core Management Team for ensuring compliance with applicable anti-bribery laws, rules and regulations.

   The Code of Conduct is disclosed on the Website of the Company at https://www.hccindia.com/investors/hcc-code.

5. Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

   There have been no cases involving disciplinary action taken by any law enforcement agency on the charges of bribery / corruption against Directors / KMPs / Employees / Workers that have been brought to the Company's attention.

	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regards to conflict of interest:

	FY 23-24 (Current Financial Year)		FY 22-23 (Previous Financial Year)	
	Number	**Remarks**	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Not applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Number of days of accounts payables	162.92	160.50

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		**FY 23-24 (Current Financial Year)**	FY 22-23 (Previous Financial Year)
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	-	-
	b.	Number of trading houses where purchases are made from	-	-
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	-	-
	b.	Number of dealers / distributors to whom sales are made	-	-
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	-	-
	b.	Sales (Sales to related parties / Total Sales)	-	-
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	100%
	d.	Investments (Investments in related parties / Total Investments made)	97.68%	98.84%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the Training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
73,388 participants	Environment, health and safety trainings and awareness	100% of training achieved vs target training.

* % given against of total manpower trained vs target training for FY23-24. The training covers all the manpower at site.

2. Does the Entity have processes in place to avoid/ manage conflict of interests involving Members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has a detailed policy known as the code of conduct, the purpose of which is to ensure that "Board of Directors and Senior Management shall observe high standards of ethical conduct, fairness and integrity and shall work to the best of their ability, responsibility and judgement in a manner that is in consonance with the best interests of the Company and its stakeholders".

More details of the same can be found at https://hccindia.com//uploads/corporate/Code-of-Conduct.pdf

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the Entity, respectively.

	FY 23-24 Current Financial Year	FY 22-23 Previous Financial Year	Details of improvements in environmental and social impacts
R & D	-	-	-
Capex	-	0.01	-

HCC conducts R&D linked to environmental and social initiatives, however currently the expenditures are not tracked.

2. a. Does the Entity have procedures in place for sustainable sourcing?

   The Company has implemented procedure that requires all new and existing supply chain partners to undergo mandatory evaluation on environmental, health & safety, and sustainability criteria before onboarding. Additionally, the Supplier/Vendor Code of Conduct (COC) includes HSE parameters that must be adhered to, and all value chain partners are required to sign the COC as part of their contract. To ensure compliance, a vendor evaluation procedure is in place.

   b. If yes, what percentage of inputs were sourced sustainably?

   Before onboarding as value chain partners, it is mandatory to complete the evaluation questionnaire, which includes HSE and sustainability parameters, ensuring 100% coverage.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   In construction, the above category of waste is generated as a by-product. The Company has procedures in place to manage the mentioned waste in compliance with regulatory requirements throughout the construction and operation phases.

4. Whether Extended Producer Responsibility (EPR) is applicable to the Entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   EPR is not applicable as the major business of the Company is construction and associated services and the Company does not manufacture any consumer products.

Leadership Indicators

1. Has the Entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

   No, the Company hasn't undertaken any such study. However, Life Cycle Perspective for major product is evaluated prior to its purchase. The assessment is maintained in documented form.

NIC Code	Name of Product/ Service	% of Total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by Independent external agency (Yes/No)	Results communicated in public domain (Yes/ No). If yes, provide the web-link.
-	-	-	-	-	-

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same. Not Applicable.

Name of Product / Service	Description of the risk/concern	Action Taken
-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 23-24	FY 22-23
Fly ash and Ground Granulated Blast-furnace Slag in place of Cement	10.43%	4.30%
Crushed sand in place of Natural Sand	92.15%	78.29%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not applicable as the Company does not have any specific consumer product and there is no product reclamation at the end of the product life. However, the waste material generated at the operation and project sites are safely disposed as per the applicable regulatory requirements.

	FY23-24 (Current Financial Year)			FY22-23 (Previous Financial Year)		
	Re-used	**Re-cycled**	**Safely Disposed**	Re-used	Re-cycled	Safely Disposed
Plastics (including packaging) (MT)	-	-	5.06	-	-	17.92
E-waste (Nos.)	-	-	366.00	-	-	17.10
Hazardous Waste						
a) Used Oil (KL)			11.12			22.50
b) MS Empty Drums (Nos.)	-	-	140.00	-	-	530.00
Other Waste						
a) Cement bags (Nos.)			6,73,633.00			3,49,240.00
b) Steel Scrap (MT)	-	-	7,462.00	-	-	17,024.00

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA

NA: Not applicable

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	951	951	100%	951	100%			-	-	-	-
Female	54	54	100%	54	100%	54	100%	-	-	-	-
Total	**1,005**	**1,005**	**100%**	**1,005**	**100%**	**54**	**100%**				
Other than Permanent employees											
Male	43	43	100%	43	100%						
Female	1	1	100%	1	100%	1	100%	-	-	-	-
Total	**44**	**44**	**100%**	**44**	**100%**	**1**	**100%**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	2,996	2,996	100%	2,996	100%	-	-	-	-	-	-
Female	-			-		-	-	-	-	-	-
Total	**2,996**	**2,996**	**100%**	**2,996**	**100%**						
Other than Permanent workers											
Male	8,181	8,181	100%	8,181	100%						
Female	-			-		-	-	-	-	-	-
Total	**8,181**	**8,181**	**100%**	**8,181**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

- Permanent workers are being paid medical allowance @ 25 days basic salary per annum.
- For the health insurance of the other than permanent workers free first medical aid is provided.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.02	0.02

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	**FY 23-24 Current Financial Year**			FY 22-23 Previous Financial Year		
	No. of employees covered as a % of total employees	**No. of workers covered as a % of total workers**	**Deducted and deposited with the authority (Y/N/N.A)**	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	0%	100%	N	0%	100%	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, most of the Company's permanent office buildings and manufacturing locations are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the Entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company has an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016. This policy is available on Company Intranet portal.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender*	Permanent employees		Permanent workers#	
	Return to work rate (%)	Retention rate (%)	Return to work rate (%)	Retention rate (%)
Male	-	-	-	-
Female	100%	-	-	-
TOTAL	**100%**	**-**	**-**	**-**

* Gender wise breakup for permanent Employees and Workers not available.

The Company is putting a process in place to compile the above data for Permanent workers for FY24.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Company has a dedicated team of personnel officers stationed at all our sites. All grievances raised by employees are resolved as per the established guidelines.
Other than Permanent Workers	
Permanent Employees	The Company has a mechanism accessible to all employees to raise their complaints and grievances which are addressed by HR. The grievances can be also raised either through whistle-blower system through dedicated mail or may contact the HR Team.
Other than Permanent Employees	

7. Membership of Employees and Workers in Association(s) or Unions recognised by the Listed Entity:

Category	**FY 23-24 (Current Financial Year)**			FY 22-23 (Previous Financial Year)		
	Total employees/ worker in respective category (A)	**No. of employees/ Workers in respective category, who are part of association(s) or Union (B)**	**% (B/A)**	Total employees/ worker in respective category (A)	No. of employees/ Workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Permanent Employees						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Permanent Workers						
Male	2,996	2,996	100%	3,713	3,713	100%
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	**FY 23-24 Current Financial Year**					FY 22-23 Previous Financial Year				
	Total (A)	**On Health and safety measures**		**On Skill upgradation**		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	**% (B/A)**	**No. (C)**	**% (C/A)**		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	915			157	17%	1,046	-	-	94	10%
Female	58*			26	45%	46	-	-	15	32%
Total	**973**			**183**	**19%**	**1,092**	**-**	**-**	**109**	**11%**
Workers										
Male	11,177	11,011	98%			13,240	5,219	39%		
Female						-				
Total	**11,177**	**11,011**	**98%**			**13,240**	**5,219**	**39%**		

* Includes 3 consultants

Training on various issues related to human rights are covered under new employee induction and EHS training.

9. Details of performance and career development reviews of employees and worker:

Category	**FY 23-24 Current Financial Year**			FY 22-23 Previous Financial Year		
	Total (A)	**Total (B)**	**% (B / A)**	Total (C)	Total (D)	% (D/C)
Employees						
Male	915	857	93.00%	1,046	982	93.88%
Female	58*	47	81.00%	46	45	97.83%
Workers (Permanent)						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

* Includes 3 consultants

10. Health and safety management system:

    1. Whether an occupational health and safety management system has been implemented by the Entity? (Yes/No). If yes, the coverage of such system?

       Yes, the Company maintains an Integrated Management System encompassing Quality (ISO 9001), Occupational Health & Safety (ISO 45001), and Environment (ISO 14001). The HSE Management System outlines mandatory requirements for systematic management and implementation within the organization.

2. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the Entity?

   For all routine and non-routine activities at the projects, risk assessments are conducted in the form of HIRAC (Hazard Identification, Risk Assessment, and Control measures) and EAI (Environmental Aspects and Impacts) during its planning stage. These assessments detail the control measures for potential risks during activity execution. Additionally, HCC has implemented the Proactive Safety Observation Programme (PSOP), which analyzes the causes of potential accidents, near-misses, unsafe conditions, and unsafe acts. Each cause is systematically reported, and pre-emptive actions are taken to mitigate the risk of accidents. Furthermore, daily reporting of unsafe acts and conditions is carried out to identify work-related hazards.

3. Whether you have processes for Workers to report work related hazards and to remove themselves from such risks?

   Yes, the Company has established procedures for workers to report work-related hazards and to withdraw from risky situations.

4. Do the Employees/Workers of the Entity have access to non-occupational medical and healthcare services?

   Yes, Employees and Workers of the Company have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	**FY 23-24 Current Financial Year**	FY 22-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	14	14
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	2	4
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the Entity to ensure a safe and healthy workplace.

As part of its comprehensive EHS management system, the Company initiates a project-specific plan at the commencement of each new project. This plan establishes the fundamental parameters for managing environmental, health, and safety aspects. It identifies hazardous operations, evaluates associated risks, and delineates integrated preventive measures (controls) to mitigate these risks effectively. To further bolster safety performance, the Company has implemented various initiatives over time. These include mandatory induction and training programs, regular toolbox talks to reinforce safety protocols, and practical demonstrations on the correct use of personal protective equipment. Moreover, the Company undertakes a rigorous approach to monitoring HSE (Health, Safety, and Environment) performance. This involves ongoing evaluation and assessment to ensure compliance with established safety standards and to promptly address any identified issues. Both internal and external audits are conducted regularly to review and improve the effectiveness of the EHS management system.

Additionally, the implementation of the Proactive Safety Observation Programme (PSOP) and Behaviour-Based Safety (BBS) programme has led to a transformative shift in how safety practices are observed and managed across all project sites. These proactive measures underscore the Company's commitment to maintaining a safe and secure working environment for its personnel.

13. Number of Complaints on the following made by employees and workers:

Benefits	**FY 23-24 Current Financial Year**			FY 22-23 Previous Financial Year		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & safety	-	-	-	-	-	-
Others	-	-	-	-	-	-

14. Assessments for the year:

% of your plants and offices that were assessed (by Entity or statutory authorities or third parties)	
Health and safety practices	100%
Working Conditions	HCC has robust External and Internal audit process in line with ISO 9001:2015, ISO 45001 and ISO 14001 and it covers all construction projects and offices. At least one External audit and two internal audits are conducted in a financial year for all such sites/ offices.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

    Corrective actions are implemented following thorough investigations by internal experts to address root causes. This process includes reassessing risks and verifying the implementation of corrective actions by senior management. Lessons learned are disseminated throughout the Company to raise awareness and prevent recurrence of similar incidents.

Leadership Indicators

1. Does the Entity extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers?

   The Company extends life insurance coverage in the event of death of its Employees and Workers.

2. Provide the measures undertaken by the Entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   Adherence to the applicable statutory provisions including payment and deduction of statutory dues is incorporated in the contract agreement with the value chain partners. The Company makes sure that all the relevant clauses dealing with statutory compliance are validated and honoured by both sides.

3. Provide the number of Employees / Workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Benefits	Total no. of affected employees/workers*		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY23-24 (Current FY)	FY22-23 (Previous FY)	**FY23-24 (Current FY)**	FY22-23 (Previous FY)
Employees	-	-	-	-
Workers	-	18	-	-

4. Does the Entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

   The Company extends all possible support to employees whose careers might have ended due to retirement or retrenchment. The benefits extended are in accordance with the local laws.

5. Details on assessment of value chain partners (Supply chain partners):

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	100%
Working Conditions	A procedure is in place to assess the working conditions of value chain partners.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   As per the internal EHS audit procedure and assessment carried out, all the observations and non-conformances are properly recorded and notified for closeout. Once closeouts are done, they are recorded with details of closeouts. These details can be retrieved from respective sites, manufacturing units and operations.

All the suppliers and contractors of the Company are evaluated on their safety infrastructure processes and strengths before awarding a contract. The continued monitoring and measuring of suppliers and contractors ensure a comprehensive safe environment. This is further enhanced with regular refresher training sessions and capacity-building programmes. In addition, periodic site visits by the senior management and site audits improve the EHS performance.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the Entity.

HCC has systematically identified, prioritised, and engaged with a diverse set of stakeholders considering the present and potential impacts of its business on them and vice versa. In line with its business models, the Company has identified the following as key stakeholder groups:

Stakeholders	Basis of Identification
Customers / Clients:	Government owned enterprises (central and state) contribute to majority of the Company's current orderbook, hence they are the largest clients for the businesses. In addition to providing the business, they also determine policies for various areas as well as determine the plans for various sectors.
Suppliers / Subcontractors:	EPC have significant dependence on supply chain partners for sourcing of key raw materials e.g., cement, aggregates, steel and other materials for construction projects and outsourcing activities such as low-end civil works in construction projects. To maintain sustainable growth, these partners are key elements in meeting the delivery and cost objectives for various contracts.
Employees & workforce:	Construction is a labour-intensive activity, and HCC employs over 12,000 workers in addition to >1,100 of its own employees. Hence, their skills development, health and well-being are important for the Company's ongoing and future operations.
Investors and Shareholders:	Investors and shareholders make an important contribution to the growth of the Company by providing financial resources. They also play an important role through exercise of their voting rights with respect to important plans of the Company.
JV Partners:	Partnership development is a critical management approach in the strategic business sector, minimizing business risk during the bid and project execution.
Local Communities:	HCC helps catalyse socio-economic development of communities around its project sites at various locations across the country. Focus is on under-privileged and marginalized sections to enable them to bring them on-par with others.

2. List stakeholder groups identified as key for your Entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers / Clients:	No	Business interactions, client satisfaction surveys	Quarterly	Customer satisfaction and feedback, project delivery, timeline, challenges faced during execution.
Suppliers / Subcontractors:	No	One on one engagement continuously to fulfil the requirements and resolve the issues.	As and when required	Need and expectation, schedule, supply chain issue, need for awareness and other training, their regulatory compliance, EHS performance etc.
Media	No	Press Releases, Quarterly Results, Annual Reports, stock exchange filings and corporate website, Access information and media interactions	As and when required	Performance reporting, good practices, project show cases, etc are discussed and reported.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees & workforce:	No	Regular communications, newsletter HCC News, emailer E&C connect, employee intranet, departmental meetings, training programs, and structured performance management system.	As and when required	Employees' growth and benefits, their expectation, volunteering, career growth, professional development and continuing education and skill training etc.
Investors and Shareholders:	No	Press Releases, dedicated email ID for Investor Relations, Quarterly Results, Annual Reports, AGM (Shareholders interaction), Quarterly investor presentation, Investors meets, stock exchange filings and corporate website.	As and when required	To understand their need and expectation which are material to the Company. Key topics are company's financial performance etc.
JV Partners:	No	Business interactions	As and when required	To understand their need and expectations which are material to the Company.
Local Communities:	Yes. (Some of the Company's CSR Project Beneficiaries)	Direct engagement and through the Company's CSR project implementation partners (NGOs)	As and when required	Their expectations and feedback on impact/ success of CSR project and further scope of community engagement.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board?**

   The company has established several committees to oversee and manage areas related to Environmental, Social, and Governance (ESG) issues. Among these are the Corporate Social Responsibility (CSR) Committee, the Risk Management Committee, and the Stakeholders Relationship Committee. In accordance with their respective terms of reference, these statutory and internal committees convene regularly to review the company's performance in their designated areas.

2. **Whether stakeholder consultation is used to support the identification and management of environmental and social topics (yes/no). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of entity.**

   Yes, Stakeholder consultation is actively utilized to support the identification and management of environmental and social topics. Specifically, structured consultation and participation processes are in place for both employees and workers. For workers, representatives regularly participate in monthly committee meetings where they present their concerns for discussion. Management addresses these issues directly, ensuring that workers' voices are heard and acted upon. Additionally, suggestion boxes are strategically placed at various project sites, providing workers with an accessible platform to express their concerns. These suggestions are carefully reviewed during project meetings, and appropriate actions are taken to resolve any issues raised.

   Similarly, regular meetings are held with employees to gather their input on environmental and social topics. These inputs are systematically documented and discussed by the project management team, who then implement relevant measures in response to the feedback received. This ongoing dialogue ensures that the policies and activities of the entity are continuously informed by the perspectives and concerns of its stakeholders.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Nil

Principle 5: Businesses should respect and promote human rights.

Essential Indicators

1. Employees and Workers who have been provided training on human rights issues and policy(ies) of the Entity, in the following format:

Category	FY 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)		
	Total (A)	No. of employee/ workers covered (B)	% (B/A)	Total (C)	No. of employee/ workers covered (D)	% (D/C)
Employees						
Permanent	929	-	-	1,051	-	-
Other than permanent	44	-	-	41	-	-
Total Employees	**973**	**-**	**-**	**1,092**	**-**	**-**
Workers						
Permanent	2,996	-	-	3,713	-	-
Other than permanent	8,181	-	-	9,527	-	-
Total Workers	**11,177**	**-**	**-**	**13,240**	**-**	**-**

Training on various issues related to human rights like POSH etc.

2. Details of minimum wages paid to Employees and Workers, in the following format:

Category	FY 23-24 Current Financial Year					FY 22-23 Previous Financial Year *				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers Permanent										
Male	2,996	-	-	2,996	100%	3,713	-	-	3,713	100%
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	8,181	8,181	100%	-	-	9,527	9,527	100%	-	-
Female	-	-	-	-	-	-	-	-	-	-

*100% coverage of employees and workers towards payment of equal to/more than minimum wages.

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

Benefits	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (In Rupees)	Number	Median remuneration/ salary/ wages of respective category (In Rupees)
Board of Directors (BOD) (Whole-time Directors)	2	4,67,50,004	-	-
Key Managerial Personnel	2	1,08,17,855	-	-
Employees other than BOD and KMP	989	11,82,753	56	11,48,121
Workers	2,996	-	-	-

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	4.27%	4.34%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

The Company is compliant to all national and international norms and guidelines on human rights. The HR and IR team acts as the single point of contact for such issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Any grievances related to human rights issues may be reported to the HR/IR team directly in person or through email or a written grievance.

6. Number of Complaints on the following made by employees and workers:

Benefits	**FY 23-24 Current Financial Year**			FY 22-23 Previous Financial Year		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human Rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   The Company has established a host of policies like the code of conduct, Vigil mechanism, Prevention of Sexual harassment at the Workplace etc. that outline the various redressal mechanisms available to all employees. Additionally, there are elaborate guidelines which must be followed by the investigating authority to ensure that confidentiality is maintained and victimization is prevented.

9. Do human rights requirements form part of your business agreements and contracts?

   Yes. The Company adheres to the UNGC (United Nation Global Compact) principles which include Human Rights clauses.

10. Assessments for the year

% of your plants and offices that were assessed (by Entity or statutory authorities or third parties)	
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    We do not foresee any significant risks /concerns.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

   No complaint received in FY24 for human rights violation.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

   The Company adheres to the UNGC (United Nation Global Compact) principles which include Human Rights clauses. Further, the Company conducts regular audit and inspection through internal audit protocols by EHS and IR department on EHS and human rights issues. The scope of audit covers all project sites and corporate offices.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   All of the permanent facilities and office buildings are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

% of Value chain partners (by value of business done with such partners) that were assessed	
Child labour	-
Forced/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

   Not applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) **(GJ)**	1,37,750.52	1,50,422.16
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**1,37,750.52**	**1,50,422.16**
From non-renewable sources		
Total electricity consumption (D)		
Total fuel consumption (E) **(GJ)**	3,91,178.83	4,15,821.87
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**3,91,178.83**	**4,15,821.87**
Total energy consumed (A+B+C+D+E+F)	**5,28,929.35**	**5,66,244.03**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	10.48	10.84
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	2.54	2.72
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the sustainability data assurance is carried out by BDO India.

2. Does the Entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter#	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	2,07,232	2,22,992
(ii) Groundwater	16,624	45,114
(iii) Third party water	-	1,93,969
(iv) Seawater / desalinated water	-	20,110
(v) Others	2,08,035	1,350
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**4,31,890**	**4,83,535**
Total volume of water consumption (in kilolitres)	**4,10,024**	**4,26,951**
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	-	-
(Total water consumption / Revenue from operations adjusted for PPP)	**-**	**-**
Water intensity in terms of physical output	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the sustainability data assurance is carried out by BDO India.

4. Provide the following details related to water discharged:

Parameter	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	39,079	-
- With treatment – please specify level of Treatment	2,62,100	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
Total water discharged (in kilolitres)	**2,97,736**	**-**

5. Has the Entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No. The Company does not have any manufacturing facility, hence Zero Liquid discharge will not be applicable. However, at the project site, all the wastewater is treated and treated wastewater is recycled or reused as appropriate.

6. Please provide details of air emissions (other than GHG emissions) by the Entity, in the following format:

Parameter	Unit	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
NOx	Tonnes	5.37	4.69
SOx	Tonnes	5.15	4.89
Particulate matter (PM)	Tonnes	0.10	NA
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others – (ODS)	Tonnes	NA	NA

* NOx and SOx are calculated by total HSD consumption for DG operation.

NA- Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance is carried out by BDO India.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in the following format:

Parameter#	Unit	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 Equivalent	28,986.35	28,221.06
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 Equivalent	31,185.19	33,009.31
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO_2 Equivalent Per R Bn	1.19	1.17
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.28	0.31
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes - The assurance has been conducted by BDO India.

8. Does the Entity have any project related to reducing Green House Gas emission? If yes, then provide details.

No.

9. Provide details related to waste management by the Entity, in the following format:

Parameter	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
Total Waste generated		
Plastic waste (A)	5.07	17.92
E-waste (B)	14.64	17.10
Bio-medical waste (C)	0.06	0.01
Construction and demolition waste (D)	5,708.91	235.81
Battery waste (E)s	5.96	2.62
Radioactive waste (F)		-
Other Hazardous waste. Please specify, if any. (G)		
a) Used Oil	11.13	22.50
b) MS Drums	1.19	4.50
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector))		
a) Steel scrap	7,462.00	17,024.30
b) Cement bags	57.33	24.45
Total (A + B + C + D + E + F + G + H)	**13,266.29**	**17,349.21**

Parameter	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.26	0.33
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.06	0.08
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**-**	**-**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)	-	-
Category of waste		
(iv) Incineration	-	-
(v) Landfilling	-	-
(vi) Other disposal operations (Disposed through authorised vendors)	13,266.29	17,349.21

*For conversion in tones unit weight are assumed based on the values as in the product manual.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

    HCC is certified under ISO 14001:2015 and the scope covers its entire operations including offices, headquarters, construction projects and temporary facilities. Under the environmental management system, the Company has guidelines for comprehensive waste management for the identification, segregation, collection, recycling, and final disposal.

11. If the Entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Mumbai Coastal Road Project	Construction	The project falls under Coastal regulatory zone. EC has been taken. However, EC is under client scope.

The above selected projects mentioned herein are the Company's major construction projects.

12. Details of environmental impact assessments of projects undertaken by the Entity based on applicable laws, in the current financial year:

    The Company has not conducted any environmental impact assessments (EIA) of projects or industrial facility in financial year 2023-24. For the construction projects, it is under the scope of the proponents, and the Company ensures that all regulatory permits and approvals are in place before starting of the construction work. For the ongoing construction projects, all the applicable EIAs are carried out by the proponent before the construction project is awarded to the Company.

Name and brief details of project	EAI notification no.	Date	Whether conducted by independent external agency (yes / no)	Results communicated in public domain (yes / no)	Relevant Web link
-	-	-	-	-	-

13. Is the Entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

All the Company projects and industrial facilities follow the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder.

If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-
-	-	-	-	-

Leadership Indicators

Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	**FY23-24 (Current Financial Year) Giga-Joules**	FY22-23 (Previous Financial Year) Giga-Joules
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C) {purchased electricity}	1,37,750.52	1,36,768.14
Total energy consumed from renewable sources (A+B+C)	**1,37,750.52**	**1,36,768.14**
From non-renewable sources		
Total electricity consumption (D)	-	-
Total fuel consumption (E)	39,287.60	39,338.95
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**39,287.60**	**39,338.95**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assessment has been conducted by BDO India.

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

   None.

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area

   (ii) Nature of operations

   (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the Entity	NA	NA

Parameter	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	**NA**	**NA**

*Currently, the Company does not have an assessment of operations that could be in water stressed area, same would be done by FY24

NA- Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assessment has been conducted by BDO India.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	**FY23-24 (Current Financial Year)**	FY22-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO_2 Equivalent/ Billion INR	NA	NA
Total Scope 3 emission intensity – (optional) – the relevant metric may be selected by the Entity		NA	NA

NA- Not Applicable

At present only Scope 1 and 2 emissions are being captured and calculated.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assessment has been conducted by BDO India.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the Entity on biodiversity in such areas along-with prevention and remediation activities.

Currently only one project of HCC falls in CRZ notification 2011 as identified within the respective EIA studies conducted earlier where Environmental Clearance (EC)/approval and permits as applicable are in place. All the regulatory compliance reports are being submitted as mentioned in the EC/Approval terms and conditions. Further, all the applicable Consent to Establish (CTE) and Consent to Operate (CTO) are in place for Batching Plants, Precast Yards, Fabrication Yard, and Industrial Facilities as applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Adopting new design	Adopting Monopile design replacing conventional multiple pile approach	a. Increase operational efficiency and made better use of resources. b. Reduction in use of concrete Approx. 5600 cubic meters of concrete got saved. c. Marine footprint of around 2400 sq. m was reduced,
2	Promoting sustainable construction	Reduction in CO2 impact by Using supplementary cementitious materials in concrete	GHG emission of 11252.43 Ton CO2eq saved due to usage of fly ash and GGBS instead of cement.
3	Eco-Friendly Shoreline Protection	Utilizing natural boulders instead of artificial tetrapod's at MCRP	Reduce the use of concrete and other resources which would be used for construction of tetrapods

5. Does the Entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has established emergency preparedness plans at each project site to deal with the emergency situations. It also provides response procedures for preventing and mitigating the hazard & risk and environmental impacts arising from emergency situations including the provision for first aid.

As the founder member of the Disaster Resource Partnership (DRP) formed at the World Economic Forum in 2004, HCC ensures that the core strengths and existing capacities of the Infrastructure and Urban Development community are mobilized during and after crisis to reduce suffering and save lives. HCC became a co-founder and regional coordinator of the Disaster Resource Network India in November 2002. DRN India's missions were to train private firm personnel in disaster relief, and to make plans and structures that could become operational in crises. When disaster strikes, we're the first responders with heavy equipment and satellite communication systems availability. Before external help arrives, we know what infrastructure has broken down, how to repair it and what the requirements are. With trained personnel in disaster response, we offer help to local authorities in rescue and relief operations.

The plan is available on the Website of the Company at http://hccindia.com/about-us/beyond-bread/disaster-relief

6. Disclose any significant adverse impact to the environment, arising from the value chain of the Entity. What mitigation or adaptation measures have been taken by the Entity in this regard?

No significant adverse impact has been reported from any value chain partners. A separate Code of Conduct (CoC) has been extended to vendors and service providers which covers the need for compliance with environmental regulations, health and safety, labour practices, minimum wages.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

None.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

1. A. Number of affiliations with trade and industry chambers/ associations.

   B. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the Entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	World Economic Forum (WEF)	Global
3	Construction Skills Development Council of India (CSDCI)	National
4	Construction Federation of India (CFI)	National

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
5	Disaster Resource Network India	National
6	UK India Business Council (UKIBC)	Global
7	Private Sector Alliance for Disaster Resilient Societies (ARISE), United Nations International Strategy for Disaster Risk Reduction (UNISDR)	Global
8	United Nations' Global Compact's CEO Water Mandate	Global
9	Caring for Climate, United Nation's action platform for business	Global
10	World Economic Forum's CEO Climate Leaders	Global
11	International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA)	Global
12	Builders Association of India (BAI)	National
13	Young Presidents' Organization (YPO) Mumbai chapter	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Entity, based on adverse orders from regulatory authorities:

   During the year, there were no such cases.

Name of authority	Brief of the case	Corrective action taken
-	-	-
-	-	-

Leadership Indicators

1. Details of public policy positions advocated by the Entity:

   HCC is represented by its Chairman, Mr. Ajit Gulabchand at several national and global, governmental, departmental and industries forums. The Company proactively engages with various stakeholders including industry chambers, associations, governments, and regulators and provides its inputs on various areas such as infrastructure development and construction, health, and safety, amongst others. The Company is committed to engage in the public policy advocacy process in a responsible and ethical manner.

Sr. No.	Public Policy Covered	Method restored for such advocacy	Whether information in public Domain	Frequency of review by Board	Web Link if available
-	-	-	-	-	-
-	-	-	-	-	-

Principle 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Entity based on applicable laws, in the current financial year.

Name and brief detail of the project	SIA Notification Number	Date of Notification	Whether conducted by independent external agency	Results communicated in public domain	Web Link if available
NA	NA	NA	NA	NA	NA

NA: Data not applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your Entity, in the following format:

Not applicable. No rehabilitation and resettlement were undertaken by the Entity during this reporting period.

Sr. No	Name of the project for which R&R is going	State	District	No. of Projects Affected families	% of PA Fs covered by R&R	Amount paid to PA Fs in the FY (in INR)
-	-	-	-	-	-	-
-	-	-	-	-	-	-

3. Describe the mechanisms to receive and redress grievances of the community.

At the Company's construction sites, public complaints are collected through suggestion box and mail. The complaints or grievances received from community is addressed by the site management involving the industrial and administration department and also the clients, as applicable. Any issue which is unresolved or needs management intervention is escalated to the respective business heads.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 23-24 Current Financial Year	FY 22-23 Previous Financial Year
Directly sourced from MSMEs/ Small Producer	18%	18%
Directly from within India	86%	86%

The data is for the three projects in Maharashtra state and the sourcing pattern remains similar for rest of India.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

	FY 23-24 Current Financial Year	FY 22-23 Previous Financial Year
Rural	70.54%	73.72%
Semi-urban	-	-
Urban	-	0.11%
Metropolitan	29.46%	26.17%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
No negative social impact has been identified in social impact assessment.	N.A.

NA: Not available

2. Provide the following information on CSR projects undertaken by your Entity in designated aspirational districts as identified by government bodies:

Sr. No.	Aspirational District	Amount spent (In ₹)
-	-	-

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

HCC is engaged in the business of construction and engineering and majority of the Company's procurement is of industrial origin and procured in bulk. The Company does not have a preferential procurement policy to purchase from suppliers comprising marginalized /vulnerable groups.

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable.

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your Entity (in the current financial year), based on traditional knowledge:

Not applicable as the Company does not have any intellectual properties owned or acquired by the Entity (in the current financial year), based on traditional knowledge.

Sr. No.	Intellectual Property based upon traditional knowledge	Owned/ Acquired (Yes/No)	Benefit (Yes/No)	Benefits of calculating benefit share
-	-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the case	Corrective action taken
-	-	-
-	-	-

6. Details of beneficiaries of CSR Projects:

Sr. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
-	-	-	-

The Company's projects are designed to serve the beneficiaries from the under privileged, marginalised, vulnerable and backward communities of the society.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company collects feedback forms from client/customer every six months as per the Company's established IMS documented information. Customers evaluate the performance and provide rating on the following parameters:

- Designing / Detail Engineering
- Planning
- Construction Capability
- Project Quality
- Management

Customer complaints are received through email, transmittal letter communications and verbal communications directly to project management teams. A complaint register is maintained for customers to record their complaints as per the established IMS documented information.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product Safe and responsible usage Recycling and/or safe disposal	Not applicable as the Company does not have specific consumer product or product range.

3. Number of consumer complaints in respect of the following:

	FY 23-24 (Current Financial Year)		Remarks	FY 22-23 (Previous Financial Year)		Remarks
	Received during the year	**Pending resolution at end of year**		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential Services	-	-	-	-	-	-
Restrictive Trade practices	-	-	-	-	-	-
Unfair Trade practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

   The Company does not have any specific consumer products hence not applicable.

	Number	Reason for Call
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the Entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy

   Yes, the Company has a framework/ policy on cyber security and risks related to data privacy and the said Policy is available on Company Intranet portal.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   None.

7. Provide the following information relating to data breaches:

   a) Number of instances of data breaches along-with impact

      There were no data breaches during the year.

   b) Percentage of data breaches involving personally identifiable information of customers-

      NIL

   c) Impact, if any, of the data breaches

      NIL

Leadership Indicators

1. Channels / platforms where information on products and services of the Entity can be accessed (provide web link, if available).

   The Company's business offerings can be found on the website: http://hccindia.com/.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   The Company does not operate in B2C model. For projects, regular interaction with the client are conducted during the execution phase. The Company extends an opportunity to explain about its innovations, new technology and techniques that are implemented to enhance product quality and work methodology.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   During execution of construction projects and transport of heavy machinery, the clients and concerned departmental authorities are informed through transmittal letters and their permissions are sought for road closure, traffic diversion and isolation of essential services.

4. Does the Entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your Entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the Entity, significant locations of operation of the Entity or the Entity as a whole? (Yes/No)

   Not applicable, as the Company operates in B2B model. The average customer satisfaction score during FY23-24 was 88.20%

ANNEXURE IV TO THE BOARD'S REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Mr. Ajit Gulabchand, Chairman	1:25
Mr. Arjun Dhawan, Executive Vice Chairman	1:47
Mr. Jaspreet Bhullar, Managing Director & Chief Executive Officer	1:33

ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Directors:

	%
Mr. Ajit Gulabchand, Chairman	(45.45)*
Mr. Arjun Dhawan, Executive Vice Chairman	10.00
Mr. Jaspreet Bhullar, Managing Director & Chief Executive Officer	9.68#

* Mr. Ajit Gulabchand, Chairman and Managing Director was appointed as Non-Executive Chairman w.e.f. April 01, 2023 upon expiry of his tenure.

\# Mr. Jaspreet Bhullar, Chief Executive Officer was appointed as Managing Director and Chief Executive Officer w.e.f. April 01,2023.

Key Managerial Personnel:

	%
Mr. Rahul Rao, Chief Financial Officer*	3.00
Mr. Nitesh Kumar Jha	15.00

* Resigned w.e.f. April 18,2024

iii. The percentage increase in the median remuneration of employees in the financial year – 28%.

iv. The number of permanent employees on rolls of the Company: 1049 employees as on March 31, 2024.

v. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

	%
Average salary increase for KMPs (other than Chairman, Executive Vice Chairman and Managing Director:	5.94
Average salary increase for non KMPs:	6.68

vi. Affirmation that the remuneration is as per the Remuneration Policy of the Company.

The remuneration paid to employees is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of Board of Directors,

Ajit Gulabchand
Chairman

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai - 400 083

Place: Mumbai
Date: August 05, 2024

ANNEXURE V TO THE BOARD'S REPORT

INFORMATION AS PER SECTION 134 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

A. Conservation of Energy:

Following energy conservation measures have been taken by the Company:

1) At Head Office (HO):

Old / fused CFL and halogen lights were replaced with new LED fixtures at Head office. This involved changing out approximately 503 light fittings, which has led to a notable reduction in energy usage, saving around 6364 watts. This measure is a step towards enhancing energy efficiency, reducing operational costs, and promoting sustainability.

2) At Mumbai Metro Lane - 3 (MML3):

Around 150 No's of old 400-watt metal halide lights were replaced with new 200-watt LED lights at MML3 through which the Company achieved a significant energy saving of around 30,000 watts by switching to LED lights.

B. Technology Absorption and initiatives:

1) At Mumbai Coastal Road Project (MCRP):

At Mumbai Coastal Road Project (MCRP) Package-2, 2500 MT and 2000 MT Network arch steel bridges were meticulously engineered and erected by HCC.

The structure was made with E-410C and E-450 B0 steel grades to make it lighter. The paint system C5 was selected for marine exposure condition, with corrosion protection and subsequent reduction in maintenance cost.

The components of the arch bridges were fabricated at workshops in Ambala (Haryana). The bridge was preassembled at Mazagaon Dock in Nhava Sheva, 28.6 Nautical miles from the project. The latest tools and software, such as Tekla and BIM were used to fabricate. Installation of 2 nos of network arch steel bridges using a combination 2 body & float-over technology for the first time in India in open sea condition. The bridge components were assembled & lifted using Stand Jacks and Roll-off of span over the barge was done with the help of Self-Propelled Modular Transporters (SPMTs) and towed to the location via tug boats.

The bridge was brought to the project location on a huge 11,000 MT barge with an area equal to a football field. 2000 MT RHS bridge installed on 26th April 2024, after installation of 1st span merely in 20 days the 2nd installation 2500 MT RHS bridge was carried out on 15th May 2024. Lowering of Span was done by using LMU (Leg Mating units) which was installed over the pile bent (Female part) & the Network Arch Girder (Male Part). LMU is generally used in Offshore platform as permanent installation and it is first time used in bridge installation application as temporary support.

This structure has significant contribution in "Make in India Story", aesthetic and cost effectiveness. Sensor-based air monitoring device providing real time data on air quality parameters, serving as early warning to take pollution control measures were installed. Anti-smog guns and damping techniques to suppress the dust during operations were arranged.

Construction of Monopile foundation system at Mumbai Coastal Road Project (MCRP):

At Mumbai Coastal Road Project (MCRP) Package-2, we successfully constructed the Mono Pile foundations with varying diameters of 2.5m, 3.0m and 3.5m for bridges and interchanges. It has many features as continuing HCC's historical tradition of doing the first time in India whilst embracing new technologies.

This is the first large scale, large dia (> 2.5m diameter) done in Indian heavy civil engineering industry till date. This Monopile system is the most aesthetic, cost effective and causing least disturbance to the ocean flora and fauna.

The load test of more than 16000 MT in vertical and 1100 MT in horizontal direction is the highest load test carried out so far in India for any pile. Separate piles were cast for test pile having similar bore hole data as that of intended pile locations.

HCC has completed the entire scope of 79 piles on 26.12.2023.

2) At Mumbai Metro Lane - 3 (MML3):

Vacuum griding machine was used in place of conventional grinders to suppress the dust at the source of generation. This advancement enhances indoor air quality, lowers health risks linked to dust inhalation for workers, and improves workplace cleanliness by reducing dust on surfaces and equipment.

Sensor-based air monitoring device providing real time data on air quality parameters, serving as early warning to take pollution control measures were installed. Anti-smog guns to supress the dust during operations were used.

3) **At Delhi Metro DC-06:**

Rearview cameras have been installed on all dumpers and cranes to provide clear visibility during vehicle reversing, thereby improving vehicle safety, and assisting operators.

QR coding system has been implemented across all equipment, affixed visibly on their bodies. When scanned, this system provides comprehensive details such as the equipment operator's identity, fitness status, inspection records, and other relevant information.

4) **Foundation for Butterfly valve, at penstock area for Tehri PSP:**

At Tehri PSP, HCC along with consortium partner GE has achieved major milestone of lowering Butterfly valve in very short span of time for Unit #6 on 25th January 2024.

In continuation of adopted method for Unit #5 HCC placed Epoxy Mortar – constituting Quartz sand, Araldite GY-257 (Resin), Aradur-140 (Hardner) and Aradur-2958 (Accelerator) in place of conventional concrete.

Mortar filling started and completed within 29 hours against the planned duration of 96 hours. 76962 kg Epoxy Mortar was poured in foundation.

The normal method was placement of conventional concrete, however if we would have done that, would have to wait for 28 days so that concrete would have achieved its strength before taking the load of Butterfly Valve of 128 ton.

The foundation achieved its desired strength and was handed over to GE on 24th January 2024 for lowering. GE lowered the Butterfly Valve on 25th January 2024.

Anti washout concrete Tehri PSP:

HCC project team has produced Anti washout (Underwater) concrete for baffle wall for river dredging work. Concrete Grade M20A20 using Anti washout special type admixture used for this concrete production. Total 20,000 Cum poured so far against 30,000 Cum.

5) **Heavy density concrete at FRFCF Project:**

At FRFCF project HCC project team has produced heavy density concrete (3600 Kg. / Cum) as per technical specification requirement, Grade H45 & H30. Total 7000 Cum poured so far against the requirement of 20,000 Cum. Heavy density aggregate Hematite of specific gravity 4.78 used for the concrete production as aggregate.

Heavy aggregate was procured from NMDC Bacheli, Chhattisgarh & from RBSSN, Bellary, Karnataka.

C. **Foreign Exchange earnings and outgo:**

Total Foreign Exchange used and Earned:

Earnings in Foreign Currency	₹ 154.86 crore
Expenditure in Foreign Currency	₹ 17.78 crore

For and on behalf of Board of Directors,

Ajit Gulabchand
Chairman

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai - 400 083

Place: Mumbai
Date: August 05, 2024

ANNEXURE VI TO THE BOARD'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31St March 2024

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

To,
The Members of,
Hindustan Construction Company Limited
Hincon House, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai- 400083

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindustan Construction Company Limited** having **CIN: - L45200MH1926PLC001228** (hereinafter called the "the Company") for the financial year ended on 31st March, 2024 (the "Audit Period"/ "Period under review"/ "Review Period").

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

(i) **Our verification** of the Company's books, papers, minutes books, forms and returns filed, records provided through virtual data room /physically and other records maintained by the Company;

(ii) **Compliance certificates** confirming compliance with corporate laws applicable to the Company given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Company's Audit Committee / Board of Directors; and

(iii) **Representations** made, documents produced and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit.

We hereby report that, in our opinion, during the Audit Period covering the financial year ended on 31st March, 2024, the Company has:

(i) Complied with the statutory provisions listed hereunder; and

(ii) Board processes and compliance mechanisms are in place

to the extent, in the manner and subject to the reporting made hereinafter.

1. COMPLIANCE WITH SPECIFIC STATUTORY PROVISIONS

We further report that:

1.1 We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year in terms of the applicable provisions / clauses of:

(i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 ("FEMA") and the Rules/Regulations made thereunder to the extent of Overseas Direct Investments and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015*;

(c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

(e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to the extent applicable;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

(g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and

(h) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

* The Company has also maintained a Structured Digital Database ("SDD") pursuant to the requirements of Regulations 3 (5) and 3 (6) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(vi) Secretarial Standards relating to meetings of Board of Directors and General Meetings issued by The Institute of Company Secretaries of India and notified by the Central Government under Section 118 (10) of the Act, which have mandatory application.

1.2 During the period under review:

(i) The Company has complied with the all the applicable provisions of all the aforesaid Acts, Rules, Regulations, Guidelines and Standards as mentioned above.

(ii) Generally complied with the applicable provisions / clauses of:

(a) FEMA to the extent of Overseas Direct Investments and External Commercial Borrowings mentioned under paragraph 1.1 (iv);

(b) The Secretarial Standards on meetings of Board of Directors ("SS-1") and on General Meetings ("SS-2") mentioned under paragraph 1.1 (vi) above, which are applicable to the meetings of the Board of Directors and its Committees, held during the audit period and the 97th Annual General Meeting ("AGM") held on 30th August 2023. The compliance of the provisions of the Rules made under the Act with regard to participation of Directors through video conference for the meetings of the Board and its Committees, held during the audit period, were verified based on the minutes of the meetings provided by the Company.

1.3 During the audit period under review, provisions of the following Acts /Regulations were not applicable to the Company.

(i) The Foreign Exchange Management Act, 1999 and the Rules/Regulations made thereunder to the extent of Foreign Direct Investment;

(ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

1.4 We have also examined, on test-check basis, the relevant documents and records maintained by the Company and provided to us with respect to the following Statute(s) which are applicable to the Company:-

a) Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;

b) Explosives Act, 1984 and Rules 2008 framed thereunder;

c) Gas Cylinder Rules, 2004;

d) Mines Act, 1954 and Rules framed thereunder;

e) The Air (Prevention & Control of Pollution) Act, 1981 and Rules framed thereunder;

f) The Water (Prevention & Control of Pollution) Act, 1974 and Rules framed thereunder;

g) The Hazardous and Other Waste (Management, Handling & Transboundary Movement) Rules, 2016;

h) The Environment (Protection) Act, 1986 and Rules framed thereunder;

i) Petroleum Act, 1934 and Rules framed thereunder;

j) The Indian Electricity Act, 2003; and

k) The Factories Act, 1948.

2. BOARD PROCESSES OF THE COMPANY:

We further report that:

2.1 The Board of Directors of the Company as on 31st March, 2024 comprised of:

(i) One Non-Executive Chairman – Mr. Ajit Gulabchand (DIN: 00010827);

(ii) One Executive Vice Chairman – Mr. Arjun Dhawan (DIN: 01778379);

(iii) One Managing Director – Mr. Jaspreet Bhullar (DIN: 03644691);

(iv) One Nominee Director – Mr. Mukul Sarkar (DIN: 00893700);

(v) One Non-Executive Non-Independent Director – Mr. Aditya Pratap Jain (DIN: 08115375);

(vi) Five Non-Executive Independent Directors (including a Woman Independent Director)- Mr. N. R. Acharyulu Nateri (DIN: 02010249), Mr. Arun Karambelkar

(DIN: 02151606), Mr. Mahendra Singh Mehta (DIN: 00019566), Mr. Santosh Janakiram (DIN: 06801226) and Dr. Mita Dixit (DIN: 08198165).

2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the audit period, were carried out in compliance with the provisions of the Act and Listing Regulations:

1. Appointment of Mr. Arun Karambelkar (DIN: 02151606), Non-Executive-Non-Independent Director, who was appointed as an Independent Director by the Board w.e.f. June 07, 2023, as an Independent Director of the Company, not liable to retire by rotation at the 97th Annual General Meeting held on August 30, 2023 for a first term of 5 consecutive years with effect from June 07, 2023;

2. Re-appointment of Dr. Mita Dixit (DIN: 08198165), as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 consecutive years for a second term of 5 consecutive years with effect from conclusion of the 97th Annual General Meeting held on August 30, 2023.

3. Appointment of Mr. Aditya Pratap Jain (DIN: 08115375), who was appointed by the Board as an Additional Director w.e.f. June 07, 2023, as a Non-Executive-Non-Independent Director of the Company, liable to retire by rotation, at the 97th AGM held on 30th August 2023.

2.3 Adequate notice(s) with Agenda and the detailed notes to Agenda of at least seven days was given to all the Directors to enable them to plan their schedule for the meetings of the Board and its Committees, and where the meetings were held at shorter notice, due compliance was ensured, as required under the Act and the Secretarial Standard on meetings of the Board of Directors.

2.4 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and to ensure their meaningful participation at the meetings.

2.5 We note from the minutes examined during the course of audit that, at the Board meetings held during the year:

(i) Decisions were taken through the majority of the Board; and

(ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, which were required to be recorded as part of the minutes.

3. COMPLIANCE MECHANISM

There are reasonably adequate systems and processes prevalent in the Company, which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

4. MANAGEMENT'S RESPONSE ON STATUTORY AUDITOR'S QUALIFIED OPINION:

The Statutory Auditors vide their Independent Auditors Report dated May 24, 2024 on the financial statements of the Company for the year ended 31st March 2024, have mentioned that,

a) Note 33 to the standalone financial statements, the Company's investments in subsidiaries as at 31 March 2024 includes non-current investment in HCC Infrastructure Company Limited ('HICL'), its wholly owned subsidiary amounting to ₹ 1,294.45 crore, stated at cost. The subsidiary's consolidated net worth as at 31 March 2024 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 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 standalone financial statements.

b) Note 9.1 to the standalone financial statements, the Company has recognised net deferred tax assets amounting to ₹ 613.09 crore as at 31 March 2024, 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 Company, 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 March 2024.

Management Response

a) As at 31 March 2024, the Company has investments (including deemed investments) in its wholly owned subsidiary HCC Infrastructure Company Limited ('HICL') aggregating ₹ 1,294.45 crore (31 March 2023: ₹ 1,434.65 crore) classified as non-current investment and current investment of Nil (31 March 2023: ₹ 220 crore). While the consolidated net worth of HICL as at 31 March 2024 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 in respect of future business plans, expected share of future revenues of subsidiaries sold and outcome of litigations for favourable arbitration awards in a step-down 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 report is modified in respect of this matter.

b) As at 31 March 2024, the Company has recognised net deferred tax assets amounting to ₹ 613.09 crore (31 March 2023: ₹ 741.93 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Company during the current year, is liable to pay tax as per Section 115JB of the Income Tax Act. Further, during the current year, deferred tax assets on expiring brought forward losses of ₹ 88.49 crore have been reversed.

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 report is modified in respect of this matter.

5. SPECIFIC EVENTS/ACTIONS

5.1 During the period under review, the following specific events/ actions, having a major bearing on the Company's affairs took place:-

1. The shareholders of the Company, at their 97th Annual General Meeting held on 30th August 2023, have approved by way of Special Resolutions, the following items:

   i. Alteration of existing Articles of Association of the Company to enable Nomination of Director by Debenture Trustee, by replacing the existing Article of the Company with Article 91.

   ii. Authorized the Board of Directors of the Company to create, issue, offer and allot Equity Shares and/ or Equity Shares through depository receipts including American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs") and/or Foreign Currency Convertible Bonds ("FCCBs"), Foreign Convertible Debentures ("FCDs"), Partly Convertible Debentures ("PCDs"), Optionally Convertible Debentures ("OCDs"), and/or other securities convertible into Equity Shares at a later date, at the option of the Company and/or the holder(s) of such securities or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, whether rupee denominated or denominated in foreign currency (collectively referred as "Securities"), with or without a green shoe option, or issued/allotted through Qualified Institutions Placement ("QIP") in accordance with the applicable regulations of Securities and Exchange Board of India ("SEBI Regulations"), for an aggregate amount not exceeding ₹ 1,000 Crore (Rupees One Thousand Crore Only).

   iii. Divestment of entire interest in Steiner Construction SA, Switzerland, a step-down material subsidiary of the Company by Steiner AG, Switzerland, a material subsidiary of the Company.

2. The Board of Directors, at its Meeting held on 18th May 2023, took note that Baharampore-Farakka Highways Limited (BHFL) has ceased to be subsidiary of the Company w.e.f. 28th March 2023 consequent upon sale of 100% stake held by HCC Concessions Limited, subsidiary of the Company in BHFL to Cube Highways and Infrastructure V Pte Limited, Singapore.

3. The Company has carried out renewal/rollover/ settlement of the existing ICDs given /issue of further loans to following Wholly Owned Subsidiaries (situated in India and Abroad), for a period of one year from their respective due dates, during the FY 2023-24:

Sr. No.	Name of the Company	Amount (₹ in Crore)*	Amount (USD in Crore)*
1.	HCC Mauritius Enterprises Ltd	-	1.64
2.	HCC Mauritius Investment Ltd	-	0.52
3.	HCC Infrastructure Company Limited	1,335.41	-
4.	Maan Township Developers Limited	19.12	-
5.	HRL Township Developers Limited	0.41	-
6.	Highbar Technologies Ltd.	2.39	-

We are informed by the Company that Interest is payable on the above , by few companies , on final maturity, as agreed with them.

4. Pursuant to the order dated 23rd March, 2021, issued by the Hon'ble High Court of Kerala ("the Court"), in the matter of Hindustan Construction Company Limited Vs Kerala State Electricity Board ("KSEB"), the Board of Directors of the Company at its meeting held on 27th May, 2021, has approved for providing the Corporate Guarantee for an amount of ₹ 1,19,29,965/- (Rupees One Crore Nineteen Lakh Twenty-Nine Thousand Nine Hundred and Sixty-Five Only) in favour of "Principal Subordinate Judge of Thiruvananthapuram. Further as informed by the Company the matter is still pending for hearing and disposal by the Court.

5. The Board of Directors at its Meetings held on 03rd August 2023 and 8th February 2024 has granted

approval for raising of funds by way of Rights Issue for an amount have approved raising of funds by way of rights issue for an amount not exceeding ₹ 300 Crores (Three Hundred Crores only), and the fund to be raised by way of rights issue was further revised by the Board of Directors at its meeting held on 08th February 2024, to an amount not exceeding ₹ 350 Crores (Three Hundred and Fifty Crores only). The rights issue opened on 26th March 2024 and closed on 05th April 2024. The issue was for issuance of 166,666,666 Rights Equity Shares aggregating up to ₹ 350 Crore, at issue price of ₹ 21/- per Equity Share. We are informed that subsequent to the end of the Financial Year 23-24, on April 13, 2024 The company has allotted 166,666,666 Equity Shares of face value of ₹ 1/- per share, at an issue price of ₹ 21/- (inclusive of premium of ₹ 20/- per share), to successful applicants and these shares are listed in BSE and NSE, w.e.f Monday, April 22, 2024.

6. As on 31st March, 2024,

   A. After redemption of debentures during the audit period, Non-Convertible Debentures (listed) aggregating to ₹ 753 Crores is outstanding; and

   B. Optionally Convertible Debentures, as per approval of the Board of Directors of the Company at its meeting held on 4th August, 2022 issued by the Company to the lenders through private placement basis, aggregating to ₹ 863.88 Crores is outstanding.

7. We are informed that Company has taken steps for compliance with the relevant provisions of FEMA, 1999, in relation to two subsidiaries, which are incorporated outside India and this is for filing of relevant returns with Reserve Bank of India ("RBI"). This is in relation to the delay in discharging the commitments in respect of payment for supply of equipment and services from abroad to the extent of ₹ 41.41 Crore, during the FY 2020-21. In this regard the Company would be approaching the concerned regulatory authorities, for condonation of the delays. We have been informed that the Company would be providing the relevant documents to us after completion of procedural formalities.

Venkataraman Krishnan
Partner
ACS No:8897/ COP No: 12459

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
[PR No.:-637 / 2019]
[UDIN:A008897F000894276]

Date: 05th August 2024
Place: Mumbai

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

ANNEXURE A TO THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

To,
The Members of,
Hindustan Construction Company Limited
Hincon House, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai- 400083

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.

2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

3. We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.

4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the Company. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.

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

6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

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

Venkataraman Krishnan
Partner
ACS No:8897/ COP No: 12459

For **BNP & Associates**
Company Secretaries
[Firm Regn. No. P2014MH037400]
[PR No.:-637 / 2019]
[UDIN:A008897F000894276]

Date: 05th August 2024
Place: Mumbai

ANNEXURE VII TO THE BOARD'S REPORT

DIVIDEND DISTRIBUTION POLICY

The equity shares of Hindustan Construction Company Limited (the "Company") are listed on BSE Ltd. ("BSE") and National Stock Exchange of India Ltd ("NSE"). As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations'), as amended, the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website.

The Board of Directors of the Company ("the Board") has approved the Dividend Distribution Policy of the Company ('the Policy") on February 2, 2017, which endeavours for fairness, consistency and sustainability while distributing profits to the members.

The factors that will be considered while arriving at the quantum of dividend(s) payable shall be:

- Any Current year profits and outlook in line with the development of internal and external environment.
- Operating cash flows and treasury position keeping in view the total debt to equity ratio.
- Possibilities of alternate deployment of cash for future growth, e.g. capital expenditure etc., which has a potential to create greater value for members in the long run.
- Providing for unforeseen events and contingencies with financial implications.

The Board may, as and when they consider it fit, recommend dividend, to the members for their approval in the general meeting of the Company.

In case the Board proposes not to distribute the profit, the grounds thereof and information on utilization of the undistributed profit, if any, shall be disclosed to the members in the Annual Report of the Company.

The dividend distribution shall be in accordance with the applicable provisions of the Companies Act, 2013, (the Act) Rules framed thereunder, if any, the SEBI (Listing Regulations), 2015 and any other legislations governing dividends and the Articles of Association of the Company, as in force and as amended from time to time.

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Act, the SEBI Listing Regulations etc.

In the event of any conflict between the provisions of these policies and the Act/the SEBI Listing Regulations or any other statutory enactments, rules, the provisions of the Act/the SEBI Listing Regulations or statutory enactments, rules, as the case may be applicable, shall prevail.

The policy is made available on the Company's website and shall also be disclosed in the Company's Annual Report.

This Policy document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindustan Construction Company Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of Hindustan Construction Company Limited and its joint operations (together referred to as 'the Company') (Refer Annexure I for the list of joint operations included in the standalone financial statements), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors as referred to in paragraph 16 below, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As stated in:

   a) Note 33 to the standalone financial statements, the Company's investments in subsidiaries as at 31 March 2024 includes non-current investment in HCC Infrastructure Company Limited ('HICL'), its wholly owned subsidiary amounting to ₹ 1,294.45 crore, stated at cost. The subsidiary's consolidated net worth as at 31 March 2024 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 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 standalone financial statements.

   b) Note 9.1 to the standalone financial statements, the Company has recognised net deferred tax assets amounting to ₹ 613.09 crore as at 31 March 2024, 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 Company, 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 March 2024.

      Our audit report dated 18 May 2023 on the standalone financial results of the Company for the year ended 31 March 2023 was also qualified in respect of the above matters.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors, in terms of their reports referred to in paragraph 16 of the Other Matter section below is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, and based on the consideration of the reports of the other auditors as referred to paragraph 16 below, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
(a) Assessment of control in Prolific Resolution Private Limited pursuant to the terms of investment agreement [Refer note 38A(iii) to the standalone financial statements]	
Pursuant to the successful implementation of the resolution plan during the previous year, the Company novated specified debt of lenders to Prolific Resolution Private Limited ('PRPL'), its wholly owned subsidiary, with the consideration being the assignment of beneficial interest in the specified arbitration awards and claims in favor of PRPL. Further, PRPL also entered into a Service Agreement with the Company to avail services for efficient management and realisation of monies due under the specified awards and claims. During the year, the Company, PRPL and Jadeja Investment Management Private Limited ('JIPL') entered into an Investment Agreement pursuant to which PRPL has issued 52,040 equity shares to JIPL on preferential basis for a consideration of ₹ 25 crore resulting in dilution of interest of the Company in PRPL and JIPL acquiring 51% share of PRPL. Based on the evaluation of the terms of the Investment Agreement and Service Agreement, the Company and JIPL are assessed to have joint control over the relevant activities of PRPL and consequently, PRPL ceased to be a subsidiary of the Company. Considering the complexities involved and significant management judgement in assessing control over relevant activities of PRPL, this transaction has been considered as a key audit matter for the current year audit.	Our audit procedures to address this key audit mater included but were not limited to the following: • Evaluated the design and tested the operating effectiveness of the key internal controls relating to assessment of controlover investee companies. • Obtained and reviewed the terms of the Investment Agreement and Service Agreement to understand the rights of the parties with respect to directing the relevant activities of PRPL. • Assessed the reasonability of judgements exercised by the management with respect to the assessment of control over relevant activities of PRPL in accordance with the criteria given under Ind AS 111, 'Joint Arrangements'; and • Evaluated the appropriateness and adequacy of the disclosures in the standalone financial statements in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
(b) Recognition of contract revenue, margin and contract costs (Refer note 23 to the standalone financial statements)	
The Company's revenue primarily arises from construction contracts which, by its nature, is complex given the significant judgements involved in the assessment of identification and satisfaction of performance obligations. The Company recognizes contract revenue on the basis of stage of completion determined based on the proportion of contract costs incurred till balance sheet date, to the total estimated costs of the contract at completion. The recognition of contract revenue and the resultant profit/ loss therefore rely on estimates in relation to forecasted revenue and contract costs. These contract estimates are reviewed by the management on a periodic basis. In doing so, the management is required to exercise significant judgement in its assessment of the transaction price which may also include variable consideration pertaining to additional claims raised by the Company. The management is also required to exercise judgement to assess the completeness and accuracy of forecasted costs to complete.	Our audit procedures to address this key audit matter included, but were not limited to the following: • Obtained an understanding of the Company's revenue recognition processes and evaluated the appropriateness of the Company's accounting policy for revenue recognition in accordance with Ind AS 115 – Revenue from contracts with customers; • Evaluated the design and tested the operating effectiveness of key internal financial controls including those related to estimation of forecasted contract revenue and contracts costs; • For a sample of contracts, performed the following procedures: - inspected the underlying documents such as customer contract/ agreement and variation orders, if any, for the significant contract terms and conditions; - evaluated the identification of performance obligations as per the contract;

Key audit matter	How our audit addressed the key audit matter
Changes in these estimates as contracts progress can result in material adjustments to revenue and margins. Considering high estimation uncertainty, complexities involved and material impact on the financial statement, this area has been considered a key audit matter in the current year audit.	- obtained an understanding of and evaluated the reasonableness of the assumptions applied in determining the forecasted revenue and cost to complete; - tested the existence and valuation of variable consideration with respect to the contractual terms and conditions and inspected the related correspondence with customers; - reviewed the legal and contracting experts' note and/ or legal opinion from independent legal counsel obtained by the management, if any; - Tested the forecasted cost by obtaining executed purchase orders/ agreements/ relevant documents and evaluated the reasonableness of management judgements/ estimates; and - For cost incurred to date, tested samples by verifying underlying supporting documents; - Performing analytical procedures including project profitability analysis for reasonableness of revenue recognized; and • Evaluated the appropriateness and adequacy of the disclosures related to contract revenue and costs in the standalone financial statements in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
(c) Uncertainties relating to recoverability of unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables (Refer Note 34 of the standalone financial statements)	
The Company, as at 31 March 2024, has unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables amounting to ₹ 528.81 crore, ₹ 245.54 crore and ₹ 57.52 crore, respectively, which represent various receivables in respect of closed/ substantially closed/ suspended/ terminated projects. The Company is at various stages of negotiations/ discussions / arbitration/ litigation with the customers in respect of the aforementioned receivables. Management, based on contractual tenability, progress of the negotiations/ discussions/ arbitration/ litigation and relying on the legal opinion obtained from independent legal counsel in certain cases, has determined that no provision is required to be recognised for the aforementioned receivables. Considering the materiality of the amounts involved, uncertainty associated with the outcome of the negotiations/ discussions/ arbitration/ litigation and significance of management judgement involved in assessing the recoverability, this was considered to be a key audit matter in the audit of the standalone financial statements. Further, the aforementioned matter as fully explained in Note 34 to the standalone financial statements is also considered fundamental to the user's understanding of the standalone financial statements.	Our audit procedures included, but were not limited to, the following: • Obtained an understanding of the management process and evaluated the design and tested the effectiveness of key internal financial controls for assessing the recoverability of unbilled work-in-progress (contract assets) and trade receivables. • Assessed the reasonability of judgements exercised and estimates made by management with respect to the recoverability of these receivables and validated them with corroborating evidence; • Verified contractual arrangements to support management's position on the tenability and recoverability of these receivables; • Obtained an understanding of the current period developments for respective receivables pending at various stages of negotiations/ discussions/ arbitration/ litigation and corroborated the updates with relevant underlying documents. • Reviewed the legal and contractual experts' note and/ or legal opinion from independent legal counsel obtained by the management with respect to certain contentious matters; and • Evaluated the appropriateness and adequacy of the disclosures in the standalone financial statements in accordance with the applicable accounting standards.

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

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board Report, Report on Corporate Governance and Management Discussion and Analysis Report but does not include the standalone financial statements and our auditor's report thereon. The Board Report, Report on Corporate Governance and Management Discussion and Analysis Report are expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Board Report, Report on Corporate Governance and Management Discussion and Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial statements of the Company and its joint operations or the business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of the Company. For the joint operations included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. We did not audit the financial statements of eight (8) joint operations included in the standalone financial statements of the Company whose financial statements reflects Company's share of total assets of ₹ 152.61 crore as at 31 March 2024, and the Company's share of total revenues of ₹ 475.19 crore, total net profit after tax of ₹ 7.40 crore, total comprehensive income of ₹ 7.40 crore, and cash outflows (net) of ₹ 0.20 crore respectively for the year ended on that date, as considered in the standalone financial statements. These financial statements have been audited by the other auditors whose reports have been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid joint operations, is based solely on the report of such other auditors.

    Further, of these joint operations, the financial statements of five (5) joint operations have been prepared in accordance with accounting principles generally accepted in India, including accounting standards issued by the ICAI. The Company's management has converted the financial statements of such joint operations in accordance with Ind AS. We have audited these conversion adjustments made by the Company's management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of such joint operations, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

    Our opinion above on the standalone financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, and on the consideration of the reports of the other auditors as referred to in paragraph 16 above, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure II a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

19. Further to our comments in Annexure II, as required by section 143(3) of the Act based on our audit, and on the consideration of the reports of the other auditors as referred to in paragraph 16 above, we report, to the extent applicable, that:

    a) We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the possible effects of the matters described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.

c) The standalone financial statements dealt with by this report are in agreement with the books of account;

d) Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) The matters described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;

f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 of the Basis for Qualified Opinion section, paragraph 19(b) above on reporting under section 143(3)(b) of the Act and paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure III wherein we have expressed a modified opinion; and

i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors as referred to in paragraph 16 above:

   i. The Company, as detailed in notes 6.1, 32, 33 and 34 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;

   ii. The Company, as detailed in notes 20.1 and 20.2 to the standalone financial statements, has made provision as at 31 March 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

   iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 44 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 45 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. The Company has not declared or paid any dividend during the year ended 31 March 2024.

   vi. As stated in note 46 to the standalone financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below:

Nature of exception noted	Details of exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all records by the Company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
UDIN: 24101797BKCPCS1042

Place: Mumbai
Date: 24 May 2024

ANNEXURE I

List of joint operations included in the standalone financial statements

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

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT

Annexure II referred to in paragraph 18 of the Independent Auditor's Report of even date to the members of Hindustan Construction Company Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.

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

(b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3A to the standalone financial statements, are held in the name of the Company.

(d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company has provided loans or guarantees to Subsidiaries during the year as per details given below:

(₹ crore)

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount provided/ granted during the year:				
- Subsidiaries	-	-	25.19	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases (excluding opening balances):				
- Subsidiaries	-	-	25.06	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated but the principal and payment of interest are currently not due for repayment since these have been renewed as stated in clause 3(e) below.

(d) There is no amount which is overdue for more than 90 days in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has granted loans or advances in the nature of loans which had fallen due during the year and such loans or advances in the nature of loans were renewed/ extended during the year. The details of the same has been given below:

(₹ crore)

Name of the party	Total loan amount granted during the year*	Aggregate amount of existing loans renewed or extended or settled by fresh loans	Nature of extension (i.e., renewed/ extended/ fresh loan provided)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
HCC Infrastructure Company Limited	Nil	1,292.21	Renewal	-
Maan Township Developers Limited	Nil	19.12	Renewal	-
HRL Township Developers Limited	Nil	0.41	Renewal	-
Highbar Technologies Limited	Nil	2.39	Renewal	-
HCC Mauritius Enterprises Limited	3.79	135.55	Renewal	3,576.52%
HCC Mauritius Investment Limited	21.40	43.32	Renewal	202.43%

* Excludes existing loan renewed during the year.

(f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.

(iv) The Company has not entered into any transaction covered under section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though provident fund and income-tax have not generally been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(₹ crore)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act,1961	Income Tax	15.54	15.54	AY 2008-09 to AY 2010-11	High Court
		32.07	-	AY 2015-16	Income Tax Appellate Tribunal
		80.04	2.45	AY 2010-11, AY 2016-17 and AY 2022-23	Commissioner of Income Tax (Appeals)
The Central Sales Tax Act, 1956	Entry Tax	0.43	0.01	FY 2011-12 and FY 2017-18	Assessment Officer upto Commissioner Level
		6.02	1.59	Multiple years from FY 2003-04 to FY 2017-18	Appellate Tax Tribunal
	Central Sales Tax	11.63	-	FY 2004-05, FY 2010-11 and FY 2017-18	Assessment Officer upto Commissioner Level
	Value Added Tax	67.75	0.04	Multiple years from FY 2004-05 to FY 2016-17	Appellate Tax Tribunal
		43.65	2.56	Multiple years from FY 2004-05 to FY 2017-18	Assessment Officer upto Commissioner Level
		3.84	-	FY 2012-13	High Court
		2.42	-	FY 2017-18	Commercial Taxes Tribunal
Goods and Services Tax Act, 2017	GST	116.96	1.09	FY 2017-18 and FY 2019-20	High Court
		80.60	4.05	Multiple years from FY 2017-18 to FY 2020-21	Assessment Officer upto Commissioner Level
The Finance Act, 1994	Service Tax	0.11	0.01	Multiple years from 2013-14 to FY 2017-18	Assessment Officer upto Commissioner Level
		28.71	1.07	Multiple years from FY 2008-09 to FY 2017-18	CESTAT
		44.18	-	FY 2011-12 and 2012-2013	Supreme Court

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, except for the following:

(₹ crore)

Nature of fund taken	Name of lender	Amount involved	Name of the subsidiary, joint venture, associate	Relation	Nature of transaction for which funds were utilised
Inter-Corporate Deposit	Steiner India Limited	3.79	HCC Mauritius Enterprises Limited	Subsidiary	Repayment of term loan from bank
Inter-Corporate Deposit	Steiner India Limited	21.40	HCC Mauritius Investments Limited	Subsidiary	Repayment of term loan from bank

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company. Further, based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
UDIN: 24101797BKCPCS1042

Place: Mumbai
Date: 24 May 2024

ANNEXURE III TO THE INDEPENDENT AUDITOR'S REPORT

Annexure III to the Independent Auditor's Report of even date to the members of Hindustan Construction Company Limited, on the standalone financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Hindustan Construction Company Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financia controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at 31 March 2024:

a) The Company's internal financial control system towards estimating the carrying value of its investment in subsidiary company, as explained in Note 33 to the standalone financial statements were not operating effectively which could potentially lead material misstatement in the carrying values of investments and dues recoverable from such subsidiary and its consequential impact on the earnings, other equity and related disclosures in the standalone financial statements.

b) The Company's internal financial controls system with respect to assessing the recoverability of deferred tax assets, as explained in Note 9.1 to the standalone financial statements, as per Ind AS 12 'Income Taxes' were not operating effectively, which could potentially lead to a material misstatement in the carrying value of deferred tax assets and its consequential impact on the earnings, other equity and related disclosures in the standalone financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2024, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2024.

11. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2024, and these material weaknesses have affected our opinion on the standalone financial statements of the Company, and we have issued a qualified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar
PartnerMembership No.: 101797
UDIN: UDIN: 24101797BKCPCS1042

Place: Mumbai
Date: 24 May 2024

STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3A	228.79	299.32
Right-of-use assets	3B	-	0.37
Capital work-in-progress	3C	0.84	0.12
Intangible assets	4	-	0.09
Financial assets			
Investments in subsidiaries and joint ventures	5	1,594.15	1,353.50
Other investments	5A	37.91	18.47
Trade receivables	6	654.99	621.96
Loans	7	250.00	222.57
Other financial assets	8	5.27	0.42
Deferred tax assets (net)	9	613.09	741.93
Non-current tax assets (net)	9	11.81	43.56
Other non-current assets	10	56.32	54.81
Total non-current assets		**3,453.17**	**3,357.12**
Current assets			
Inventories	11	126.39	170.43
Financial assets			
Investments in subsidiaries	5	-	220.00
Trade receivables	6	1,852.73	2,052.92
Cash and cash equivalents	12	233.92	216.30
Bank balances other than cash and cash equivalents	13	50.35	47.00
Other financial assets	8	222.36	236.78
Unbilled work-in-progress (contract assets)	14	2,069.17	1,892.23
Other current assets	10	129.94	191.29
		4,684.86	**5,026.95**
Assets held for sale	15	-	2.19
Total current assets		**4,684.86**	**5,029.14**
TOTAL ASSETS		**8,138.03**	**8,386.26**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	151.31	151.31
Other equity	17	769.77	569.61
Total equity		**921.08**	**720.92**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	1,478.51	1,785.45
Other financial liabilities	19	1,470.41	1,399.45
Provisions	20	26.01	21.26
Total non-current liabilities		**2,974.93**	**3,206.16**
Current liabilities			
Financial liabilities			
Borrowings	18	257.71	171.07
Lease liabilities		-	0.41
Trade payables	21		
- Total outstanding dues of micro enterprises and small enterprises		90.21	134.00
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,706.06	1,721.02
Other financial liabilities	19	658.94	518.01
Other current liabilities	22	1,247.05	1,419.75
Provisions	20	282.05	494.92
Total current assets		**4,242.02**	**4,459.18**
TOTAL EQUITY AND LIABILITIES		**8,138.03**	**8,386.26**

The accompanying notes form an integral part of the standalone financial statements

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

Particulars	Note No.	**Year ended 31 March 2024**	Year ended 31 March 2023
Income			
Revenue from operations	23	5,042.71	5,222.01
Other income	24	124.99	61.22
Total income		**5,167.70**	**5,283.23**
Expenses			
Cost of materials consumed	25	862.02	1,009.66
Subcontracting expenses		2,725.88	2,727.99
Employee benefits expense	26	323.71	323.78
Finance costs	27	542.89	663.97
Depreciation and amortisation expense	28	67.77	78.05
Other expenses	29	444.13	448.19
Total expenses		**4,966.40**	**5,251.64**
Profit before exceptional items and tax		201.30	31.59
Exceptional item- gain	30	168.56	223.30
Profit before tax		**369.86**	**254.89**
Tax expense/ (credit)	9		
Current tax		62.45	1.66
Deferred tax		128.84	(0.19)
Total tax expense		**191.29**	**1.47**
Net profit for the year (A)		**178.57**	**253.42**
Other comprehensive income			
(a) Items that will not be reclassified subsequently to statement of profit or loss (net of tax)			
- Gain on remeasurement of defined benefit plans		1.94	1.86
- Gain/ (Loss) on fair value of equity instruments		19.45	(1.20)
(b) Items that will be reclassified subsequently to statement of profit or loss (net of tax)		-	-
Other comprehensive income for the year, net of tax (a+b) (B)		**21.39**	**0.66**
Total comprehensive income for the year, net of tax (A+B)		**199.96**	**254.08**
Earnings per equity share of face value of ₹ 1 each	31		
Basic (in ₹)		1.18	1.67
Diluted (in ₹)		1.18	1.67

The accompanying notes form an integral part of the standalone financial statements

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	369.86	254.89
	Adjustments for:		
	Depreciation and amortisation expense	67.77	78.05
	Finance costs	542.89	663.97
	Interest income	(39.18)	(27.42)
	Gain on settlement of debt	(46.16)	-
	Gain on implementation of debt resolution plan	-	(223.30)
	Gain on sale of land	(87.93)	-
	Reversal of impairment of financial asset (net)	(80.63)	-
	Financial guarantee income	(3.95)	(12.43)
	Dividend income	(0.05)	-
	Employee stock option expenses	0.20	0.00*
	Unrealised exchange gain on foreign currency translation (net)	(0.80)	(2.75)
	Profit on disposal of property, plant and equipment (net)	(6.06)	(2.89)
	Loss allowance on financial assets	18.66	27.72
	Provision no longer required written back	(54.75)	(49.27)
		310.01	**451.68**
	Operating profit before working capital changes	679.87	706.57
	Adjustments for changes in working capital:		
	Decrease in inventories	44.04	5.40
	Decrease/ (increase) in trade receivables	148.50	(441.81)
	Increase in financial assets, other assets and unbilled work-in-progress	(96.64)	(32.30)
	Decrease in trade payables, other financial liabilities, other liabilities and provisions	(355.29)	(161.84)
	Cash generated from operations	**420.48**	**76.02**
	Direct taxes (paid)/ refund (net)	(30.70)	1.91
	Net cash generated from operating activities	**389.78**	**77.93**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment (Refer note 2 below)	(14.60)	(13.82)
	Proceeds from sale of property, plant and equipment	103.82	9.47
	Investment in subsidiary	-	(0.05)
	Proceeds from repayment of inter-corporate deposits (deemed investment)	140.21	130.00
	Inter corporate deposit given	(25.19)	-
	Net (investments in)/ proceeds from bank deposits	(3.40)	257.27
	Interest received	6.94	18.88
	Dividend received	0.05	-
	Net cash generated from investing activities	**207.83**	**401.75**

*Represents amount less than ₹ 1 lakh.

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long-term borrowings	(239.45)	(171.82)
Repayment of short-term borrowings (net)	(4.00)	(37.89)
Inter corporate deposits received from a subsidiary company	25.19	-
Finance costs paid	(361.84)	(290.75)
Repayment of lease liabilities	(0.41)	(1.29)
Net cash used in financing activities	**(580.51)**	**(501.75)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**17.10**	**(22.07)**
Cash and cash equivalents at the beginning of the year	216.30	237.86
Unrealised foreign exchange gain	0.52	0.51
Cash and cash equivalents at the end of the year (Refer note 12)	**233.92**	**216.30**

Notes:

1) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS-7) Statement of Cash Flows]
2) Additions include movements of capital work-in-progress, capital advances and liability for capital goods, including intangible assets.

This is the Standalone Cash Flow Statement referred to in our audit report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT AND FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

a) Equity share capital (equity shares of ₹ 1 each)

Particulars	Issued, subscribed and paid-up	
	Number	Amount
As at 1 April 2022	**1,513,028,244**	**151.31**
Issue of equity shares	-	-
As at 31 March 2023	**1,513,028,244**	**151.31**
Issue of equity shares	-	-
As at 31 March 2024	**1,513,028,244**	**151.31**

b) Other equity

Particulars	Reserves and surplus								Equity instruments at fair value through other comprehensive income	Total equity attributable to equity holders
	Capital reserve	Forfeited debentures account	Securities premium	Debenture redemption reserve	General reserve	Share option outstanding reserve	Retained earnings	Other Reserves Foreign currency monetary translation reserve		
As at 1 April 2022	**15.19**	**0.02**	**2,568.76**	**54.99**	**174.38**	**-**	**(2,485.10)**	**1.48**	**(12.71)**	**317.01**
Profit for the year	-	-	-	-	-	-	253.42	-	-	253.42
Other comprehensive income for the year	-	-	-	-	-	-	1.86	-	(1.20)	0.66
Restatement of foreign currency monetary translation items	-	-	-	-	-	-	-	1.67	-	1.67
Shared based payment expense	-	-	-	-	-	0.00*	-	-	-	0.00*
Amortization of foreign currency monetary translation items	-	-	-	-	-	-	-	(3.15)	-	(3.15)
As at 31 March 2023	**15.19**	**0.02**	**2,568.76**	**54.99**	**174.38**	**0.00***	**(2,229.82)**	**-**	**(13.91)**	**569.61**
Profit for the year	-	-	-	-	-	-	178.57	-	-	178.57
Other comprehensive income for the year	-	-	-	-	-	-	1.94	-	19.45	21.39
Shared based payment expense	-	-	-	-	-	0.20	-	-	-	0.20
As at 31 March 2024	**15.19**	**0.02**	**2,568.76**	**54.99**	**174.38**	**0.20**	**(2,049.31)**	**-**	**5.54**	**769.77**

* represents amount less than ₹ 1 lakh.

This is the Standalone Statement of Changes in Equity referred to in our audit report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand DIN : 00010827 *Chairman*
Arjun Dhawan DIN : 01778379 *Executive Vice Chairman*
Jaspreet Bhullar DIN : 03644691 *Managing Director & Chief Executive Officer*
Mahendra Singh Mehta DIN : 00019566 *Director*
Girish Gangal *Chief Financial Officer*
Nitesh Jha FCS No. 8436 *Company Secretary*

Place: Mumbai
Date : 24 May 2024

NOTE 1 CORPORATE INFORMATION

Hindustan Construction Company Limited ('HCC') is a public limited company incorporated and domiciled in India. HCC having CIN L45200MH1926PLC001228, is principally engaged in the business of providing engineering and construction services. Its shares are listed on two recognised stock exchanges in India - the Bombay Stock Exchange and the National Stock Exchange. The registered office of the Company is located at Hincon House, LBS Marg, Vikhroli (West), Mumbai- 400 083, India.

The standalone financial statements ('the financial statements') of HCC and it's joint operations (together referred to as "the Company") for the year ended 31 March 2024 were authorised for issue in accordance with resolution of the Board of Directors on 24 May 2024.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time and guidelines issues by Securities and Exchange Board of India (SEBI) to the extent applicable.

The financial statements have been prepared under the historical cost convention, with the exception of certain financial assets and liabilities, which have been measured at fair value, on an accrual basis of accounting.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are presented in ₹ crore (₹ 0,000,000), except when otherwise indicated. Amount presented as '0.00* ' are non-zero numbers rounded off in crore.

ii) Operating cycle for current and non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle is the time between the acquisition of resources / assets for processing their realisation in cash and cash equivalents. Operating cycle for the business activities of the Company covers the duration of the project / contract / service including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project.

iii) Accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

iv) Key accounting estimates and assumptions

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

a) Going concern

The Company in earlier years has incurred significant losses resulting in substantial erosion of net worth. Further, the Company was also in default on payment to its lenders and also had overdue payments to operational creditors of which certain creditors also applied before National Company Law Tribunal ('NCLT') for debt resolution under Insolvency and Bankruptcy Code, 2016, none of which were admitted. During the previous year, the 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 Company, 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. Consequently, the Company is not in default in repayment of dues to its lenders as at 31 March 2024.

Based on the above and considering the future business plans, including time-bound monetization of assets, the management has prepared the future cash flow forecasts to assess its ability to operate as a going concern for a period of at least 12 months from the date of financial statements and concluded that the going concern basis of accounting used for preparation of the accompanying standalone financial statements is appropriate with no material uncertainty over going concern.

b) Contract estimates

Refer note 2(xxii) below.

c) Variable consideration (claims)

The Company has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/ discussion/ arbitration/ litigation with the clients. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and/or external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

d) Valuation of investment in/ loans to subsidiaries/ joint ventures

The Company has performed evaluation of it's equity investments of subsidiaries and joint venture to assess whether there is any indication of impairment in the carrying value. Equity investments are tested for impairment, whenever events or changes in circumstances indicate that the carrying amount is higher than the recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal and value in use. When the fair value of investments in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. Similar assessment is carried for exposure of the nature of loans and interest receivable thereon. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The calculation of value in use Judgements include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.

e) Deferred tax assets

The realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and the timing for expiration of such losses under applicable tax laws.

Based on the projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

f) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

g) Defined benefit plans

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

v) Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date. (Refer note 37).

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

- in the principal market for the asset or liability, or

- in the absence of a principal market, In the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

vi) Property, plant and equipment (Tangible assets)

Property, plant and equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition / installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

vii) Capital work-in-progress

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

viii) Intangible assets

Intangible assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably, less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets mainly comprise of license fees and implementation cost for software and other application software acquired / developed for in-house use.

ix) Non-current assets or disposal group held for sale

Non-current assets or disposal group (including liabilities directly associated with those assets of a disposal group) that are available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale. Non-current assets or disposal group held for sale are measured at the lower of carrying amount or fair value less costs to sell except financial assets within the scope of Ind AS 109- Financial Instruments. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of asset held for sale has been estimated using observable inputs such as price quotations.

x) Depreciation and amortisation

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives on a straight-line basis, except Building and sheds which is depreciated using WDV method. Intangible assets are amortised from the date they are available for use, over their estimated useful lives.

The useful lives are as per Schedule II to the Act except in case of certain assets, where the useful life is based on technical evaluation by management.

Asset category	Useful life (in years)
Building and sheds	3 to 60
Plant and equipment	2 to 14
Furniture and fixtures	10
Vehicles	3 to 12
Office equipment	5
Speed boat	13
Computers	3
Intangible (Computer software)	3 to 5

The estimated useful life and residual values are reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on additions is provided on a pro-rata basis, from the date on which asset is ready to use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are accounted in the Statement of Profit and Loss under Other income and Other expenses.

xi) Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27- Separate Financial Statements, except where investments accounted for at cost shall be accounted for in accordance with Ind AS105 Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

xii) Financial instruments

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

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company's business model refers to how it manages it's financial assets to generate cash flows. The business model determines whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

a) Financial assets

i) Subsequent measurement

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

- **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ('EIR') method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

- **Financial assets measured at fair value through Other Comprehensive Income**

Financial assets are measured at fair value through Other Comprehensive Income ('OCI') if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

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

Any financial asset which does not meet the criteria for categorization as financial asset at amortized cost or at FVTOCI, is classified as financial asset at FVTPL. Financial assets included within the FVTPL category are subsequently measured at fair value with all changes recognized in the statement of profit and loss.

ii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss ('ECL') model for measurement and recognition of impairment loss on financial assets and credit risk exposures. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.
If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

iii) De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or loss, except in case of equity instruments classified as FVOCI, where such cumulative gain or loss is not recycled to statement of profit and loss.

b) Equity instruments and financial liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

I. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

II. Financial liabilities

i) Subsequent measurement

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

- **Financial liabilities at FVPL**

  Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

- **Financial liabilities at amortised cost**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

  Where the Company issues optionally convertible debenture, the fair value of the liability portion of such debentures is determined using a market interest rate for an equivalent non-convertible debenture. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity (net of income tax) and are not subsequently re-measured.

  Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

- **Financial guarantee contracts**

  Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

ii) De-recognition of financial liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c) Offsetting financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

xiii) Employee benefits

a) Defined contribution plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund and superannuation scheme are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) Defined benefit plan

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognised as an expense in the period in which services are rendered by the employee.

The Company also provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the Projected Unit Credit Method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur and is not eligible to be reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c) Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. However, as the Company does not have an unconditional right to defer settlement for these obligations, the above liabilities are presented as current. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term benefits

Employee benefits such as salaries, wages, bonus, incentive etc. falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

xiv) Contract assets

Contract revenue earned in excess of certification are classified as contract assets (which we refer as unbilled work-in-progress). A contract asset is initially recognised for revenue earned from engineering and construction services because the receipt of consideration is conditional on successful completion of the service. Upon completion of the service and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

xv) Contract liabilities

Certification in excess of contract revenue is classified as contract liabilities (which we refer to as due to customer). A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

xvi) Inventories

The stock of construction materials, stores, spares and embedded goods and fuel is valued at cost or net realisable value, whichever is lower. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis and includes all applicable cost of bringing the goods to their present location and condition. Revenue from sale of scrap material is presented as reduction from cost of materials consumed in the Statement of Profit and Loss.

xvii) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

xviii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Engineering and Construction". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

xix) Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

xx) Foreign exchange translation of foreign projects and accounting of foreign exchange transaction

a) Initial recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b) Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c) Treatment of exchange difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a Property, plant and equipment are adjusted to the carrying value of the assets and depreciated over the remaining useful life of the Property, Plant and Equipment and exchange differences arising on all other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Reserve" and amortised over the remaining life of the concerned monetary item.

xxi) Revenue recognition

a) Contract Revenue

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services. The Company derives revenues primarily from providing engineering and construction services.

The Company evaluates whether the performance obligations in engineering and construction services are satisfied at a point in time or over time. The performance obligation is transferred over time if one of the following criteria is met:

- As the entity performs, the customer simultaneously receives and consumes the benefits provided by the entity's performance.

- The entity's performance creates or enhances an asset (e.g., work in progress) that the customer controls as the asset is created or enhanced.

- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

The percentage-of-completion of a contract is determined by the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

For performance obligations in which control is not transferred over time, control is transferred as at a point in time.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party and is adjusted for variable considerations.

Advance payments received from contractee for which no services are rendered are presented as 'Advance from contractee'.

Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost of completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, if any. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit and Loss immediately in the period in which such costs are incurred.

b) Interest on arbitration awards

Interest on arbitration awards, being in the nature of additional compensation as per the terms of the contract is recognised as other operating revenue that reflects the consideration the Company has received or expects to receive on favourable arbitration awards.

xxii) Other income

a) Interest income

Interest income (other than interest on income tax refund) is accrued on a time proportion basis, by reference to the principal outstanding and the applicable Effective Interest Rate (EIR).

b) Dividend income

Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

c) Other non-operating income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

xxiii) Interest in joint arrangements

As per Ind AS 111 - Joint Arrangements, investment in joint arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the joint arrangement. The Company classifies its joint arrangements as Joint Operations.

The Company recognises its direct right to assets, liabilities, revenue and expenses of Joint Operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

xxiv) Income tax

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

a) Current tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. The Company as at 31 March 2024 continues to follow the old tax regime. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

b) Deferred tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

In assessing the recoverability of deferred tax assets, the Company relies on the forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of upon the likely timing and the level of future taxable profits together with future tax planning strategies and the timing for expiration of such losses under applicable tax laws.

xxv) Leases

The Company's lease asset classes primarily consist of leases for vehicles and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of the consideration.

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of the assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Carrying amount of right-of-use asset is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The future lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. For a lease with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Right-of-use assets and Lease liabilities have been separately presented in the Balance Sheet. Further, lease payments have been classified as financing cash flows.

xxvi) Impairment of non-financial assets

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

Recoverable amount is determined:

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

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

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xxvii) Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost using the EIR method, less provision for impairment. Trade receivables ageing has been presented based on the due date of payment.

xxviii) Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method. Trade payables ageing has been presented based on the due date of payment.

xxix) Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xxx) Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors.

xxxi) Provisions, contingent liabilities, contingent assets and commitments

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Commitments are future liabilities for contractual expenditure, classified and disclosed as estimated amount of contracts remaining to be executed on capital account and not provided for.

xxxii) Share based payments

Share based compensated benefits are provided to certain grades of employees in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the instrument given to employees is recognised as 'employee benefits expenses' with a corresponding increase in equity over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

xxxiii) Exceptional items

When items of income and expense within statement of profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

xxxiv) RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March, 2024, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption or this amendment is annual periods beginning on or after 1 April 2023. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 - Financial Instruments

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company does not expect any significant impact of the amendment on its financial statements.

(Amount in ₹ crore, unless otherwise stated)

NOTE 3A PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Building and shed	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Speed boat	Computers	Total
Gross carrying value									
As at 1 April 2022	8.68	22.11	808.88	13.87	56.96	4.84	1.03	7.88	924.25
Additions	-	-	13.39	0.05	0.34	0.33	-	0.15	14.26
Disposals	-	-	(12.69)	-	(4.52)	-	-	-	(17.21)
Transferred to assets classified as held for sale	(2.19)	-	-	-	-	-	-	-	(2.19)
As at 31 March 2023	**6.49**	**22.11**	**809.58**	**13.92**	**52.78**	**5.17**	**1.03**	**8.03**	**919.11**
Additions	-	-	7.01	0.40	1.00	0.41	-	0.60	9.42
Disposals	-	(9.61)	(44.44)		(8.35)	(0.04)	-		(62.44)
As at 31 March 2024	**6.49**	**12.50**	**772.15**	**14.32**	**45.43**	**5.54**	**1.03**	**8.63**	**866.09**
Accumulated depreciation									
As at 1 April 2022	-	9.91	481.94	12.35	37.79	4.26	0.77	6.71	553.73
Depreciation charge	-	0.83	72.51	0.16	2.43	0.13	0.09	0.55	76.70
Accumulated depreciation on disposals	-	-	(7.27)	-	(3.37)	-	-	-	(10.64)
As at 31 March 2023	**-**	**10.74**	**547.18**	**12.51**	**36.85**	**4.39**	**0.86**	**7.26**	**619.79**
Depreciation charge	-	0.64	63.45	0.20	2.38	0.21	0.09	0.34	67.31
Accumulated depreciation on disposals	-	(4.71)	(38.05)	-	(7.04)	-	-	-	(49.80)
As at 31 March 2024	**-**	**6.67**	**572.58**	**12.71**	**32.19**	**4.60**	**0.95**	**7.60**	**637.30**
Net carrying value									
As at 31 March 2023	6.49	11.37	262.40	1.41	15.93	0.78	0.17	0.77	299.32
As at 31 March 2024	**6.49**	**5.83**	**199.57**	**1.61**	**13.24**	**0.94**	**0.08**	**1.03**	**228.79**

Notes:

(i) Refer note 18.1 for information on Property, plant and equipment pledged as security against borrowings of the Company.

(ii) Certain property, plant and equipment amounting to ₹ 50 crore are pledged as security against the borrowings taken by HCC Mauritius Enterprises Limited and HCC Mauritius Investment Limited, subsidiaries of the Company.

(iii) Refer note 32(B)(i) for disclosure of contractual commitments for acquisition of Property, plant and equipment.

(iv) The title deeds of all immovable properties (other than properties where the Company is lessee and lease arrangements are duly exercised in the favour of lessee) are held in the name of the Company.

(Amount in ₹ crore, unless otherwise stated)

NOTE 3B RIGHT-OF-USE ASSETS

Particulars	Building
Gross carrying value	
As at 1 April 2022	3.03
Additions	-
Disposals	(0.87)
As at 31 March 2023	**2.16**
Additions	-
Disposals	-
As at 31 March 2024	**2.16**
Accumulated depreciation	
As at 1 April 2022	1.43
Depreciation charge	1.23
Accumulated depreciation on disposals	(0.87)
As at 31 March 2023	**1.79**
Depreciation charge	0.37
Accumulated depreciation on disposals	-
As at 31 March 2024	**2.16**
Net carrying value	
As at 31 March 2023	0.37
As at 31 March 2024	**-**

Note: Refer note 41 for disclosures required as per Ind AS 116- Leases

NOTE 3C CAPITAL WORK-IN-PROGESS ('CWIP')

	Amount
As at 1 April 2022	0.68
Additions	1.18
Transferred to property, plant and equipment	(1.06)
Written off during the period	(0.68)
As at 31 March 2023	**0.12**
Additions	2.56
Transferred to property, plant and equipment	(1.82)
Written off during the period	(0.02)
As at 31 March 2024	**0.84**

CWIP ageing schedule

Particulars	**As at 31 March 2024**		As at 31 March 2023	
	Projects in progress	**Projects temporarily suspended**	Projects in progress	Projects temporarily suspended
Less than 1 year	0.72	-	0.12	-
1-2 years	0.12	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**0.84**	**-**	**0.12**	**-**

Note:
There are no projects which has exceeded its cost compared to its original plan.

(Amount in ₹ crore, unless otherwise stated)

NOTE 4 INTANGIBLE ASSETS

Particulars	Computer software
Gross carrying value (at deemed cost)	
As at 1 April 2022	3.98
Additions	-
Disposals	-
As at 31 March 2023	**3.98**
Additions	-
Disposals	-
As at 31 March 2024	**3.98**
Accumulated amortisation	
As at 1 April 2022	3.78
Amortisation charge	0.11
As at 31 March 2023	**3.89**
Amortisation charge	0.09
As at 31 March 2024	**3.98**
Net carrying value	
As at 31 March 2023	0.09
As at 31 March 2024	**-**

NOTE 5 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

			As at 31 March 2024	As at 31 March 2023
Investments in subsidiaries				
Non-current				
I.	**Investments in equity instruments**			
	a)	In subsidiary companies in India	124.15	65.20
	b)	In subsidiary companies outside India	28.29	28.29
			152.44	**93.49**
II.	**Deemed investment in subsidiary companies**			
	(a)	Deemed investment on inter-corporate deposits	1,314.63	1,216.20
	(b)	Deemed investment on transfer of assets to a subsidiary (Refer note 30.1)	-	38.42
	(c)	Deemed investment on fair valuation of corporate guarantee		
		- in India	1.99	1.99
		- outside India	3.40	3.40
			5.39	**5.39**
			1,320.02	**1,260.01**
Total non-current investments in subsidiaries (I + II)			**1,472.46**	**1,353.50**

NOTE 5 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES....Contd.

	As at 31 March 2024	As at 31 March 2023
Investments in joint venture		
Non-current		
I. Investments in equity instruments		
- Prolific Resolution Private Limited	0.05	-
50,000 (31 March 2023: NIL) equity shares of ₹ 10 each (Refer Note 30.1)		
	0.05	**-**
II. Deemed investment in joint venture		
- Prolific Resolution Private Limited (Refer note 30.1)		
Deemed investment on transfer of assets	38.42	-
Deemed investment on fair valuation of corporate guarantee	83.22	-
	121.64	**-**
Total Investments in joint venture (I + II)	**121.69**	**-**
Total non-current investments in subsidiaries and joint ventures	**1,594.15**	**1,353.50**
Current		
Deemed investment in subsidiary company		
Deemed Investment on inter-corporate deposits	-	220.00
Total current Investments in Subsidiary	**-**	**220.00**
Total Investments in subsidiaries	**1,472.46**	**1,573.50**
Total Investments in subsidiaries	**1,594.15**	**1,573.50**

Detailed list of Investments in subsidiaries

	As at 31 March 2024	As at 31 March 2023
I. Investments in equity shares at cost		
a) In subsidiary companies in India, unquoted fully paid up		
- **Panchkutir Developers Limited**	50.02	50.02
1,400,000 (31 March 2023: 1,400,000) equity shares of ₹ 10 each		
- **HREL Real Estate Limited (Refer note 38 (ii))**	-	474.36
NIL (31 March 2023: 66,193,185) equity shares of ₹ 10 each		
Less: Impairment (Refer note 5A.1)	-	(474.36)
	-	-
- **Highbar Technologies Limited (Refer notes 5.1 and 5.2)**	6.25	6.25
6,250,000 (31 March 2023: 6,250,000) equity shares of ₹ 10 each		
- **Western Securities Limited**	5.38	5.38
1,957,500 (31 March 2023: 1,957,500) equity shares of ₹ 10 each		
- **HCC Infrastructure Company Limited (Refer note 33)**	0.25	0.25
250,000 (31 March 2023: 250,000) equity shares of ₹ 10 each		
- **HCC Contract Solutions Limited**	0.05	0.05
50,000 (31 March 2023: 50,000) equity shares of ₹ 10 each		
- **MAAN Township Developers Limited**	0.10	0.10
100,000 (31 March 2023: 100,000) equity shares of ₹ 10 each		
- **HRL Township Developers Limited**	0.10	0.10

* represents amount less than ₹ 1 lakh.

(Amount in ₹ crore, unless otherwise stated)

NOTE 5 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES....Contd.

Detailed list of Investments in subsidiaries

	As at 31 March 2024	As at 31 March 2023
100,000 (31 March 2023: 100,000) equity shares of ₹ 10 each		
- **Prolific Resolution Private Limited**	-	0.05
Nil (31 March 2023: 50,000) equity shares of ₹ 10 each (Refer note 38 (iii))		
- **HRL (Thane) Real Estate Limited**	62.00	-
100,000 (31 March 2023: Nil) equity shares of ₹ 10 each (Refer note 38 (iv))		
- **Raiganj Dalkhola Highways Limited ('RDHL') (Refer notes 5.1 and 5.3)**	-	3.00
Nil (31 March 2023: 3,000,000) equity shares of ₹ 10 each		
	124.15	**65.20**
b) In subsidiary companies outside India, unquoted fully paid up		
- **HCC Mauritius Enterprises Limited (Refer note 5.1)**	22.23	22.23
5,005,000 (31 March 2023: 5,005,000) equity shares of USD 1 each		
- **HCC Mauritius Investment Limited (Refer note 5.1)**	6.06	6.06
1,000,000 (31 March 2023: 1,000,000) equity shares of USD 1 each		
	28.29	**28.29**
II. Deemed investment in subsidiary companies		
(a) Deemed investment on Inter-corporate deposits in India		
Non-current		
- **HREL Real Estate Limited (Refer note 38 (ii))**	-	138.04
Less: Impairment (Refer note 5A.1)	-	(138.04)
	-	**-**
- HRL (Thane) Real Estate Limited (Refer note 30.3)	41.65	-
Less: Impairment	(23.02)	-
	18.63	**-**
- HCC Infrastructure Company Limited (Refer note 33)	1,292.21	1,212.41
- MAAN Township Developers Limited	3.71	3.71
- HRL Township Developers Limited	0.08	0.08
	1,314.63	**1,216.20**
Current		
- HCC Infrastructure Company Limited (Refer note 33)	-	220.00
Total deemed investment on inter-corporate deposit in India	**1,314.63**	**1,436.20**
(b) Deemed investment on transfer of assets to a subsidiary (Refer note 30.1)		
- Prolific Resolution Private Limited	**-**	38.42
	-	**38.42**
(c) Deemed investment on corporate guarantee		
In India		
- HCC Infrastructure Company Limited (Refer note 33)	1.99	1.99
	1.99	**1.99**
Outside India		
- HCC Mauritius Enterprises Limited	0.86	0.86
- HCC Mauritius Investment Limited	2.54	2.54
	3.40	**3.40**

NOTE 5 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES....Contd.

Note 5.1 : The Company has pledged its shareholdings in the following subsidiaries in favour of the respective lenders of the subsidiary companies as a part of the financing agreements for facilities taken by the respective entities:

Name of the Company	No. of equity shares pledged	
	As at 31 March 2024	As at 31 March 2023
Highbar Technologies Limited (Refer note 5.2)	-	1,875,000
HCC Mauritius Enterprises Limited	5,005,000	5,005,000
HCC Mauritius Investment Limited	1,000,000	1,000,000
Raiganj Dalkhola Highways Limited (Refer note 5.3)	-	510,000
Prolific Resolution Private Limited	49,994	49,994

* The Company has transferred its shareholding in RDHL to HICL in December 2023.

Note 5.2 : The Company has given a 'Non Disposal Undertaking' to the lenders of Highbar Technologies Limited to the extent of NIL (31 March 2023: 3,074,940) equity shares.

Note 5.3 : In earlier years, the Company has given an undertaking to National Highways Authority of India ('NHAI') that it will not transfer its shareholding in Raiganj-Dalkhola Highways Limited (RDHL) till the commercial operation date. Further, the Company has entered into an agreement with HCC Infrastructure Company Limited to sell its entire shares at book value which is subject to necessary approvals and consents as required and has received full consideration of ₹ 3.00 crore. During the current year the Company has sold its entire shares in RDHL to HCC Infrastructure Company Limited.

NOTE 5A OTHER INVESTMENTS

	As at 31 March 2024	As at 31 March 2023
I. Investments in equity instruments	-	-
II. Investments in preference shares at amortised cost	-	-
III. Deemed investment in other entities	-	-
IV. Other investments in equity shares at fair value through other comprehensive income (OCI)	37.91	18.47
Total other investments (I + II + III + IV)	**37.91**	**18.47**
Detailed list of other investments		
I. Investments in equity shares at cost		
- Lavasa Corporation Limited	0.01	0.01
2,387 (31 March 2022: 2,387) equity shares of ₹ 10 each		
Less: Impairment (Refer note below)	(0.01)	(0.01)
	-	-
II. Investments in preference shares at amortised cost		
- Lavasa Corporation Limited	0.00*	0.00*
28 (31 March 2022: 28) 6% Cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up		
Less: Impairment (Refer note below)	(0.00)*	(0.00)*
	-	-
III. Deemed investments in other entities		
Deemed investment on corporate guarantee		
- Lavasa Corporation Limited	764.36	764.36
Less: Impairment (Refer note below)	(764.36)	(764.36)
	-	-

* represents amount less than ₹ 1 lakh.

NOTE 5A OTHER INVESTMENTS....Contd.

		As at 31 March 2024	As at 31 March 2023
IV.	**Other Investments in equity shares at fair value through other comprehensive income (OCI)**		
-	Housing Development Finance Corporation Limited	-	4.00
	Nil (31 March 2023: 15,220) equity shares of ₹ 2 each, fully paid- quoted		
-	HDFC Bank Limited	4.52	0.81
	30,569 (31 March 2023: 5,000) equity shares of ₹ 1 each, fully paid- quoted		
-	Khandwala Securities Limited	0.01	0.01
	3,332 (31 March 2023: 3,332) equity shares of ₹10 each, fully paid- quoted		
-	Shushrusha Citizens Co-Op. Hospitals Limited	0.00*	0.00*
	100 (31 March 2023: 100) equity shares of ₹ 100 each, fully paid- unquoted		
-	Hincon Finance Limited	33.38	13.65
	120,000 (31 March 2023: 120,000) equity shares of ₹ 10 each, fully paid- unquoted		
		37.91	**18.47**
Total investments [5 + 5A]		**1,632.06**	**1,591.97**

* represents amount less than ₹ 1 lakh.

NOTE 5A.1: The National Company Law Tribunal, Mumbai (NCLT) vide Order dated 30 August 2018, admitted an application filed against Lavasa Corporation Limited (‘LCL’) by an operational creditor and initiated the Corporate insolvency Resolution Process (‘CIRP’) under the insolvency and Bankruptcy Code 2016 (‘IBC’). In accordance with the provisions of IBC, the powers of the Board of Directors of LCL have been suspended and the management of LCL presently vests with the Resolution Professional (‘RP’) appointed under the provisions of IBC.

During the year ended 31 March 2019, in view of uncertainties associated with the outcome of CIRP and as a matter of prudence the Company has impaired its investment in LCL and HREL Real Estate Limited (‘HREL’), a wholly owned subsidiary, which also holds 68.70% equity in LCL. Since the Company has lost control over LCL, it ceases to be a subsidiary under Ind AS.

During the current year, on 29 March 2024, the Company has divested its entire investment in HREL and as a result HREL and its subsidiary LCL is ceased to be subsidiaries of the Company.

		As at 31 March 2024	As at 31 March 2023
Details:			
Aggregate of investments:			
(i)	Aggregate carrying value of quoted investments	4.53	0.82
(ii)	Aggregate market value of quoted investments	4.53	0.82
(iii)	Aggregate carrying value of unquoted investments		
	- in subsidiaries and joint ventures	1,594.15	1,573.50
	- in others	33.38	13.65
(iv)	Aggregate amount of impairment in value of investments	787.39	1,376.77
(i)	Investments carried at cost	1,594.15	1,573.50
(ii)	Investments carried at amortised cost	-	-
(iii)	Investments carried at fair value through other comprehensive income	37.91	14.47

NOTE 6 TRADE RECEIVABLES

	As at 31 March 2024	As at 31 March 2023
Non-current		
Trade receivables (Refer notes 6.1, 6.3 and 34)	654.99	621.96
Total non-current trade receivables	**654.99**	**621.96**
Current		
Trade receivables (Refer notes 6.3 and 34)	1,852.73	2,052.92
[Including retention ₹ 807.58 crore (31 March 2023: ₹ 791.48 crore)]		
Total current trade receivables	**1,852.73**	**2,052.92**
Total trade receivables	**2,507.72**	**2,674.88**

Note 6.1 : Presented net off advance received against favourable arbitration awards ₹ 3,575.48 crore (31 March 2023: ₹ 3,378.69 crore)

Note 6.2 : Break-up of security details

	As at 31 March 2024	As at 31 March 2023
Break-up of security details		
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	2,507.72	2,674.88
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	46.38	27.72
Total	**2,554.10**	**2,702.60**
Loss allowance	(46.38)	(27.72)
Total trade receivables	**2,507.72**	**2,674.88**

Note 6.3 : Non-current trade receivables and current trade receivables as at 31 March 2024 includes ₹ 654.99 crore (31 March 2023: ₹621.96 crore) and ₹ 596.53 crore (31 March 2023: ₹ 452.13 crore) respectively, representing claims awarded in arbitration in favour of the Company which have been further challenged by the customers in courts.

Note 6.4 : There are no trade receivables due from any director or any officer of the Company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

Note 6.5 : Trade receivables (other than receivables on account of claims awarded in arbitration in favour of the Company) are non-interest bearing and are generally on terms of 30 to 90 days except retention deposits, which are due after completion of the defect liability period of the respective projects.

Note 6.6 : Trade receivables ageing schedule

As at 31 March 2024		**Outstanding for following periods from due date of payment**						**Total**
		Not due	**Less than 6 months**	**6 Months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i)	Undisputed trade receivables-considered good	472.58	237.79	79.15	125.34	57.19	284.15	1,256.20
(ii)	Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables-credit impaired	17.14	7.78	3.04	4.78	2.12	11.52	46.38
(iv)	Disputed trade receivables-considered good (Non-current)	-	132.38	17.89	152.09	61.98	290.65	654.99
(v)	Disputed trade receivables-considered good (Current)	-	13.67	16.90	143.74	384.99	37.23	596.53
(vi)	Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vii)	Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
		489.72	**391.62**	**116.98**	**425.95**	**506.28**	**623.55**	**2,554.10**
Less: Allowance for expected credit loss								**(46.38)**
Total trade receivables								**2,507.72**

Note : Refer note 14 for details of unbilled dues i.e. contract assets.

NOTE 6 TRADE RECEIVABLES....Contd.

As at 31 March 2023		Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 Months-1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivables-considered good	435.48	269.16	93.06	78.28	232.59	183.06	1,291.63
(ii)	Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables-credit impaired	-	6.88	3.33	2.78	8.42	6.31	27.72
(iv)	Disputed trade receivables-considered good (Non-current)	-	35.27	110.22	139.08	216.93	120.63	622.13
(v)	Disputed trade receivables-considered good (Current)	-	309.21	1.98	367.18	46.39	36.36	761.12
(vi)	Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vii)	Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
		435.48	**620.52**	**208.59**	**587.32**	**504.33**	**346.36**	**2,702.60**
Less: Allowance for expected credit loss								(27.72)
Total trade receivables								**2,674.88**

Note : Refer note 14 for details of unbilled dues i.e. contract assets.

NOTE 7 LOANS

	As at 31 March 2024	As at 31 March 2023
Non-current		
Inter-corporate deposits to subsidiaries	250.00	222.57
Total non-current loans	**250.00**	**222.57**
Break-up of security details		
Loans considered good-secured	-	-
Loans considered good-unsecured	250.00	222.57
Loans which have significant increase in credit risk	-	-
Loans-credit impaired	-	-
Total	**250.00**	**222.57**
Loss allowance	-	-
Total loans	**250.00**	**222.57**

Note 7.1 : In compliance with Regulation 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 the required information is given as under:

Loans given to subsidiaries (as defined under the Act) for business purposes.

Name of the entity		Outstanding balance		Maximum balance outstanding during	
		As at 31 March 2024	As at 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
i)	HCC Infrastructure Company Limited (Refer note below)	-	-	-	-
ii)	HRL (Thane) Real Estate Limited (Refer note below)	-	-	-	-
iii)	HCC Mauritius Enterprises Limited	147.42	141.97	147.42	141.97
iv)	Highbar Technologies Limited	2.39	2.39	2.39	2.39
v)	HCC Mauritius Investment Limited	80.66	58.68	80.66	58.68
vi)	HRL Township Developers Limited	0.41	0.41	0.41	0.41
vii)	Maan Township Developers Limited	19.12	19.12	19.12	19.12
Total		**250.00**	**222.57**		

Notes:
Excludes inter-corporate deposits of ₹ 1,292.21 crore (31 March 2023: ₹ 1,432.41 crore) given to HCC Infrastructure Company Limited and ₹ 41.65 crore (31 March 2023: Nil) given to HRL (Thane) Real Estate Limited, classified as deemed investment under Ind AS.

(Amount in ₹ crore, unless otherwise stated)

NOTE 7 LOANS....Contd.

Note 7.2 : Investment by the loanee in the Company's/ subsidiary companies shares

(i) HCC Infrastructure Company Limited has invested in following subsidiary companies:

Name of the entity	**As at 31 March 2024**	As at 31 March 2023
Equity shares & preference shares		
HCC Operations & Maintenance Limited	0.05	0.05
Narmada Bridge Trollway Limited	0.05	0.05
Raiganj Dalkhola Highways Limited	137.15	134.15
Total	**137.25**	**134.25**

(ii) HCC Mauritius Enterprises Limited has invested in following subsidiary company:

Name of the entity	**As at 31 March 2024**	As at 31 March 2023
Equity shares		
Steiner AG	267.43	264.30
Total	**267.43**	**264.30**

(iii) HCC Mauritius Investment Limited has invested in following subsidiary company:

Name of the entity	**As at 31 March 2024**	As at 31 March 2023
Equity shares		
Steiner AG	36.91	36.48
Total	**36.91**	**36.48**

Note 7.3 : There are no loans or advances in the nature of loans granted to promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment

NOTE 8 OTHER FINANCIAL ASSETS

	As at 31 March 2024	As at 31 March 2023
Non-current		
a) Security deposits	5.22	0.42
b) Bank deposits with balance maturity of more than 12 months	0.05	-
Total non-current financial assets	**5.27**	**0.42**
Current		
a) Receivables from		
- related parties (net)	179.26	162.83
- Others	27.61	58.32
b) Security deposits	8.29	9.99
c) Interest accrued	7.20	5.64
Total current financial assets	**222.36**	**236.78**
Total other financial assets	**227.63**	**237.20**

(Amount in ₹ crore, unless otherwise stated)

NOTE 9 NON CURRENT TAX ASSETS (NET)

i. The following table provides the details of income tax assets and liabilities:

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Income tax assets	280.99	250.32
b)	Income tax liabilities	(269.18)	(206.76)
Net income tax assets		**11.81**	**43.56**

ii. The gross movement in the income tax asset is as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Net income tax asset at the beginning (net)	43.56	47.13
Income tax paid/ (refund) (net)	30.70	(1.91)
Current tax expense	(62.45)	(1.66)
Net income tax asset at the end	**11.81**	**43.56**

iii. Income tax expense comprises:

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax expense	62.45	1.66
Deferred tax credit	128.84	(0.19)
Income tax expenses (net) in Statement of Profit and Loss	**191.29**	**1.47**
Deferred tax expense in other comprehensive income	0.00*	0.00*
Income tax expenses [net]	**191.29**	**1.47**

* Represents amount less than ₹ 1 lakh.

iv. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:

	As at 31 March 2024	As at 31 March 2023
Profit before tax	369.86	254.89
Applicable income tax rate	34.944%	34.944%
Computed expected tax expense	**129.24**	**89.07**
Effect of expenses not allowed for tax purpose	6.52	7.09
Effect of income not considered for tax purpose	(4.62)	(7.06)
Impact of differential tax rate	(9.61)	-
Impact of losses where deferred tax not recognised and MAT credit written off	67.07	(89.29)
Others (including impact of tax of joint operations)	2.69	1.66
Income tax expense charged to the Statement of Profit and Loss	**191.29**	**1.47**

NOTE 9 NON CURRENT TAX ASSETS (NET)...Contd.

v. Components of deferred tax assets and liabilities arising on account of temporary differences are:

		As at 31 March 2024	As at 31 March 2023
(a)	**Deferred tax assets (Refer note 9.1)**		
-	Business loss/ unabsorbed depreciation/ MAT credit entitlements	1,968.42	2,100.17
-	Impairment allowance on receivables	16.21	9.69
-	Timing difference on tangible and intangible assets depreciation and amortisation	41.26	35.07
-	Expense allowable on payment basis	235.98	166.98
		2,261.87	**2,311.91**
(b)	**Deferred tax liabilities**		
-	Arbitration awards to be offered to tax on final settlement	(1,648.78)	(1,569.98)
Total deferred tax assets (net) [a-b]		**613.09**	**741.93**

vi. Movement in components of deferred tax assets and deferred tax liabilities are as follows:

	Business loss / unabsorbed depreciation / MAT credit entitlements	Impairment allowance on receivables / other assets	Timing difference on tangible and intangible assets depreciation and amortisation	Expense allowable on payment basis	Arbitration awards	Total
At 1 April 2022	**1,708.12**	**0.65**	**36.01**	**164.52**	**(1,167.56)**	**741.74**
(Charged) / credited						
- to profit or loss	392.05	9.04	(0.94)	2.46	(402.42)	0.19
- to other comprehensive income	-	-	-	-	-	-
At 31 March 2023	**2,100.17**	**9.69**	**35.07**	**166.98**	**(1,569.98)**	**741.93**
(Charged) / credited						
- to profit or loss	(131.75)	6.52	6.19	69.00	(78.80)	(128.84)
- to other comprehensive income	-	-	-	-	-	-
At 31 March 2024	**1,968.42**	**16.21**	**41.26**	**235.98**	**(1,648.78)**	**613.09**

Note 9.1 : As at 31 March 2024, the Company has recognised net deferred tax assets amounting to ₹ 613.09 crore (31 March 2023: ₹ 741.93 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Company during the current year, is liable to pay tax as per Section 115JB of the Income Tax Act. Further, during the current year, certain brought forward losses have expired which has resulted in reversal of corresponding deferred tax assets amounting to ₹ 88.49 crore being reversed.

However, 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 and consequently these are considered good and fully recoverable.

NOTE 10 OTHER ASSETS

		As at 31 March 2024	As at 31 March 2023
Non-current			
a)	Capital advances	-	0.77
b)	Balances with government authorities	55.57	52.38
c)	Prepaid expenses	0.75	1.66
Total other non-current assets		**56.32**	**54.81**
Current			
a)	Advance to suppliers and sub-contractors	61.04	77.91
b)	Balances with government authorities	51.61	102.84
c)	Prepaid expenses	11.01	8.73
d)	Other current assets	6.28	1.81
Total other current assets		**129.94**	**191.29**
Total other assets		**186.26**	**246.10**

NOTE 11 INVENTORIES

		As at 31 March 2024	As at 31 March 2023
a)	Construction raw materials	123.42	166.17
b)	Fuel	2.97	4.26
Total inventories		**126.39**	**170.43**

NOTE 12 CASH AND CASH EQUIVALENTS

		As at 31 March 2024	As at 31 March 2023
a)	Balances with banks		
	- in current accounts	208.45	215.90
	- in deposit account (with original maturity upto 3 months)	25.00	-
b)	Cash on hand	0.47	0.40
Total cash and cash equivalents		**233.92**	**216.30**

Note 12.1 : There are no repatriation restrictions with regards to cash and cash equivalents as at the end of respective reporting periods.

NOTE 13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March 2024	As at 31 March 2023
Bank deposits with maturity of more than 3 months and less than 12 months	50.35	47.00
Total bank balances other than cash and cash equivalents	**50.35**	**47.00**

Note 13.1 : Includes ₹ 10.98 crore (31 March 2023: ₹ 16.76 crore) held as margin money against arbitration awards.

Note 13.2 : There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2024.

NOTE 14 UNBILLED WORK-IN-PROGRESS (CONTRACT ASSETS)

	As at 31 March 2024	As at 31 March 2023
Unbilled work-in-progress (contract assets)	2,069.17	1,892.23
Total Unbilled work-in-progress (contract assets)	**2,069.17**	**1,892.23**

Note 14.1 : Presented net of advance received against work bill ₹ 150.53 crore (31 March 2023: ₹ 174.33 crore)

NOTE 15 ASSETS HELD FOR SALE

	As at 31 March 2024	As at 31 March 2023
Freehold land (Refer note 30.2)	-	2.19
Total assets held for sale	**-**	**2.19**

NOTE 16 EQUITY SHARE CAPITAL

	As at 31 March 2024		As at 31 March 2023	
	Number	**Amount**	Number	Amount
Authorised share capital				
Equity shares of ₹ 1 each	2,000,000,000	200.00	2,000,000,000	200.00
Total authorised share capital	**2,000,000,000**	**200.00**	**2,000,000,000**	**200.00**
Issued, subscribed and paid-up equity share capital:				
Equity shares of ₹ 1 each, fully paid up	1,513,028,244^	151.31	1,513,028,244^	151.31
Total issued, subscribed and paid-up equity share capital	**1,513,028,244**	**151.31**	**1,513,028,244**	**151.31**

^ excludes 13,225 equity shares forfieted by the Company.

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	Number	**Amount**
As at 1 April 2022	**1,513,028,244**	**151.31**
Issued during the year	-	-
As at 31 March 2023	**1,513,028,244**	**151.31**
Issued during the year	-	-
As at 31 March 2024	**1,513,028,244**	**151.31**

b. Terms/ rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, if any.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by subsidiary company:

Western Securities Limited, a subsidiary company, holds 52,000 (31 March 2023: 52,000) equity shares in the Company.

NOTE 16 EQUITY SHARE CAPITAL....Contd.

d. Shareholding of more than 5%:

Name of the Shareholder	**As at 31 March 2024**		As at 31 March 2023	
	No. of shares	**% held**	No. of shares	% held
Hincon Holdings Limited	216,023,600	14.28%	216,023,600	14.28%
Asia Opportunities IV (Mauritius) Limited	-	-	115,462,961	7.63%

As per the records of the company, including its register of shareholders/ members the above shareholding represents both legal and beneficial ownership of shares.

e. Bonus shares / buy back / shares for consideration other than cash issued during past five years:

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash- Nil

(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares- Nil

(iii) Aggregate number and class of shares bought back- Nil

f. Option outstanding for issue under Employee Stock Options Scheme (ESOS):

As at 31 March 2024, the Company has 371,748 (31 March 2023; 371,748) employee stock option issued under ESOS for its employees.

g. Shareholding of promoters

As at 31 March 2024

Name of Promoters	**As at 31 March 2024**		As at 31 March 2023		% Change during the year
	No. of shares held	**% of total shares**	No. of shares held	% of total shares	
Hincon Holdings Limited	216,023,600	14.28%	216,023,600	14.28%	-
Hincon Finance Limited	62,261,186	4.12%	62,261,186	4.12%	-
Ajit Gulabchand	2,117,294	0.14%	2,117,294	0.14%	-
Shalaka Investment Private Limited	538,000	0.04%	538,000	0.04%	-
Anjani Ashwin Parekh	251,400	0.02%	251,400	0.02%	-
Shalaka Gulabchand Dhawan	10,000	0.00%*	10,000	0.00%*	-
Maharani Holdings Private Limited	500	0.00%*	-	-	0.00%*

* represents less than 0.01%

As at 31 March 2023

Name of Promoters	As at 31 March 2023		As at 31 March 2022		% Change during the year
	No. of shares held	% of total shares	No. of shares held	% of total shares	
Arya Capital Management Private Limited	-	-	244,013,391	16.13%	16.13%
Hincon Holdings Limited	216,023,600	14.28%	216,023,600	14.28%	-
Hincon Finance Limited	62,261,186	4.12%	62,261,186	4.12%	-
Ajit Gulabchand	2,117,294	0.14%	2,117,294	0.14%	-
Shalaka Investment Private Limited	538,000	0.04%	538,000	0.04%	-
Anjani Ashwin Parekh	251,400	0.02%	251,400	0.02%	-
Shalaka Gulabchand Dhawan	10,000	0.00%*	10,000	0.00%*	-

* represents less than 0.01%

h. The Board of Directors, at its meetings held on 8 February 2024 have approved the issuance of equity shares of the Company for an amount not exceeding ₹ 350 crore by way of rights issue to the eligible equity shareholders, subject to regulatory and statutory approvals, under the applicable laws. Pursuant to aforesaid approval, on 12 March 2024, the Company has filed the Letter of Offer with the Securities and Exchange Board of India ('SEBI'). Subsequent to the year end, the Company has allotted 166,666,666 equity shares on rights basis at a price of ₹ 21 per equity share (including a premium of ₹ 20 per equity share).

NOTE 17 OTHER EQUITY

	As at 31 March 2024	As at 31 March 2023
Reserves and surplus		
- Capital reserve	15.19	15.19
- Forfeited debentures account	0.02	0.02
- Securities premium	2,568.76	2,568.76
- Debenture redemption reserve	54.99	54.99
- General reserve	174.38	174.38
- Share option outstanding reserve	0.20	0.00*
- Retained earnings	(2,049.31)	(2,229.82)
Other comprehensive income		
- Equity instruments at fair value through other comprehensive income	5.54	(13.91)
Total other equity	**769.77**	**569.61**

* represents amount less than ₹ 1 lakh.

Nature and purpose of reserves

i. Capital reserve

The Company recognizes profit or loss on purchase or cancellation (including forfeiture) of its own equity instruments to capital reserve.

ii. Forfeited debentures account

The Company recognizes profit or loss on purchase or cancellation (including forfeiture) of its own debentures to forfeited debentures account.

iii. Securities premium

Securities premium is used to record the premium received on issue of shares. This account is utilised in accordance with the provisions of the Companies Act, 2013.

iv. Debenture redemption reserve

The Act requires that where a Company issues debentures, it shall create a debenture redemption reserve out of profits of the Company available for payment of dividend. The Company is required to maintain a Debenture Redemption Reserve of 25% of the value of the debentures issued, either by a public issue or a private placement basis. The amounts credited to the debenture redemption reserve cannot be utilised by the Company except to redeem debentures. Consequent to the amendment in the provision of Act, requirement to create reserve in respect of certain debenture have been withdrawn.

v. General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

vi. Share option outstanding account

The share option outstanding reserve represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plans.

vii. Retained earnings

Retained earnings represents the profits/ losses that the Company has earned/ incurred till date including gain/ (loss) on remeasurement of defined benefits plans as adjusted for distirbutions to owners, transfer to other reserves, etc.

viii. Equity instruments at fair value through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within FVTOCI reserve within equity. The Company transfers amount from this reserve to retained earnings when the relevant equity securities are disposed off.

NOTE 18 BORROWINGS

	As at 31 March 2024	As at 31 March 2023
I Non-current borrowings:		
A) Secured		
1) 0.01% Optionally Convertible Debentures (OCDs)		
(i) From banks	638.59	863.92
(ii) From others	63.31	77.92
2) Non-Convertible Debentures (NCDs)	333.90	349.57
3) Foreign Currency Term Loan from Bank	51.50	62.76
	1,087.30	**1,354.17**
B) Unsecured		
1) Non-Convertible Debentures (NCDs)	366.60	404.30
2) Foreign Currency Term Loan from Bank	24.61	26.98
	391.21	**431.28**
Total non-current borrowings (A+B)	**1,478.51**	**1,785.45**
II. Current borrowings		
A) Secured		
Current maturities of long-term borrowings		
1) 0.01% Optionally Convertible Debentures		
(i) From bank	147.36	107.99
(ii) From others	14.61	9.74
2) Non-Convertible Debentures	15.30	10.13
3) Foreign Currency Term Loan from Bank	11.88	7.83
	189.15	**135.69**
B) Unsecured		
1) Non-Convertible Debentures	37.20	24.80
2) Loans from related parties (Repayable on demand) (Refer note 38)	25.19	0.41
3) Other bank loans	6.17	10.17
	68.56	**35.38**
Total current borrowings (A+B)	**257.71**	**171.07**
Total borrowings (I+II)	**1,736.22**	**1,956.52**

Notes: For security details and terms of repayment, refer note 18.1.

18.1 Details of security and terms of repayment

I. Secured

(a) Optionally Convertible Debentures (OCDs)

OCDs issued to the lenders with a tenure of 10 years and carry a coupon of 0.01% with an interest yield of 11.50% p.a. in yield equalization compounded on a quarterly basis. The lenders have an option to convert the OCDs into equity shares of the Company, in accordance with the terms thereof including in case of any event of default or default in payment during the 10 years from the date of issuance of respective OCDs. In accordance with the resolution plan implemented in previous year, the repayment tenure of OCDs has been extended and the revised repayment of the OCDs commenced from 31 March 2023. Details of principal maturity of the OCDs outstanding as at 31 March 2024 have been provided below. Refer note 18.1.1. for security details.

Date of Repayment	₹ in Crore
31 March 2025	161.97
31 March 2026	161.98
31 March 2027	161.98
31 March 2028	161.98
31 March 2029	215.96
Total	**863.87**

NOTE 18 BORROWINGS....Contd.

(b) Non-Convertible Debentures - LIC

These NCDs carry an interest yield of 11.50% p.a. compounded quarterly and a coupon of 0.01% p.a. These are repayable in 7 structured annual instalments commencing 31 March 2023 and ending on 31 March 2029. Refer note 18.1.2 for security details.

(c) Non Convertible Debentures - Karnataka Bank

These debentures are issued to one of the lender of erstwhile subsidiary, which carry an interest yield of 9.5% p.a. compounded quarterly and a coupon of 0.01% p.a. These NCDs are repayable on 31 March 2026 and are secured by exclusive charge upto 0.19% on specific claims of the Company.

(d) Non Convertible Debentures - ACRE

These NCDs carry an interest yield of 9.5% p.a. compounded quarterly and a coupon of 0.01% p.a. These are repayable in 2 structured instalments on 31 March 2026 and 30 June 2029 and are secured by exclusive charge upto 49.53% on specific claims of the Company.

(e) Foreign Currency Term Loan ('FCTL')

During the previous year, the Company has implemented debt resolution plan pursuant to which the FCTL has been restructured and is payable in 7 structured annual instalments commencing from 31 March 2023. The FCTL carries a floating interest rate equal to 3 Month SOFR plus 350 basis point. The facility is secured by first charge by way of hypothecation of plant and machinery acquired under the facility described in the first schedule to the memorandum of hypothecation.

Note 18.1.1: Optionally Convertible Debentures (OCDs) are secured in the form of:

1. First ranking *pari-passu* charge on all of the Company's Property, plant and equipment (immovable and movable) [excluding the Specified Assets and Excluded Assets]; and
2. Second ranking and *pari-passu* security interest by way of a legal mortgage over the First, Second and the Fifth Mortgaged Properties as specified in the mortgage deed. The security perfection has been completed on the OCD facilities issued as part of the S4A scheme.

Note 18.1.2: Non-Convertible Debentures - LIC

1. All the present and future movable assets of the Borrower (excluding 'Current Assets' and 'Specified Assets') as the Second Mortgaged Properties.
2. All the present and future current assets of the Borrower (other than those forming part of 'Additional Assets') as the Third Mortgaged Properties.
3. All of the 'Additional Assets' collectively referred to as the Fourth Mortgaged Properties.

   The terms 'Current Assets', 'Specified Assets' and 'Additional Assets' have been defined in the Master Restructuring Agreement (MRA).

The above security having ranking in respect to LIC-NCD are as below:

1. A first ranking and *pari-passu* security interest by way of legal mortgage over the First Mortgaged Properties and Second Mortgaged Properties.
2. A second ranking and *pari-passu* security interest by way of legal mortgage over the Third Mortgaged Properties, Fourth Mortgaged Properties and the Fifth Mortgaged Properties.

Collateral security *pari-passu* with lenders for LIC-NCD and OCD

1. HREL Real Estate Limited, an erstwhile subsidiary, has provided Corporate guarantee for the above outstanding facilities of the Company.
2. First *pari-passu* charge on 154,151,669 shares of the Company and second charge on 85,767,617 equity shares of the Company held by Hincon Holdings Limited and Hincon Finance Limited.
3. First *pari-passu* charge over Prolific Shares of 50,000 of HCC Holding
4. Personal guarantee of Chairman and Non-Executive Director of the Company.

(Amount in ₹ crore, unless otherwise stated)

NOTE 18 BORROWINGS....Contd.

II. Unsecured

(A) Non Convertible Debentures - ARCIL

These NCDs carry an interest yield of 9.5% p.a. compounded quarterly and a coupon of 0.01% p.a. These NCDs are repayable in 7 structured annual instalments commencing 31 March 2023 and ending on 31 March 2029. The Company has paid its March 2023 and March 2024 instalment on time.

(B) Non Convertible Debentures - Others

These NCDs carry an interest yield of 9.5% p.a. compounded quarterly and a coupon of 0.01% p.a. and are repayable in 3 structured instalments commencing on 30 June 2029 and ending on 30 June 2031.

(C) Foreign Currency Term Loan from Bank

During the earlier years, the Company has entered into an amendment agreement with the lender wherein the parties have agreed to restructure the outstanding amounts for USD 6.89 Million with fixed interest rate of 1.91% compounded annually, repayable in 3 structured instalments commencing from 31 December 2028 and ending on 31 December 2030.

(D) Loan from related parties

Loans from Western Securities Limited carried an interest rate of 12.50% p.a. (31 March 2023: 12.50% p.a.) which were repayable on demand. This loan has been repaid during the current year.

Loan from Steiner India Limited is interest free and is repayable in 365 days.

(E) Other bank loan

Overdraft facility availed by HCC-HDC a joint operations carries interest rate of 8.71% p.a. (31 March 2023: 8.71%) are repayable on demand.

Note 18.2 : Right to Recompense:

In accordance with the provisions of Master Restructuring Agreement (MRA) dated 29 June 2012 executed between the Company and its lenders, as amended from time to time and pursuant to deliberations between the parties, lenders have agreed for the recompense amount to be settled by the Company in the form of equity shares to be issued at a future date, which is *inter-alia* dependent upon various factors including improved financial performance of the Company and other conditions, and which would be restricted to a maximum of 2.87% of equity share capital of the Company on the date of issue of such equity shares. This is valid as on balance sheet date under MRA dated 20 July 2022.

Note 18.3 : Net debt reconciliation

An analysis of net debts and the movement in net debts for the year ended 31 March 2024 and 31 March 2023 is as follows:

	As at 31 March 2024	As at 31 March 2023
(A) Non-current borrowings	1,478.51	1,785.45
(B) Current borrowings	257.71	171.07
(C) Interest payable	1,641.66	1,544.21
(D) Cash and cash equivalents	233.92	216.30
Net debts (E) = (A)+(B)+(C)-(D)	**3,143.96**	**3,284.43**

(Amount in ₹ crore, unless otherwise stated)

NOTE 18 BORROWINGS....Contd.

Particulars	Liabilities from financing activities			Cash and cash equivalents (D)	Total (E)= (A)+(B) +(C)-(D)
	Non-current borrowings (A)	Current borrowings (B)	Interest payable (C)		
Net debt as at 1 April 2022	**964.90**	**2,828.06**	**1594.09**	**237.86**	**5,149.19**
Movement in cash and cash equivalents	-	-	-	(22.07)	22.07
Repayment of long-term borrowings	(171.82)	-	-	-	(171.82)
Repayment of short-term borrowings (net)	-	(37.89)	-	-	(37.89)
Gain on debt resolution plan	-	-	(223.30)	-	(223.30)
Foreign exchange fluctuations	3.99	-	-	0.51	3.48
Impact of resolution plan	-	(2,397.13)	(458.56)	-	(2,855.69)
Reclassification	214.96	(221.97)	-	-	(7.01)
Conversion of other financial liability to debt	773.42	-	332.36	-	1,105.78
Interest expense	-	-	443.48	-	443.48
Interest paid	-	-	(143.86)	-	(143.86)
Net debt as at 31 March 2023	**1,785.45**	**171.07**	**1,544.21**	**216.30**	**3,284.43**
Net debt as at 1 April 2023	**1,785.45**	**171.07**	**1,544.21**	**216.30**	**3,284.43**
Movement in cash and cash equivalents	-	-	-	17.10	(17.10)
Repayment of long-term borrowings	(239.45)	-	-	-	(239.45)
Repayment of short-term borrowings (net)	-	(4.00)	-	-	(4.00)
Loan from related parties settled against other receivables	-	(0.42)	-	-	(0.42)
Gain on settlement of debt	-	-	(46.16)	-	(46.16)
Inter corporate deposits received from a subsidiary company	-	25.19	-	-	25.19
Foreign exchange fluctuations	1.37	-	0.23	0.52	1.08
Reclassification	(68.86)	65.87	2.99	-	-
Interest expense	-	-	387.68	-	387.68
Interest paid	-	-	(247.29)	-	(247.29)
Net debt as at 31 March 2024	**1,478.51**	**257.71**	**1,641.66**	**233.92**	**3,143.96**

Note 18.4: Pursuant to implementation of resolution plan as detailed in note 30.1, the Company is no longer in default in repayment of dues to its lenders. Further, the Company is also in compliance with the applicable debt covenants prescribed in the terms of borrowings.

Note 18.5: Disclosures pursuant to the requirements as specified under paragraph 6 (L) (ix) (a) and (b) of the General Instructions for preparation of Balance Sheet of Schedule III of the Act.

NOTE 18 BORROWINGS....Contd.

Reconciliation of stock statement submitted by the Company to the consortium banks with books of account where borrowings have been availed based on security of current assets:

As at 31 March 2024

During the current year the Company has not availed working capital facility, therefore the Company is not required to submit quarterly returns to the banks.

As at 31 March 2023

Quarter ended	Name of the Bank	Particulars	Amount as per books of accounts	Amount reported in the quarterly return/statement	Difference	Reason for material differences
31 March 2022	ICICI Bank, Punjab National Bank, Indian Bank, Union Bank of India, Canara Bank, State Bank of India, IDBI Bank Limited, Jammu & Kashmir Bank, Standard Chartered Bank, Bank of Baroda, Federal Bank, DBS Bank	Inventory & Unbilled work-in-progress	3,028.59	2,187.87	840.72	Refer note below
		Trade Receivables	4,234.78	1,748.15	2,486.63	
30 June 2022		Inventory & Unbilled work-in-progress	3,026.01	2,295.50	730.51	Refer note below
		Trade Receivables	4,279.58	1,726.20	2,553.38	

Note :
Difference is mainly on account of arrangement with banks/ financial institution, which requires the Company to submit the details of inventory, trade receivable, unbilled work-in-progress excluding projects executed as joint operations and projects which are closed/ suspended/ terminated etc.

NOTE 19 OTHER FINANCIAL LIABILITIES

		As at 31 March 2024	As at 31 March 2023
Non-current			
a)	Interest accrued but not due	1,402.38	1,399.45
b)	Financial guarantee liability	68.03	-
Total non-current financial liabilities		**1,470.41**	**1,399.45**
Current			
a)	Interest accrued but not due	239.28	144.76
b)	Interest accrued and due	27.12	21.68
c)	Unpaid dividends	0.00 *	0.00*
d)	Financial liabilities of erstwhile subsidiary assumed	-	2.12
e)	Financial guarantee liability	9.77	-
f)	Others		
	- Due to employees	64.62	59.14
	- Interest payable on contractee advances	310.03	279.23
	- Due to related parties (Refer note 38)	1.80	1.50
	- Liability for capital goods	0.60	5.83
	- Other liabilities	5.72	3.75
Total current financial liabilities		**658.94**	**518.01**
Total other financial liabilities		**2,129.35**	**1,917.46**

* represents amount less than ₹ 1 lakh.

	As at 31 March 2024	As at 31 March 2023
Other financial liabilities carried at amortised cost	2,051.55	1,917.46
Other financial liabilities carried at FVPL	77.80	-

(Amount in ₹ crore, unless otherwise stated)

NOTE 20 PROVISIONS

	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for employee benefits (Refer note 36)		
- Gratuity	26.01	21.26
Total non-current provisions	**26.01**	**21.26**
Current		
a) Provision for employee benefits (Refer note 36)		
- Gratuity	3.30	8.14
- Leave entitlement and compensated absences	10.23	11.15
b) Provision for foreseeable losses (Refer notes 20.1 and 20.2)	268.52	475.63
Total current provisions	**282.05**	**494.92**
Total provisions	**308.06**	**516.18**

Note 20.1 : The Company has adequately recognized foreseeable losses on projects wherever it was probable that total contract costs will exceed total contract revenue.

Note 20.2 : Details of provision in respect of forseeable losses is as stated below:

	As at 31 March 2024	As at 31 March 2023
Opening provision at the beginning of the year	475.63	324.94
Addition during the year	18.38	150.69
Utilised during the year	(225.49)	-
Closing provision as at the end of the year	**268.52**	**475.63**

NOTE 21 TRADE PAYABLES

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 21.1)	90.21	134.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,706.06	1,721.02
Total trade payables	**1,796.27**	**1,855.02**

Note 21.1 : Dues to micro enterprises and small enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

	As at 31 March 2024	As at 31 March 2023
a) The principal amount and the interest due thereon remaining unpaid to supplier as at the end of year:		
- Principal amount due to micro and small enterprises	90.21	134.00
- Interest due	21.49	19.62
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	5.63	2.06

(Amount in ₹ crore, unless otherwise stated)

NOTE 21 TRADE PAYABLES....Contd.

		As at 31 March 2024	As at 31 March 2023
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	5.44	13.16
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	27.12	21.68

Note 21.2 : Trade payables are non-interest bearing and are normally settled as per the payment terms stated in the contract.

Note 21.3 : Trade payables ageing schedule

As at 31 March 2024		**Outstanding for following periods from due date of payment**						**Total**
		Not due	**Unbilled dues**	**Less than 1 year**	**1 -2 years**	**2 -3 years**	**More than 3 years**	
(i)	MSME	36.14	-	38.85	5.99	2.25	6.98	90.21
(ii)	Others	502.05	487.32	458.89	36.11	36.28	185.41	1,706.06
(iii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iv)	Disputed dues- Others	-	-	-	-	-	-	-
		538.19	**487.32**	**497.74**	**42.10**	**38.53**	**192.39**	**1,796.27**

As at 31 March 2023		Outstanding for following periods from due date of payment						Total
		Not due	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	27.06	-	82.03	11.73	1.83	11.35	134.00
(ii)	Others	458.61	519.09	441.40	53.84	31.46	216.62	1,721.02
(iii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iv)	Disputed dues- Others	-	-	-	-	-	-	-
		485.67	**519.09**	**523.43**	**65.57**	**33.29**	**227.97**	**1,855.02**

NOTE 22 OTHER CURRENT LIABILITIES

		As at 31 March 2024	As at 31 March 2023
a)	Due to customers	30.16	20.66
b)	Advances		
	- from contractee	1,110.75	1,292.38
	- towards sale of assets	20.20	40.20
	- from scrap dealers	15.46	13.62
c)	Statutory dues payable	70.48	52.89
Total other current liabilities		**1,247.05**	**1,419.75**

NOTE 23 REVENUE FROM OPERATIONS

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Sale of products and services:		
	- Contract revenue	4,895.59	4,916.83
b)	Other operating revenue		
	- Interest on arbitration awards (Refer note 23.1)	-	255.90
	- Service fees	92.37	-
	- Provision no longer required written back	54.75	49.28
		147.12	**305.18**
Total revenue from operations		**5,042.71**	**5,222.01**

Note 23.1 : The Company has recognized interest income on arbitration awards of ₹ 77.49 crore during the current year. This has been presented net of reversal of interest in respect of a project, where Supreme Court while upholding the award, has modified the interest. This resulted in a cumulative interest reversal of ₹ 83.23 crore. The net charge of ₹ 5.74 crore has been grouped in "Miscellaneous expenses" under the head "Other expenses".

Note 23.2 : Disclosure in accordance with Ind AS 115- Revenue from Contracts with Customers

(a) Disaggregation of revenue

Company's entire business falls under one operational segment of 'Engineering and Construction'. Contract revenue represents revenue from Engineering and Construction contracts wherein the performance obligation is satisfied over a period of time. Further, the management believes that the nature, amount, timing and uncertainty of revenue and cash flows from all its contracts are similar. Accordingly, disclosure of revenue recognised from contracts disaggregated into categories has not been made.

(b) Unsatisfied performance obligations

The aggregate amount of transaction price allocated to performance obligations that are unsatisfied as at the end of reporting period is ₹ 10,475 crore (31 March 2023: ₹ 14,772 crore). Most of Company's contracts have a life cycle of three to five years. Management expects that around 40%- 50% of the transaction price allocated to unsatisfied contracts as of 31 March 2024 will be recognised as revenue during next reporting period depending upon the progress on each contracts. The remaining amounts are expected to be recognised over the next two years. The amount disclosed above does not include variable consideration.

(c) Contract balances

Movement in contract balances during the year:

	Contract Assets (unbilled work-in-progress)	Contract Liabilities (due to customers)	Net Contract balances
Balance as at 1 April 2022	**2,749.63**	**117.97**	**2,631.66**
Net (decrease)	(857.40)	(97.31)	(760.09)
Balance as at 31 March 2023	**1,892.23**	**20.66**	**1,871.57**
Net increase	176.94	9.50	167.44
Balance as at 31 March 2024	**2,069.17**	**30.16**	**2,039.01**

Note:

(i) Increase in contract assets is primarily due to lesser certification of progress bills as compared to revenue for the year. Further, contract liability has increased due to lesser recognition of revenue as compared to progress bills raised during the year.

(ii) Revenue recognised during the year from opening balance of contract liability (i.e. due to customers) amounts to ₹ 1.27 crore (31 March 2023: ₹ 111.93 crore)

(iii) Revenue recognised during the year from the performance obligation satisfied upto previous year amounts to Nil (31 March 2023: ₹ 61.58 crore)

(d) Out of the total revenue recognised during the year,₹ 4,987.96 crore (31 March 2023: ₹ 5,172.73 crore) is recognised over a period of time and ₹ 54.75 crore (31 March 2023: ₹ 49.28 crore) is recognised at a point in time.

NOTE 23 REVENUE FROM OPERATIONS....Contd.

(e) There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.

(f) Cost to obtain or fulfil the contract:

i. Amount of amortisation recognised in Statement of Profit and Loss during the year : Nil

ii. Amount recognised as contract assets as at 31 March 2024 : Nil

NOTE 24 OTHER INCOME

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Interest income from financial assets at amortised cost	39.18	27.42
b)	Other non-operating income		
	- Gain on settlement of debt (Refer note 24.1)	46.16	-
	- Profit on disposal of property, plant and equipment (net)	6.06	2.89
	- Financial guarantee commission	3.95	12.43
	- Plant hire income	23.78	15.40
	- Exchange gain (net)	-	2.75
	- Dividend from non-current investment	0.05	-
	- Miscellaneous	5.81	0.33
Total other income		**124.99**	**61.22**

Note 24.1 : The Company entered into a revised sanction letter with a holder of Optionally Convertible Debentures ('OCD') which provides for a waiver on the interest accrued on prepayment of OCD's. During the current year, the Company made prepayments towards outstanding OCD's which resulted in gains on settlement of debt, representing waiver of interest (net of processing charges), amounting to ₹ 46.16 crore during the year ended 31 March 2024.

NOTE 25 COST OF MATERIALS CONSUMED

	Year ended 31 March 2024	Year ended 31 March 2023
Stock at beginning of the year	166.17	170.05
Add: Purchases	854.34	1,042.44
	1,020.51	**1,212.49**
Less: Sale of scrap and unserviceable material	(35.07)	(36.66)
	985.44	**1,175.83**
Less: Stock at the end of the year	(123.42)	(166.17)
Total cost of materials consumed	**862.02**	**1,009.66**

NOTE 26 EMPLOYEE BENEFITS EXPENSE

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Salaries and wages	281.90	288.37
b)	Contribution to provident and other funds [Refer note 36(B)]	24.65	16.58
c)	Staff welfare	16.96	18.83
d)	Share based payment expense	0.20	0.00*
Total employee benefits expense		**323.71**	**323.78**

* Represents amount less than ₹ 1 lakh.

(Amount in ₹ crore, unless otherwise stated)

NOTE 27 FINANCE COSTS

		Year ended 31 March 2024	Year ended 31 March 2023
a)	**Interest expense on:**		
	- debentures	375.21	348.24
	- term loans/ cash credit facilities	12.47	95.24
	- financial liability of an erstwhile subsidiary	-	42.89
	- advance from contractee	91.87	100.38
	- lease liabilities (Refer note 41)	0.62	0.13
	- others	8.47	17.50
b)	**Other borrowing costs**		
	- guarantee commission	46.06	49.56
	- other finance charges	8.19	10.03
Total finance costs		**542.89**	**663.97**

NOTE 28 DEPRECIATION AND AMORTISATION EXPENSE

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Depreciation of tangible assets (Refer note 3A)	67.31	76.71
b)	Depreciation of right-of-use assets (Refer note 3B)	0.37	1.23
c)	Amortisation of intangible assets (Refer note 4)	0.09	0.11
Total depreciation and amortisation expense		**67.77**	**78.05**

NOTE 29 OTHER EXPENSES

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Stationery, postage, telephone and advertisement	6.71	4.49
b)	Travelling and conveyance	35.33	40.63
c)	Professional fees	49.39	42.62
d)	Rates and taxes	29.20	37.57
e)	Power, fuel and water	139.08	148.97
f)	Insurance	34.02	23.73
g)	Rent (Refer note 41)	80.95	86.40
h)	Loss allowance on financial assets	18.66	27.72
i)	Repairs and maintenance- building	4.25	4.32
j)	Repairs and maintenance- others	1.41	1.16
k)	IT support and computer maintenance	12.17	10.36
l)	Payment to auditors (Refer note 29.1 and 29.2)	3.13	3.08
m)	Exchange loss (net)	0.25	-
n)	Miscellaneous expenses	29.58	17.14
Total other expenses		**444.13**	**448.19**

NOTE 29 OTHER EXPENSES....Contd.

Note 29.1 : Payment to auditors

		Year ended 31 March 2024	Year ended 31 March 2023
i)	Statutory audit and limited review	2.55	2.55
ii)	Tax audit fees	0.20	0.20
iii)	Certification fees	0.27	0.24
iv)	Reimbursement of out of pocket expenses	0.11	0.09
Total		**3.13**	**3.08**

Note 29.2 : Excludes ₹ 0.52 crore (previous year Nil) towards fees in relation to Right Issue of equity shares, not been charged to income statement as the same will be netted off against Securities premium.

Note 29.3 : The Company is not liable to incur any expenses on Corporate Social Responsibility as per section 135 of the Companies Act, 2013.

NOTE 30 EXCEPTIONAL ITEMS - GAIN

		Year ended 31 March 2024	Year ended 31 March 2023
-	Gain on debt resolution plan (Refer note 30.1)	-	223.30
-	Gain on sale of land (Refer note 30.2)	87.93	-
-	Reversal of impairment on financial asset (net) (Refer note 30.3)	80.63	-
Total exceptional items		**168.56**	**223.30**

Note 30.1 : During the previous year, 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 and joint venture thereafter, 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.

Note 30.2 : During the current year, the Company 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.

Note 30.3 : During the current year, the Company has entered into a Share Purchase Agreement ('SPA') with HREL Real Estate Limited ('HREL') for acquisition of HRL Thane Real Estate Limited ('HRL Thane'), a wholly owned subsidiary of HREL. Pursuant to the SPA, HRL Thane has become a direct subsidiary of the Company.

Further, HREL has assigned certain inter corporate deposits ('ICD') receivable from HRL Thane in favor of HCC. As per the terms of the agreement between the parties, the considerations in respect of the above have been adjusted against the Company's receivable from HREL, which were written off in the earlier years. The effect of these transactions has resulted in a net gain of ₹ 80.63 crore, which has been presented as an exceptional item.

NOTE 31 EARNINGS PER SHARE (EPS)

			Year ended 31 March 2024	Year ended 31 March 2023
Basic and diluted EPS				
A.	Profit computation for basic earnings per share of ₹ 1 each			
	Net profit as per the Statement of Profit and Loss available for equity shareholders	(₹ crore)	178.57	253.42
	Net profit as per the Statement of Profit and Loss available for equity shareholders for calculating diluted earning per share^	(₹ crore)	178.57	253.42
B.	Weighted average number of equity shares for calculating basic earning per share	(Nos.)	1,513,028,244	1,513,028,244
	Add: Effect of dilution on account of employee stock option issued	(Nos.)	185,186	12,035
	Weighted average number of equity shares for calculating diluted earning per share		**1,513,213,430**	**1,513,040,279**
C.	EPS			
	- Basic	(₹ per share)	1.18	1.67
	- Diluted	(₹ per share)	1.18	1.67

NOTE 32 CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent liabilities

		As at 31 March 2024	As at 31 March 2023
(i)	Claims against the company not acknowledged as debts	7.41	9.21
(ii)	Income tax liability that may arise in respect of matters in which the Company is in appeals	51.93	45.35
(iii)	Indirect tax liability that may arise in respect of matters in which the Company is in appeals	179.35	158.98

Note : It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities. Future cash outflows in respect of the above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities. The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

B. Commitments

		As at 31 March 2024	As at 31 March 2023
(i)	Capital commitments (net of advances)	4.43	1.29
(ii)	The company has given an undertaking for non-disposal of investments in subsidiaries (Refer note 5.3)		

NOTE 33 As at 31 March 2024, the Company has investments (including deemed investments) in its wholly owned subsidiary HCC Infrastructure Company Limited ('HICL') aggregating ₹ 1,294.45 crore (31 March 2023: ₹ 1,434.65 crore) classified as non-current investment ₹ 1,294.45 crore (31 March 2023: ₹ 1,214.65 crore) and current investment of Nil (31 March 2023: ₹ 220 crore). While the consolidated net worth of HICL as at 31 March 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 in respect of future business plans, expected share of future revenues of subsidiaries sold and outcome of litigations for favourable arbitration awards in a step-down 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.

NOTE 34 Unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivable includes ₹ 528.81 crore, ₹ 245.54 crore and ₹ 57.52 crore, respectively, outstanding as at 31 March 2024, 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.

NOTE 35 INTERESTS IN OTHER ENTITIES

Joint operations (unincorporated entities)

The Company's share of interest in joint operations is set out below:

Name of the entity	% of ownership interest held by the Company as at		Name of Joint Operator	Principal place of Business	Principal activities
	31 March 2024	31 March 2023			
HCC- L&T Purulia Joint Venture	57.00	57.00	Larsen and Toubro Limited	India	Construction
Nathpa Jhakri Joint venture	40.00	40.00	Impregilio-Spa, Italy	India	Construction
Kumagai- Skanska- HCC- Itochu Joint Venture	19.60	19.60	Skanska, Kumagai	India	Construction
Alpine- Samsung- HCC Joint Venture	33.00	33.00	Itochu, Alpine Meyreder Bau Samsung Corporation	India	Construction
Alpine- HCC Joint Venture	49.00	49.00	Alpine Meyreder Bau	India	Construction
HCC- Samsung Joint Venture CC-34	50.00	50.00	Samsung C&T Corporation	India	Construction
HCC- HDC Joint Venture	55.00	55.00	Hyundai Development Company	India	Construction
HCC- VCCL Joint Venture	50.00	50.00	Vensar Constructions Company Limited	India	Construction

i) Classification of joint arrangements

The aforementioned entities are joint arrangements whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Company (i.e. Joint Operator) recognises its direct right to assets, liabilities, revenue and expenses of Joint Operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses and are incorporated in the standalone financial statements under the respective financial statement line item.

		As at 31 March 2024	As at 31 March 2023
ii)	**Summarised balance sheet (Company's share)**		
	Total assets	152.61	64.11
	Total liabilities	145.21	63.95
iii)	**Contingent liability/ capital commitment as at reporting date (Company's share)**		
	Contingent liability	18.62	13.28
	Capital and other commitment	-	-
iv)	**Summarised statement of profit and loss (Company's share)**		
	Revenue from operations	473.62	198.09
	Other income	1.57	0.04
	Total expenses (including taxes)	467.79	197.97

(Amount in ₹ crore, unless otherwise stated)

NOTE 36 DISCLOSURE RELATING TO EMPLOYEE BENEFITS AS PER IND AS 19 'EMPLOYEE BENEFITS'

A Defined benefit obligations

I Gratuity (unfunded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

		As at 31 March 2024	As at 31 March 2023
a)	**Changes in defined benefit obligations**		
	Present value of obligation at the beginning of the year	29.40	31.22
	Interest cost	2.10	2.03
	Current service cost	1.89	1.98
	Remeasurements- Net actuarial gain	(1.94)	(1.86)
	Benefits paid	(2.14)	(3.97)
	Present value of obligation at the end of the year	**29.31**	**29.40**
b)	**Expenses recognised in the Statement of Profit and Loss**		
	Interest cost	2.10	2.03
	Current service cost	1.89	1.98
	Total	**3.99**	**4.01**
c)	**Remeasurement gain recognised in OCI**		
	Actuarial changes arising from changes in financial assumptions	0.34	(0.62)
	Experience adjustments	(2.28)	(1.24)
	Total	**(1.94)**	**(1.86)**
d)	**Actuarial assumptions**		
	(i) Economic assumptions:		
	Discount rate	7.19% p.a.	7.44% p.a.
	Salary escalation rate	6.00% p.a.	6.00% p.a.
	(ii) Demographic assumptions:		
	Mortality rate	Indian assured lives mortality 2012-14 (Urban)	Indian assured lives mortality 2012-14 (Urban)
	Average future working lifetime	10 years	10 years
	Attrition rate :		
	- For services 4 years and below	8.00% p.a.	8.00% p.a.
	- For services 5 years and above	4.00% p.a.	4.00% p.a.

The estimates of future salary increases, considered in actuarial valuation, is on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

e) Quantities sensitivity analysis for significant assumption is as below:

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant. The significant actuarial assumptions are discount rate, salary escalation rate, and attrition rate.

(Amount in ₹ crore, unless otherwise stated)

NOTE 36 DISCLOSURE RELATING TO EMPLOYEE BENEFITS AS PER IND AS 19 'EMPLOYEE BENEFITS'....Contd.

The methods and type of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

	Year ended 31 March 2024	Year ended 31 March 2023
i. Impact of change in discount rate on defined benefit obligations:		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	(1.33)	(1.25)
b) Impact due to decrease of 1%	1.46	1.38
ii. Impact of change in salary on defined benefit obligations:		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	1.46	1.38
b) Impact due to decrease of 1%	(1.35)	(1.27)
iii. Impact of change in attrition rate:		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	0.05	0.07
b) Impact due to decrease of 1%	(0.06)	(0.08)

Sensitivities due to mortality are not material and hence the impact of change due to these are not calculated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it provides an approximation of the sensitivity of the assumptions shown..

Risk exposure:
The defined plan is exposed to a number of risks, the most significant of which are detailed below:

i. **Salary increases -** Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

ii. **Discount rate -** Reduction in discount rate in subsequent valuations can increase the plan's liability.

iii. **Mortality and disability -** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

f) Maturity analysis of defined benefit obligation

	As at 31 March 2024	As at 31 March 2023
Within the next 12 months	3.29	8.14
Between 2 and 5 years	14.35	10.73
Over 5 years	26.67	25.51

II Provident fund

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognised as an expense in the period in which services are rendered by the employee.

In accordance with an actuarial valuation of provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the assumptions as mentioned below, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

NOTE 36 DISCLOSURE RELATING TO EMPLOYEE BENEFITS AS PER IND AS 19 'EMPLOYEE BENEFITS'....Contd.

The details of fund and plan assets are given below:

	As at 31 March 2024	As at 31 March 2023
Fair value of plan assets	190.47	178.42
Present value of defined benefit obligations	188.77	176.36
Net excess of plan assets over defined benefit obligations	**1.70**	**2.06**

The principal assumptions used in determining the present value obligation of interest guarantee under the deterministic approach are as follows:

	As at 31 March 2024	As at 31 March 2023
Discount rate	7.19% p.a.	7.44% p.a.
Reinvestment period on maturity	4.70 years	4.70 years
Guaranteed rate of return (Refer note (ii) below)	8.25% p.a.	8.15% p.a.

Notes:

i) The plan assets have been primarily invested in Government securities and corporate bonds.

ii) The interest rate to be applied on the provident fund contribution for the financial year ended 31 March 2024 is pending to be notified by the Government of India.

B Defined contribution plans

The Company has recognised the following amounts in the Statement of Profit and Loss:

	Year ended 31 March 2024	Year ended 31 March 2023
(a) Contribution to provident fund	22.15	13.91
(b) Contribution to superannuation fund	2.50	2.67
	24.65	**16.58**

C Liabilities for leave obligations

The leave obligations cover the Company's liability for sick and privilege leaves. The amount of provision with respect to leave obligation is ₹ 10.23 crore (31 March 2023 ₹ 11.15 crore) is presented as current, since the Company does not have any unconditional right to defer settlement for any of the obligations.

D Current / non-current classification

	As at 31 March 2024	As at 31 March 2023
Gratuity		
Current	3.30	8.14
Non-current	26.01	21.26
	29.31	**29.40**

NOTE 37 FAIR VALUE

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value:

(a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

(b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 FAIR VALUE....Contd.

A Financial instruments by category

The carrying value and fair value of financial instruments by categories were as follows:

As at 31 March 2024

Particulars	Refer note	Amortised cost	Fair value through profit or loss	Fair value through Other Comprehensive Income	Total carrying value	Total fair value
Assets:						
Investment in subsidiaries and joint ventures #	5	-	-	-	-	-
Investments in equity shares (unquoted)	5A	-	-	33.38	33.38	33.38
Investments in equity shares (quoted)	5A	-	-	4.53	4.53	4.53
Trade receivables	6	2,507.72	-	-	2,507.72	2,507.72
Loans	7	250.00	-	-	250.00	250.00
Other financial assets	8	227.63	-	-	227.63	227.63
Cash and cash equivalents	12	233.92	-	-	233.92	233.92
Bank balances other than cash and cash equivalents	13	50.35	-	-	50.35	50.35
Liabilities:						
Borrowings	18	1,736.22	-	-	1,736.22	1,736.22
Other financial liabilities	19	2,051.55	77.80	-	2,129.35	2,129.35
Trade payables	21	1,796.27	-	-	1,796.27	1,796.27

As at 31 March 2023

Particulars	Refer note	Amortised cost	Fair value through profit or loss	Fair value through Other Comprehensive Income	Total carrying value	Total fair value
Assets:						
Investment in subsidiaries and joint ventures #	5	-	-	-	-	-
Investments in equity shares (unquoted)	5A	-	-	13.65	13.65	13.65
Investments in equity shares (quoted)	5A	-	-	0.82	0.82	0.82
Trade receivables	6	2,674.88	-	-	2,674.88	2,674.88
Loans	7	222.57	-	-	222.57	222.57
Other financial assets	8	237.20	-	-	237.20	237.20
Cash and cash equivalents	12	216.30	-	-	216.30	216.30
Bank balances other than cash and cash equivalents	13	47.00	-	-	47.00	47.00
Liabilities:						
Borrowings	18	1,956.52	-	-	1,956.52	1,956.52
Other financial liabilities	19	1,917.46	-	-	1,917.46	1,917.46
Trade payables	21	1,855.02	-	-	1,855.02	1,855.02
Lease liabilities	-	0.41	-	-	0.41	0.41

Investments in subsidiaries classified as equity investments have been accounted at historical cost. Since these are scope out of IndAS 109 for the purposes of measurement, the same have not been disclosed in the above tables.

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 FAIR VALUE....Contd.

B Fair value hierarchy

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

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	**As at 31 March 2024**			As at 31 March 2023		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Assets						
Investments in equity shares (quoted)	4.53	-	-	0.82	-	-
Investments in equity shares (unquoted)	-	33.38	-	-	13.65	-

NOTE 38 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS

A. Names of related parties and nature of relationship

Name of the entity	Country of incorporation	Company's holding (Refer note (i) below)		Subsidiaries of
		As at 31 March 2024	As at 31 March 2023	
a) Subsidiaries				
Western Securities Limited	India	97.87	97.87	Hindustan Construction Company Limited
HREL Real Estate Limited	India	-	100.00	Hindustan Construction Company Limited (Refer note (ii) below)
Panchkutir Developers Limited	India	100.00	100.00	Hindustan Construction Company Limited
HCC Contract Solutions Limited	India	100.00	100.00	Hindustan Construction Company Limited
Highbar Technologies Limited	India	100.00	100.00	Hindustan Construction Company Limited
HCC Infrastructure Company Limited	India	100.00	100.00	Hindustan Construction Company Limited
HRL Township Developers Limited	India	100.00	100.00	Hindustan Construction Company Limited
Maan Township Developers Limited	India	100.00	100.00	Hindustan Construction Company Limited
Prolific Resolution Private Limited	India	49.00	100.00	Hindustan Construction Company Limited (Refer note (iii) below)
HRL (Thane) Real Estate Limited	India	100.00	100.00	Hindustan Construction Company Limited (Refer note (iv) below)
Nashik Township Developers Limited	India	-	100.00	HREL Real Estate Limited (Refer note (ii) below)
Powai Real Estate Developer Limited	India	-	100.00	HREL Real Estate Limited (Refer note (ii) below)

NOTE 38 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS....Contd.

Name of the entity	Country of incorporation	Company's holding (Refer note (i) below)		Subsidiaries of
		As at 31 March 2024	As at 31 March 2023	
HCC Realty Limited	India	-	100.00	HREL Real Estate Limited (Refer note (ii) below)
HCC Aviation Limited	India	-	100.00	HREL Real Estate Limited (Refer note (ii) below)
HCC Operation and Maintenance Limited	India	100.00	100.00	HCC Infrastructure Company Limited
Narmada Bridge Tollways Limited	India	100.00	100.00	HCC Infrastructure Company Limited
Badarpur Faridabad Tollways Limited	India	100.00	100.00	HCC Infrastructure Company Limited
Raiganj-Dalkhola Highways Limited	India	100.00	100.00	HCC Infrastructure Company Limited
HCC Mauritius Enterprises Limited	Mauritius	100.00	100.00	Hindustan Construction Company Limited
HCC Mauritius Investment Limited	Mauritius	100.00	100.00	Hindustan Construction Company Limited
Steiner AG	Switzerland	100.00	100.00	HCC Mauritius Enterprises Limited 66% HCC Mauritius Investment Limited 34%
Steiner Promotions et Participations SA	Switzerland	100.00	100.00	Steiner- AG
VM + ST AG	Switzerland	100.00	100.00	Steiner- AG
Manufakt8048 AG	Switzerland	100.00	100.00	Steiner Promotions et Participations SA
Steiner Leman SAS	France	-	100.00	Steiner- AG (Refer note (v) below)
Steiner Construction SA	Switzerland	-	100.00	Steiner- AG (Refer note (vi) below)
Steiner Project (w.e.f 19 February 2024)	Switzerland	100.00	-	Steiner- AG
Steiner (Deutschland) GmbH	Germany	100.00	100.00	Steiner- AG
Steiner India Limited	India	100.00	100.00	Steiner- AG

Notes:

i) Including through subsidiary companies.

ii) Pursuant to the Share Purchase Agreement dated March 31 2024, the Company has sold its investment in HREL Real Estate Limited ('HREL') consequently, HREL alongwith its subsidiaries i.e. Nashik Township Developers Limited, Powai Real Estate Developers Limited, HCC Aviation LImited and HCC Reality Limited have ceased to be subsidiaries of Hindustan Construction Company Limited.

iii) During the current year, 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, JIPL holds 51% of equity share capital of PRPL. Consequently, w.e.f. 30 September 2023, PRPL ceases to be a subsidiary of the 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.

iv) During the current year, the Company has entered into a Share Purchase Agreement ('SPA') with HREL Real Estate Limited ('HREL') for acquisition of HRL Thane Real Estate Limited ('HRL Thane'), wholly owned subsidiary of HREL. Pursuant to the SPA, HRL Thane has become a direct subsidiary of the Company.

v) Steiner Leman SAS sold during the year.

vi) 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. The sale is completed on 18 January 2024. Pursuant to such sale, Steiner Construction SA ceased to be a subsidiary w.e.f. 18 January 2024.

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS....Contd.

	Particulars	Country of incorporation	Company's holding as at (%) ^	
			As at 31 March 2024	As at 31 March 2023
b)	**Joint Venture**			
	Prolific Resolution Private Limited (Refer note 38 (ii))	India	49.00	-
c)	**Associates**			
	Evostate AG	Switzerland	30.00	30.00
	MCR Managing Corp. Real Estate	Switzerland	30.00	30.00
	Evostate Immobilien AG (Subsidiary of Evostate AG)	Switzerland	30.00	30.00
	Hegias AG, Zurich (w.e.f. 18 August 2022)	Switzerland	23.20	23.20
	Highbar Technocrat Limited	India	49.00	49.00

d) Other related parties

Name	Relationship
Mrs. Shalaka Gulabchand Dhawan	Daughter of Chairman and Non-Executive Director and Wife of Executive Vice Chairman
Gulabchand Foundation	Entities over which key management personnel/ their relatives having control
Hincon Holdings Limited	Entities over which key management personnel/ their relatives having control
Hincon Finance Limited	Entities over which key management personnel/ their relatives having control
Shalaka Investment Private Limited	Entities over which key management personnel/ their relatives having control
Maharani Holdings Private Limited	Entities over which key management personnel/ their relatives having control
HCC Employee's Provident Fund (refer note below)	Post-employment contribution plan

Note: Refer note 36B(a) for information on transaction related to post-employment contribution plan

B. Key Management Personnel

Name	Relationship
Mr. Ajit Gulabchand	Chairman and Managing Director (upto 31 March 2023) Chairman and Non-Executive Director (w.e.f. 1 April 2023)
Mr. Arjun Dhawan	Executive Vice Chairman
Mr. Jaspreet Bhullar	Chief Executive Officer (from 23 March 2022 to 31 March 2023) Managing Director and Chief Executive Officer (w.e.f. 1 April 2023)
Mr. Mukul Sarkar	Nominee Director
Mr. N. R. Acharyulu	Independent Director
Dr. Mita Dixit	Independent Director
Mr. Mahendra Singh Mehta	Independent Director
Mr. Santosh Janakiram Iyer	Independent Director
Mr. Arun Karambelkar	Independent Director (w.e.f. 7 June 2023)
Mr. Aditya Jain	Non-Executive Non-Independent Director (w.e.f. 7 June 2023)
Mr. Rahul Rao	Chief Financial Officer (upto 18 April 2024)
Mr. Girish Gangal	Chief Financial Officer (w.e.f. 18 April 2024)
Mr. Vithal P. Kulkarni	Company Secretary (upto 12 May 2022)
Mr. Nitesh Jha	Company Secretary (w.e.f. 12 May 2022)

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 DISCLOSURE IN ACCORDANCE WITH IND AS 24 RELATED PARTY TRANSACTIONS....Contd.

C. Transactions with related parties:

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations		
- Subsidiaries		
- Baharampore Farakka Highways Limited	-	229.72
- HCC Infrastructure Company Limited	29.20	-
- Raiganj Dalkhiola Highways Limited	6.84	30.60
	36.04	**260.32**
Interest income on Inter corporate deposits		
- Subsidiaries		
- Highbar Technologies Limited	0.30	0.30
- HCC Mauritius Enterprises Limited	12.15	9.33
- HCC Mauritius Investment Limited	5.48	3.47
	17.93	**13.10**
Finance income on corporate guarantees		
- Subsidiaries		
- HCC Mauritius Investment Limited	0.84	0.88
- HCC Mauritius Enterprises Limited	0.20	0.19
- Prolific Resolution Private Limited	2.92	11.36
	3.96	**12.43**
Service Income		
- Subsidiaries		
- Prolific Resolution Private Limited	60.90	**-**
- Joint Venture		
- Prolific Resolution Private Limited	31.22	-
	92.12	**-**
Reimbursement of expenses		
- Subsidiaries		
- Steiner India Limited	0.27	0.02
- Highbar Technologies Limited	0.22	0.22
- HCC Infrastructure Company Limited	0.54	0.84
- Prolific Resolution Private Limited	7.25	10.50
- Western Securities Limited	0.41	0.49
	8.69	**12.07**
Interest expense on Inter corporate deposit taken		
- Subsidiaries		
- Western Securities Limited	0.05	0.05
	0.05	**0.05**
Services received		
- Subsidiaries		
- Highbar Technologies Limited	2.46	2.32
- Western Securities Limited	0.84	0.59
- Steiner India Limited	-	0.55
	3.30	**3.46**

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS....Contd.

	Year ended 31 March 2024	Year ended 31 March 2023
- Associates		
- Highbar Technocrat Limited	2.15	2.14
	5.45	**5.60**
Reversal of impairment of financial assets		
- Subsidiaries		
- HREL Real Estate Limited	103.65	-
	103.65	**-**
Inter corporate deposits given		
- Subsidiaries		
- HCC Mauritius Investment Limited	21.40	15.87
- HCC Mauritius Enterprises Limited	3.79	8.01
- HRL (Thane) Real Estate Limited	41.65	-
	66.84	**23.88**
Loss allowance on inter corporate deposits given		
- Subsidiaries		
- HRL (Thane) Real Estate Limited	23.02	-
	23.02	**-**
Inter corporate deposits taken		
- Subsidiaries		
- Steiner India Limited	25.19	-
	25.19	**-**
Inter corporate deposits recovered		
- Subsidiaries		
- HCC Infrastructure Company Limited	140.20	130.00
	140.20	**130.00**
Inter corporate deposits repaid		
- Subsidiaries		
- Western Securities Limited	0.41	-
	0.41	**-**
Awards and claims transferred		
- Subsidiaries		
- Prolific Resolution Private Limited	-	2,894.11
	-	**2,894.11**
Liabilities transferred		
- Subsidiaries		
- Prolific Resolution Private Limited	-	2,855.69
	-	**2,855.69**
Remuneration paid/ accrued to Key Management Personnel		
(a) Short-term employee benefits		
- Mr. Ajit Gulabchand	2.79	5.13
- Mr. Arjun Dhawan	5.13	4.67
- Mr. Vithal P. Kulkarni	-	0.30
- Mr. Jaspreet Bhullar	3.55	2.49
- Mr. Rahul Rao	1.34	1.19
- Mr. Nitesh Kumar Jha	0.69	0.38
	13.50	**14.16**

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS....Contd.

		Year ended 31 March 2024	Year ended 31 March 2023
(b)	**Post employment benefits**		
	- Mr. Ajit Gulabchand	0.21	0.37
	- Mr. Arjun Dhawan	0.37	0.33
	- Mr. Vithal P. Kulkarni	-	-
	- Mr. Jaspreet Bhullar	0.30	0.10
	- Mr. Rahul Rao	0.06	0.06
	- Mr. Nitesh Kumar Jha	0.02	0.01
		0.96	**0.87**
(c)	**Total remuneration**		
	- Mr. Ajit Gulabchand	3.00	5.50
	- Mr. Arjun Dhawan	5.50	5.00
	- Mr. Vithal P. Kulkarni	-	0.30
	- Mr. Jaspreet Bhullar	3.85	2.59
	- Mr. Rahul Rao	1.40	1.25
	- Mr. Nitesh Kumar Jha	0.71	0.39
		14.46	**15.03**
Remuneration paid/ accrued			
- Other related parties			
- Mrs. Shalaka Gulabchand Dhawan		1.31	1.30
		1.31	**1.30**
Directors' sitting fees paid / accrued			
- Key Management Personnel			
- Mr. Ajit Gulabchand		0.16	-
- Mr. N. R. Acharyulu		0.15	0.18
- Mr. Arun V. Karambelkar		0.04	0.01
- Mr. Santosh Jankiram Iyer		0.07	0.10
- Mr. Mahendra Singh Mehta		0.12	0.15
- Mr. Mukul Sarkar		0.03	0.04
- Dr. Mita Dixit		0.08	0.09
- Mr. Aditya Jain		0.03	-
		0.68	**0.57**

D. Balances outstanding

	Year ended 31 March 2024	Year ended 31 March 2023
Outstanding receivables		
Trade receivable (net of advances)		
- Subsidiaries		
- Raiganj-Dalkhola Highways Limited	401.09	394.25
Receivables from related parties		
- Subsidiaries		
- Panchkutir Developers Limited	42.98	54.98
- HCC Infrastructure Company Limited	3.67	3.21
- HCC Mauritius Enterprises Limited	70.58	57.49
- HCC Contract Solutions Limited	0.03	0.03
- Highbar Technologies Limited	16.77	16.13

NOTE 38 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS....Contd.

	Year ended 31 March 2024	Year ended 31 March 2023
- HCC Mauritius Investment Limited	23.11	16.34
- Steiner AG	2.32	2.27
- Steiner India Limited	1.91	1.62
- Western Securities Limited	0.48	0.73
- Badarpur Faridabad Tollways Limited	0.21	0.21
- Raiganj-Dalkhola Highways Limited	0.02	0.02
- Prolific Resolution Private Limited	-	9.78
- HCC Operation & Maintenance Limited	0.02	0.02
	162.10	**162.83**
- Joint Venture		
- Prolific Resolution Private Limited (w.e.f. 30 September 2023)	17.16	-
	179.26	**162.83**
Outstanding Inter-corporate deposits receivables		
Subsidiaries		
- HCC Infrastructure Company Limited	1,292.21	1,432.41
- Highbar Technologies Limited	2.39	2.39
- HCC Mauritius Enterprises Limited	147.42	141.97
- HCC Mauritius Investment Limited	80.66	58.68
- Maan Township Developers Limited	19.12	19.12
- HRL Township Developers Limited	0.41	0.41
- HRL (Thane) Real Estate Limited (net)	18.63	-
	1,560.84	**1,654.98**
Outstanding payables		
Inter corporate deposits taken		
- Subsidiaries		
- Western Securities Limited	-	0.41
- Steiner India Limited	25.19	-
	25.19	**0.41**
Security deposits taken against sale of old equipment		
- Subsidiaries		
- Steiner India Limited	1.10	1.10
	1.10	**1.10**
Advance taken towards sale of Property, Plant and Equipment		
- Subsidiaries		
- Steiner India Limited	20.20	20.20
Advance taken towards sale of investment		
- Subsidiaries		
- HCC Infrastructure Company Limited	-	3.00
Payable to related parties		
- Associates		
- Highbar Technocrat Limited	1.80	1.50
- Other related parties		
- Hincon Finance Limited	-	0.00*
	1.80	**1.50**

* Represents amount less than ₹ 1 lakh.

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS....Contd.

	Year ended 31 March 2024	Year ended 31 March 2023
Advance from contractee		
- Subsidiaries		
- HCC Infrastructure Company Limited	11.82	-
- Raiganj-Dalkhola Highways Limited	4.51	4.51
	16.33	**4.51**
Corporate guarantees given by Company		
- Subsidiaries		
- HCC Mauritius Enterprises Limited	38.95	38.94
- HCC Mauritius Investment Limited	166.83	175.05
- Prolific Resolution Private Limited	-	3,111.32
- Joint Venture		
- Prolific Resolution Private Limited (w.e.f. 30 September 2023)	3,448.03	-
	3,653.81	**3,325.31**
Corporate guarantees taken and outstanding		
- Subsidiaries		
- HREL Real Estate Limited	-	6,675.33
Remuneration payable (net)		
- Key Management Personnel		
- Mr. Ajit Gulabchand	0.18	0.35
- Mr. Arjun Dhawan	0.14	0.12
- Mr. Rahul Rao	0.10	0.10
- Mr. Jaspreet Bhullar	0.14	0.22
- Mr. Nitesh Kumar Jha	0.04	0.03
	0.60	**0.82**
- Other related parties		
- Mrs. Shalaka Gulabchand Dhawan	0.11	0.11
	0.71	**0.93**

Notes:

(i) The above figure does not include gratuity liability valued by an actuary, as separate figures are not available.

(ii) Refer note 18.1 for personal guarantee provided by Chairman, shares pledged and other security created in respect of borrowing by the Company or the related parties.

(iii) Refer notes 5.1 and 5.2 for pledge of shares for facilities taken by group entities.

(iv) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

NOTE 39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk includes loans and borrowings.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

NOTE 39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....Contd.

Considering the Company's total debt obligation with floating interest rate as at 31 March 2024 is ₹ 63.38 crore (31 March 2023: ₹ 70.60 crore), the impact on Statement of Profit and Loss due to fluctuation in exchange rates would be immaterial. Therefore the disclosure for sensibility analysis has not been included.

b) Foreign currency risk

Although, the exchange rate between the rupee and foreign currencies has changed in recent years, it has not materially affected the results of the Company. The Company evaluates exchange rate exposure arising from foreign currency transaction and follows established risk management policies.

Foreign currency risk from financial instruments

As at 31 March 2024 (currency in crore)

Particulars	**USD**	**EUR**	**SEK**	**Others**
Assets				
Inter corporate deposits and interest thereon	3.88	-	-	-
Advance to suppliers	0.04	0.03	-	0.00*
Bank balances (including deposit account)	-	0.00*	-	-
Other financial assets	-	-	-	0.03
Trade receivables	0.01	0.18	-	-
	3.93	**0.21**	**-**	**0.03**
Liabilities				
Borrowings	1.05	-	-	-
Advance from contractee	-	0.62	-	-
Interest accrued and due	0.36	-	-	-
Trade payables	0.06	0.15	0.12	0.01
	1.47	**0.77**	**0.12**	**0.01**
Net assets/ (liabilities)	**2.46**	**(0.56)**	**(0.12)**	**0.02**

As at 31 March 2023 (currency in crore)

Particulars	USD	EUR	SEK	Others
Assets				
Inter corporate deposits and interest thereon	3.35	-	-	-
Advance to suppliers	0.01	0.01	-	0.02
Bank balances (including deposit account)	0.00*	0.01	-	-
Other financial assets	-	-	-	0.03
Trade receivables	-	0.18	-	-
	3.36	**0.20**	**-**	**0.05**
Liabilities				
Borrowings	1.18	-	-	-
Advance from contractee	-	0.61	-	-
Interest accrued and due	0.21	-	-	-
Trade payables	0.27	0.31	0.12	0.01
	1.66	**0.92**	**0.12**	**0.01**
Net assets/ (liabilities)	**1.70**	**(0.72)**	**(0.12)**	**0.04**

* represents amount less than ₹ 1 lakh.

NOTE 39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....Contd.

Sensitivity analysis

Considering the Company's exposure of foreign currency financial instruments as at respective reporting dates' the impact on Statement of Profit and Loss due to fluctuation in exchange rates would be immaterial. Therefore, the disclosure for sensitivity analysis not been included in the standalone financial statements.

c) Equity price risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors review and approve all equity investment decisions.

Exposure to:

i) unlisted equity securities at fair value through other comprehensive income is ₹ 33.38 crore (31 March 2023: ₹ 13.65 crore).

ii) unlisted equity in subsidiaries at cost of ₹ 1,594.15 crore (31 March 2023: ₹ 1,573.50 crore).

Exposure to listed equity securities at fair value:

As at 31 March 2024, the exposure to listed equity securities at fair value is ₹ 4.53 crore (31 March 2023: ₹ 4.82 crore). Changes in this exposure would not have a material effect on the profit and loss of the Company.

ii Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

a) Trade receivables (gross of provision)

Trade receivables are typically unsecured and are derived from revenue earned from two main classes of trade receivables i.e. receivables from Government promoted agencies and receivables from private third parties. A substantial portion of the Group's trade receivables are from Government promoted agencies having strong credit worthiness. For ageing analysis of the trade receivable, refer note 6. .

	As at 31 March 2024		As at 31 March 2023^	
	₹ crore	**%**	₹ crore	%
Trade receivables				
- from Government promoted agencies	2,138.73	83.74%	2,294.95	84.92%
- from private third parties	415.37	16.26%	407.65	15.08%
Total trade receivables (Refer note 6)	**2,554.10**	**100.00%**	**2,702.60**	**100.00%**

Expected credit loss

In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information.

The movement of the allowance for lifetime expected credit loss is stated below:

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	27.72	-
Impairment allowance created during the year	18.66	27.72
Balance at the end of the year	**46.38**	**27.72**

NOTE 39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....Contd.

b) Financial assets other than trade receivables

Financial assets other than trade receivables mainly comprise of cash and cash equivalents, Bank balances other than cash and cash equivalents, loan to subsidiaries and other financial assets. The Company monitors the credit exposure on these financial assets on a case-to-case basis. Loans to subsidiaries are assessed for credit risk based on the underlying valuation of the entity and their ability to repay within the contractual repayment terms. Cash and cash equivalents and bank balances other than cash and cash equivalents are held with bank and financial institutions with good credit rating. Based on the Company's historical experience, the credit risk on other financial assets is also extremely low.

Details of contract revenues generated from the top customer and top 5 customers :

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from top customer	1,020.14	723.00
Revenue from top five customers	2,814.83	2,582.99

For the year ended 31 March 2024, two (31 March 2023: two) customers, individually, accounted for more than 10% of the revenue.

iii Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	Less than 1 year #	1- 5 years	More than 5 years	Total
As at 31 March 2024				
Borrowings (including interest accrued)	497.03	2,242.77	672.11	3,411.91
Trade payables	1,395.98	347.51	52.78	1,796.27
Other financial liabilities	409.89	-	-	409.89
Financial guarantee liability	-	-	-	-
Total	**2,302.90**	**2,590.28**	**724.89**	**5,618.07**
As at 31 March 2023				
Borrowings (including interest accrued)	315.83	2,099.82	1,125.92	3,541.57
Lease liabilities	0.41	-	-	0.41
Trade payables	1,369.35	485.67	-	1,855.02
Other financial liabilities	373.25	-	-	373.25
Total	**2,058.84**	**2,585.49**	**1,125.92**	**5,770.25**

Includes loans repayable on demand.

NOTE 40 CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to maximise the shareholder's wealth. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a debt equity ratio, which is total debt divided by total capital.

	As at 31 March 2024	As at 31 March 2023
Total debt	1,736.22	1,956.52
Total equity excluding capital reserve	905.89	705.73
Total debt to equity ratio (Gearing ratio)	**1.92**	**2.77**

Notes:

i) excludes interest accrued ₹1,641.66 crore (31 March 2023: ₹1,544.21 crore) on total debt of the Company.

In the long run, the Company's strategy is to maintain the gearing ratio of less than 1. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

NOTE 41 LEASES - IND AS 116

a) Right-of-use Assets:

The net carrying value of right-of-use assets as at 31 March 2024 amounts to Nil (31 March 2023: ₹ 0.37 crore). (Refer Note 3B).

b) Lease liabilities:

(i) As at 31 March 2024, the obligations under finance leases amounts to Nil (31 March 2023: ₹ 0.41 crore), which have been disclosed as lease liabilities on the face of the balance sheet.

(ii) Movement in lease liabilities:

	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning of the year	**0.41**	**1.70**
Additions during the year	-	-
Finance cost accrued during the year	0.62	0.13
Payment of lease liabilities	(1.03)	(1.42)
Balance at the end of the year	**-**	**0.41**

(iii) The table below provides details regarding the contractual maturities of lease liabilities: (undiscounted)

Lease Liabilities	Carrying amount	Contractual cash flows			
		Total	0-1 year	1-5 years	5 years and above
31 March 2024	**-**	**-**	**-**	**-**	**-**
31 March 2023	0.41	0.41	0.41	-	-

c) The Company recognised the following in the statement of profit and loss:

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expense from right-of-use assets	0.37	1.23
Finance cost on lease liabilities	0.62	0.13
Rent expense pertaining to leases with less than twelve months of lease term (Refer note 29)	80.95	86.40

d) Cash outflow in respect of lease liabilities for the year ended 31 March 2024 amounts to ₹ 0.41 crore (31 March 2023: ₹ 1.29 crore).

NOTE 42 DISCLOSURE OF RATIOS

Particulars		Formula for computation	Unit of Measurement	**As at and for the year ended 31 March 2024**	As at and for the year ended 31 March 2023
(a)	Current Ratio	Current assets/ Current liabilities	Times	1.10	1.13
(b)	Debt Equity ratio	Debt/ Equity	Times	1.92	2.77
(c)	Debt Service Coverage Ratio	Earnings before interest^, depreciation and amortisation, exceptional items and tax)/ (Interest^ on debt for the year + Principal repayment of borrowings and lease liabilities within one year)	Times	1.02	0.91
(d)	Return on Equity Ratio	Profit after tax/ Net worth	Percentage	19.71%	35.91%
(e)	Inventory Turnover Ratio	Cost of goods sold/ Average inventory	Times	24.18	21.59
(f)	Trade Receivables Turnover Ratio	Revenue from operations/ Average trade receivables	Times	1.95	1.51
(g)	Trade payables Turnover Ratio	Net purchases/ Average Trade Payables	Times	2.20	2.28

(Amount in ₹ crore, unless otherwise stated)

NOTE 42 DISCLOSURE OF RATIOS....Contd.

Particulars		Formula for computation	Unit of Measurement	**As at and for the year ended 31 March 2024**	As at and for the year ended 31 March 2023
(h)	Net Capital Turnover Ratio	Revenue from operations/ Working capital	Times	11.39	9.16
(i)	Net Profit Ratio	Profit after tax/ Revenue from operations	Percentage	3.54%	4.85%
(j)	Return on Capital Employed (ROCE)	EBITE/ Capital employed	Percentage	22.36%	19.41%
(k)	Return on Investment (ROI)	Not applicable	Percentage	N.A.	N.A.

Notes:

1. Debt = Non-current borrowings + Current borrowings
2. Net worth = Equity Share Capital + Other equity less capital reserve
3. EBITDA = Earnings before interest^, depreciation and amortisation, exceptional items and tax
4. Cost of goods sold = Cost of materials consumed + Subcontracting expenses
5. Net purchases = Purchases + Subcontracting expenses + Other expenses
6. Working Capital = Current assets- Current liabilities
7. EBITE = Earnings before interest, tax and exceptional items
8. Capital employed = Total equity + Non-current borrowings + Current borrowings

^ Excludes interest on advance from customers.

Reason for change in ratio by more than 25%

Particulars		Variation	Reason for Variance in excess of 25%
(a)	Current Ratio	-2.08%	Refer note below
(b)	Debt Equity ratio	-30.87%	Owing to reduction in debt and increase in net worth on account of profit for the year.
(c)	Debt Service Coverage Ratio	12.33%	Refer note below
(d)	Return on Equity Ratio	-45.11%	Owing to reduction in profit after tax for the year and increase In net worth on account of profit of the year.
(e)	Inventory Turnover Ratio	11.98%	Refer note below
(f)	Trade Receivables Turnover Ratio	28.75%	As a part of debt resolution plan some receivable against arbitration awards were transferred to Prolific Resolution Private Limited. Therefore average trade receivables of previous year were higher as compared to current year.
(g)	Trade payables Turnover Ratio	-3.24%	Refer note below
(h)	Net Capital Turnover Ratio	24.29%	Refer note below
(i)	Net Profit Ratio	-27.03%	Owing to reduction in profit after tax for the year and increase in net worth on account of profit of the year.
(j)	Return on Capital Employed (ROCE)	15.19%	Refer note below
(k)	Return on Investment (ROI)	N.A.	N.A.

Note: Since the change in ratio is less than 25%, no explanation is required to be disclosed.

(Amount in ₹ crore, unless otherwise stated)

NOTE 43 DISCLOSURES REQUIRED PURSUANT TO IND AS 102 SHARE BASED PAYMENT

The Company has granted stock options under the HCC Employees Stock Option Scheme ('ESOP Scheme'). These options would vest based on the vesting conditions as per letter of grant executed between the Company and its employees. Each option when exercised would be converted into one fully paid up equity share of ₹ 1 each of the Company. The relevant details of the scheme, grant and activity under ESOP Scheme are summarised below:

A. The number and weighted average exercise prices of, and movements in, share option:

Particulars	No. of Options	Exercise Price (₹)
Options outstanding as at 1 April 2022	**-**	**-**
Options granted during the year	371,748	13.45
Options forfeited/ lapsed/ expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2023	**371,748**	**13.45**
Options outstanding as at 1 April 2023	**371,748**	**13.45**
Options granted during the year	-	-
Options forfeited/ lapsed/ expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2024	**371,748**	**13.45**

The weighted average of the remaining contractual life is 1.96 years.

B. Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the period:

Particulars	UOM	Key parameter
Vesting period	Years	3
Date of grant	Date	15 March 2023
Market price	₹	14.85
Expected life	Years	2.96
Volatility	%	64.00
Risk free rate	%	7.36
Exercise price	₹	13.45
Dividend yield	%	NIL
Option fair value	₹	8.31

Note:

Expected volatility reflects assumption that the historical volatility over a year similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(Amount in ₹ crore, unless otherwise stated)

NOTE 44 OTHER STATUTORY INFORMATION

a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b) The Company does not have any transactions with struck off companies.

c) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

   ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

g) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

h) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

i) The Company has not entered into any scheme of arrangement which has an accounting impact on the standalone financial statements for the current or previous year.

NOTE 45 DETAILS OF LOAN GIVEN TO ULTIMATE BENEFICIARY THROUGH FUNDING PARTY

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, except the below transaction:

Sr.	Date of fund received	Amount	Name of party, relationship, address and CIN of funding party	Date of fund given as loan	Amount	Name of party, relationship, address and UIN of receiving the loan (ultimate beneficieries)
1	28 March 2024	3.79	Steiner India Limited (subsidiary of step down subsidiary) Address : Hincon House, LBS Marg, Vikhroli West, Mumbai- 400 083 CIN: U45203MH2011FLC221029	28 March 2024	3.79	HCC Mauritius Enterprises Limited (subsidiary) Address : Suite 308, St James Court, St Denis Street, Port Louis, Republic of Mauritius UIN: BYWAZ20100271
2	28 March 2024	21.40	Steiner India Limited (subsidiary of step down subsidiary) Address : Hincon House, LBS Marg, Vikhroli West, Mumbai- 400 083 CIN: U45203MH2011FLC221029	28 March 2024	21.40	HCC Mauritius Investment Limited (subsidiary) Address : Suite 308, St James Court, St Denis Street, Port Louis, Republic of Mauritius UIN: BYWAZ20131046

Note: The Company has compiled with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act, 2013, for above transactions and are not in violation of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

(Amount in ₹ crore, unless otherwise stated)

NOTE 46 AUDIT TRAIL

The Ministry of Corporate Affairs (MCA) vide notification dated 24 March 2021 has issued the "Companies (Audit and Auditors) Amendment Rules, 2021. As per proviso to Rule 3(1), applicable for financial years commencing on or after the 1 April, 2022, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

As required under above rules, the Company has used SAP application as accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded and the audit trail feature has not been tampered with.

The audit trail feature at database level was enabled subsequent to balance sheet date. However, the Company believes that no instances of changes in database found as the Company has all other necessary controls in place which are operating effectively

NOTE 47 The Company is principally engaged in a single business segment viz. "Engineering and Construction". Also, refer note 39 (ii) b for information on revenue from major customers.

NOTE 48 Figures for the previous year have been regrouped/ rearranged, wherever considered necessary, to confirm to current period's classification. The impact of such reclassification/ regrouping is not material to the standalone financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

ANNEXURE I

Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted alongwith Annual Audited Financial Results (Standalone)

Statement on Implication of Audit Qualifications for the Financial Year ended 31 March 2024

[See Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016)]

(₹ in Crore except earnings per share)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/ total income	5,167.70	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	2	Total expenditure	4,966.40	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	3	Exceptional items	168.56	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	4	Net profit for the year after tax	178.57	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	5	Earnings per share (in ₹)	1.18	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	6	Total assets	8,138.03	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	7	Total liabilities	7,216.95	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	8	Net worth	921.08	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	9	Any other financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification

a. Details of Audit Qualification:

(i) Note 9 to the accompanying Statement, the Company's investments in subsidiaries as at 31 March 2024 includes non- current investment in HCC Infrastructure Company Limited ('HICL'), its wholly owned subsidiary, amounting to ₹ 1,294.45 crore, stated at cost. The subsidiary's consolidated net-worth as at 31 March 2024 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 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 10 to the accompanying Statement, the Company has recognised net deferred tax assets amounting to ₹ 613.09 crore as at 31 March 2024, 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 Company, 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 March 2024.

b. Type of Audit Qualification: Qualified Opinion

ANNEXURE I...Contd.

c.	**Frequency of Qualification:**	Qualification II (a) (i)- Appearing in continunation since the quarter/ period ended 31 December 2021; Qualification II (a) (ii)- Appearing in continunation since the quarter and year ended 31 March 2020;
d.	**For Audit Qualifications where the impact is quantified by the auditor, Management views:**	Not applicable as the impact is unquantified
e.	**For Audit Qualifications where the impact is not quantified by the auditor:**	
	i) Management's estimation on the impact of audit qualification:	Not ascertainable
	ii) If management is unable to estimate the impact, reasons for the same:	II (a) (i) As at 31 March 2024, the Company has investments (including deemed investments) in its wholly owned subsidiary HCC Infrastructure Company Limited ('HICL') aggregating ₹ 1,294.45 crore (31 December 2023: ₹ 1,417.15 crore and 31 March 2023: ₹ 1,434.65 crore) classified as non-current investment ₹ 1,294.45 crore (31 December 2023: ₹ 1,214.65 crore and 31 March 2023: ₹ 1,214.65 crore) and current investment of Nil (31 December 2023: ₹ 202.5 crore and 31 March 2023: ₹ 220 crore). While the consolidated net worth of HICL as at 31 March 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 in respect of future business plans, expected share of future revenues of subsidiaries sold and outcome of litigations for favourable arbitration awards in a step-down 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 report is modified in respect of this matter. II (a) (ii) As at 31 March 2024, the Company has recognised net deferred tax assets amounting to ₹ 613.09 crore (31 December 2023: ₹ 722.71 crore and 31 March 2023: ₹ 741.93 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Company during the current year, is liable to pay tax as per Section 115JB of the Income Tax Act. Further, during the current year, deferred tax assets on expiring brought forward losses of ₹ 88.49 crore have been reversed. 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 report is modified in respect of this matter.
	iii) Auditors' comments on (i) or (ii) above	Included in details of auditor's qualifications stated above

III. Signatories:

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797

Place: Mumbai
Date: 24 May 2024

For **Hindustan Construction Company Limited**

Jaspreet Bhullar
Managing Director & Chief Executive Officer
DIN : 03644691

Mahendra Singh Mehta
Audit Committee Chairman
DIN : 00019566

Girish Gangal
Chief Financial Officer

Place: Mumbai
Date: 24 May 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindustan Construction Company Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements 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, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and joint ventures, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. Note 10.1 to the accompanying consolidated financial statements, the Holding Company has recognised net deferred tax assets amounting to ₹ 613.09 crore as at 31 March 2024, 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 March 2024.

   Our audit report dated 18 May 2023 on the consolidated financial statements of the Group for the year ended 31 March 2023 was also qualified in respect of this matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 17 and 18 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

5. In relation to the matter described in Note 48 to the accompanying consolidated financial statements and the following Material Uncertainty Related to Going Concern paragraph included in audit report on the consolidated financial statements of Steiner AG, a step-down subsidiary of the Holding Company, audited by an independent firm, vide their audit report dated 24 April 2024 which is reproduced by us as under:

   "We draw attention to the note XX of the consolidated financial statements describing the performance of the company given its challenging business situations and resulting liquidity difficulties it faced as of 31 March 2024. Furthermore, the company did not comply with the financial covenant of the bank syndicate facility regarding the minimum consolidated EBIT as at 31 March 2024. 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 opinion is not modified in respect of this matter.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

7. In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
(a) Assessment of control in Prolific Resolution Private Limited pursuant to the terms of investment agreement (Refer note 33.2 to the consolidated financial statements)	
Pursuant to the successful implementation of the resolution plan during the previous year, the Holding Company novated specified debt of lenders to Prolific Resolution Private Limited ('PRPL'), its wholly owned subsidiary, with the consideration being the assignment of beneficial interest in the specified arbitration awards and claims in favor of PRPL. Further, PRPL also entered into a Service Agreement with the Holding Company to avail services for efficient management and realisation of monies due under the specified awards and claims. During the year, the Holding Company, PRPL and Jadeja Investment Management Private Limited ('JIPL') entered into an Investment Agreement pursuant to which PRPL has issued 52,040 equity shares to JIPL on preferential basis for a consideration of ₹ 25 crore resulting in dilution of interest of the Holding Company in PRPL and JIPL acquiring 51% share of PRPL. Based on the evaluation of the terms of the Investment Agreement and Service Agreement, the Group and JIPL are assessed to have joint control over the relevant activities of PRPL and consequently, PRPL ceased to be a subsidiary of the Group. Considering the complexities involved and significant management judgement in assessing control over relevant activities of PRPL, this transaction has been considered as a key audit matter for the current year audit.	Our audit procedures to address this key audit mater included but were not limited to the following: • Evaluated the design and tested the operating effectiveness of the key internal controls relating to assessment of control over investee companies. • Obtained and reviewed the terms of the Investment Agreement and Service Agreement to understand the rights of the parties with respect to directing the relevant activities of PRPL. • Assessed the reasonability of judgements exercised by the management with respect to the assessment of control over relevant activities of PRPL in accordance with Ind AS 110 'Consolidated Financial Statements'. • Assessed whether the Holding Company has joint control over relevant activities of PRPL in accordance with the criteria given under Ind AS 111, Joint Arrangements; • Obtained and tested the computation of 'gain on loss of control' recognised in the consolidated financial statements; and • Evaluated the appropriateness and adequacy of the disclosures in the consolidated financial statements in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
(b) Recognition of contract revenue, margin and contract costs (Refer note 26 to the consolidated financial statements)	
The Group's revenue primarily arises from construction contracts and real estate which, by its nature, is complex given the significant judgements involved in the assessment of identification and satisfaction of performance obligations. The Group recognises contract revenue on the basis of stage of completion determined based on the proportion of contract costs incurred till balance sheet date to the total estimated costs of the contract at completion. The recognition of contract revenue and the resultant profit/ loss therefore rely on estimates in relation to forecasted revenue and contract costs. These contract estimates are reviewed by the management on a periodic basis. In doing so, the management is required to exercise significant judgement in its assessment of the transaction price which may also include variable consideration pertaining to additional claims raised by the Company. The management is also required to exercise judgment to assess the completeness and accuracy of forecasted costs to complete.	Our audit procedures and those performed by the component auditors to address this key audit matter included, but were not limited to the following: • Obtained an understanding of the Group's revenue recognition processes and evaluated the appropriateness of the Group's accounting policy for revenue recognition in accordance with Ind AS 115 – Revenue from contracts with customers; • Evaluated the design and tested the operating effectiveness of key internal financial controls including those related to estimation of forecasted contract revenue and contracts costs; • For a sample of contracts, performed the following procedures: - inspected the underlying documents such as customer contract/ agreement and variation orders, if any, for the significant contract terms and conditions; - evaluated the identification of performance obligations as per the contract;

Key audit matter	How our audit addressed the key audit matter
Changes in these estimates as contracts progress can result in material adjustments to revenue and margins. Considering high estimation uncertainty, complexities involved and material impact on the financial statements, this area has been considered a key audit matter for the current year audit.	- obtained an understanding of and evaluated the reasonableness of the assumptions applied in determining the forecasted revenue and cost to complete; - tested the existence and valuation of variable consideration with respect to the contractual terms and conditions, and inspected the related correspondence with customers; and - reviewed the legal and contracting experts' note and/ or legal opinion from independent legal counsel obtained by the management, if any; - Tested the forecasted cost by obtaining executed purchase orders/ agreements/ relevant documents and evaluated the reasonableness of management judgements/ estimates; • For cost incurred to date, tested samples by verifying underlying supporting documents • Performing analytical procedures including project profitability analysis, for reasonableness of revenue recognized; and • Evaluated the appropriateness and adequacy of the disclosures related to contract revenue and costs in the consolidated financial statements in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
(c) Uncertainties relating to recoverability of unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables (Refer note 36 of the consolidated financial statements)	
The Holding Company, as at 31 March 2024, has unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables amounting to ₹ 528.81 crore, ₹ 245.54 crore and ₹ 57.52 crore, respectively, which represent various receivables in respect of closed/ substantially closed/ suspended/ terminated projects. The Holding Company is at various stages of negotiations/ discussions / arbitration/ litigation with the customers in respect of the aforementioned receivables. Management, based on contractual tenability, progress of the negotiations/ discussions/ arbitration/ litigation and relying on the legal opinion obtained from independent legal counsel in certain cases, has determined that no provision is required to be recognised for the aforementioned receivables. Considering the materiality of the amounts involved, uncertainty associated with the outcome of the negotiations/ discussions/ arbitration/ litigation and significance of management judgement involved in assessing the recoverability, this was considered to be a key audit matter in the audit of the consolidated financial statements.	Our audit procedures included, but were not limited to, the following: • Obtained an understanding of the management process and evaluated the design and tested the effectiveness of key internal financial controls for assessing the recoverability of unbilled work-in-progress (contract assets) and trade receivables. • Assessed the reasonability of judgements exercised and estimates made by management with respect to the recoverability of these receivables and validated them with corroborating evidence; • Verified contractual arrangements to support management's position on the tenability and recoverability of these receivables; • Obtained an understanding of the current period developments for respective receivables pending at various stages of negotiations/ discussions/ arbitration/ litigation and corroborated the updates with relevant underlying documents.

Key audit matter	How our audit addressed the key audit matter
Further, the aforementioned matter as fully explained in Note 36 to the consolidated financial statements is also considered fundamental to the user's understanding of the consolidated financial statements.	• Reviewed the legal and contractual experts' note and/ or legal opinion from independent legal counsel obtained by the management with respect to certain contentious matters; and • Evaluated the appropriateness and adequacy of the disclosures in the consolidated financial statements in accordance with the applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

8. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board Report, Report on Corporate Governance and Management Discussion and Analysis Report but does not include the consolidated financial statements and our auditor's report thereon. The Board Report, Report on Corporate Governance and Management Discussion and Analysis Report are expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Board Report, Report on Corporate Governance and Management Discussion and Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

9. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

13. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

    - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, and its associates and joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

17. We did not audit the financial statements of twenty-seven (27) subsidiaries, whose financial statements reflect total assets of ₹ 3,355.83 crore as at 31 March 2024, total revenues of ₹ 1,965.73 crore and net cash outflows amounting to ₹ 581.99 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 41.16 crore for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of five (5) associates and one (1) joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

18. We did not audit the financial statements of eight (8) joint operations, whose financial statements reflects Group's share of total assets of ₹ 152.61 crore as at 31 March 2024, and the Group's share of total revenues of ₹ 475.19 crore, total net profit after tax of ₹ 7.40 crore, total comprehensive income of ₹ 7.40 crore and cash outflows (net) of ₹ 0.20 crore respectively for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid joint operations, are based solely on the reports of the other auditors.

    Further, of these joint operations, the financial statements of five (5) joint operations have been prepared in accordance with accounting principles generally accepted in India, including accounting standards issued by ICAI. The Holding Company's management has converted the financial statements of such joint operations in accordance with Ind AS and other accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of such joint operations, is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 17, on separate financial statements of the subsidiaries, associates and joint ventures, we report that the Holding Company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

    Further, we report that nineteen (19) subsidiary companies and one (1) joint venture company incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

20. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 17 above, of companies included in the consolidated financial statements for the year ended 31 March 2024 and covered under the Act, refer Annexure II for details of qualifications and/or adverse remarks given by the respective auditors in the Order reports of such companies.

21. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matters described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 21(j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) The matters described in paragraph 3 of the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Holding Company and paragraph 5 of the Emphasis of Matter section may have an adverse effect on the functioning of Steiner AG, a step-down subsidiary of the Holding Company;

    f) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding Company and its subsidiaries respectively, and the reports of the statutory auditors of its subsidiaries, associates and joint ventures, covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

g) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 3 of the Basis for Qualified Opinion section, paragraph 21(b) above on reporting under section 143(3)(b) of the Act and paragraph 21(j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries, associates and joint ventures covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure III' wherein we have expressed a modified opinion; and

i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures as detailed in Notes 7.1, 35, 36 and 37 to the consolidated financial statements;

ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 22 to the consolidated financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries, associates and joint ventures covered under the Act, during the year ended 31 March 2024;

iv. a. The respective managements of the Holding Company and its subsidiaries, associates and joint ventures incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief as disclosed in note 50 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries, associates and joint ventures to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries, associates and joint ventures ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries, associates and joint ventures incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the note 50 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries, associates and joint ventures from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries, associates and joint ventures shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, associates and joint ventures, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company, its subsidiaries, associates and joint ventures have not declared or paid any dividend during the year ended 31 March 2024.

vi. As stated in note 51 to the consolidated financial statements based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, associates and joint ventures of the Holding Company which are companies incorporated in India and audited under the Act, except for instance mentioned below, the Holding Company its subsidiaries, associates and joint ventures, in respect of financial year commencing on 1 April 2023, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the above referred subsidiaries, associates and joint ventures did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below:

Nature of exception noted	Details of exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all records by the Holding Company and fifteen (15) subsidiaries and one (1) joint venture.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
UDIN: 24101797BKCPCT7447

Place: Mumbai
Date: 24 May 2024

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

List of Entitites included in the consolidated financial statements

Subsidiary Companies	
HCC Contract Solutions Limited	HRL (Thane) Real Estate Limited
Western Securities Limited	Steiner AG
HREL Real Estate Limited (upto 31 March 2024)	HCC Realty Limited (upto 31 March 2024)
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 Investment Limited	Steiner Leman SAS
HRL Township Developers Limited	Steiner India Limited
HCC Aviation Limited (upto 31 March 2024)	Powai Real Estate Developer Limited (upto 31 March 2024)
Nashik Township Developers Limited (upto 31 March 2024)	Baharampore- Farakka Highways Limited (upto 28 March 2023)
Maan Township Developers Limited	Raiganj- Dalkhola Highways Limited
Manufakt8048 AG	Steiner Construction SA (upto 18 January 2024)
Narmada Bridge Tollways Limited	Prolific Resolution Private Limited (upto 30 September 2023)
Badarpur Faridabad Tollways Limited	
Associates	
Highbar Technocrat Limited	Evostate Immobillen AG
Evostate AG	MCR Managing Corp. Real Estate
Hegias AG, Zurich	
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	HCC- VCCL Joint Venture
Nathpa Jhakri Joint Venture	HCC- HDC Joint Venture
Werkarena Basel AG	
Joint Venture	
Prolific Resolution Private Limited (w.e.f. 30 September 2023)	

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 22 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Following are the qualifications/adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2024 for which such Order reports have been issued till date and made available to us:

Sr. No.	Name of the entity	CIN	Holding Company / subsidiary / Associate / Joint Venture/ Joint operation	Clause number of the CARO report which is qualified or adverse
1	Hindustan Construction Company Limited	L45200MH1926PLC001228	Holding Company	(vii)(a)
2	Western Securities Limited	U67120MH1985PLC037511	Subsidiary	(iii)(b), (iii)(c), (iii)(d), (iii)(e), (iii)(f) and (iv)
3	Highbar Technologies Limited	U72900MH2009PLC197299	Subsidiary	(xix)
4	HRL Township Developers Limited	U45201MH2006PLC163478	Subsidiary	(iii)(b), (iii)(c)
5	Maan Township Developers Limited	U45200MH2007PLC167462	Subsidiary	(i)(c), (iii)(b), (iii)(c)
6	Panchkutir Developers Limited	U45201MH2006PLC165073	Subsidiary	(iii)(b), (iii)(c), (vii)(a)
7	HCC Infrastructure Company Limited	U45400MH2010PLC210944	Subsidiary	(iii)(b), (iii)(c), (iii)(d), (vii)(b)
8	HRL (Thane) Real Estate Limited	U45201MH2006PLC163515	Subsidiary	(i)(c)
9	Badarpur Faridabad Tollway Limited	U45203MH2008PLC184750	Subsidiary	(xix)
10	Raiganj-Dalkhola Highways Limited	U45400MH2010PLC200734	Subsidiary	(xix)
11	HCC Operations & Maintenance Limited	U93030MH2012PLC237676	Subsidiary	(vii)(b)
12	Steiner India Limited	U45203MH2011FLC221029	Subsidiary	(iii)(b), (vii)(b), (x)(b)

ANNEXURE III TO THE INDEPENDENT AUDITOR'S REPORT

Annexure III to the Independent Auditor's Report of even date to the members of Hindustan Construction Company Limited on the consolidated financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of **Hindustan Construction Company Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error

or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Group's internal financial controls with reference to financial statements as at 31 March 2024:

   a) The Holding Company's internal financial controls system with respect to assessing the recoverability of deferred tax assets, as explained in Note 10.1 to the consolidated financial statements, as per Ind AS 12 'Income taxes' were not operating effectively, which could potentially lead to a material misstatement in the carrying value of deferred tax assets and its consequential impact on earnings, other equity and related disclosures in the consolidated financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

10. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weakness described in paragraph 8 above on the achievement of the objectives of the control criteria, the Group's internal financial controls with reference to financial statements were operating effectively as at 31 March 2024.

11. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group and its associate company, which are companies covered under the Act, as at and for the year ended 31 March 2024, and these material weaknesses have affected our opinion on the consolidated financial statements of the Group, and its associate companies and we have issued a qualified opinion on the consolidated financial statements.

Other Matter

12. We did not audit the internal financial controls with reference to financial statements in so far as it relates to eighteen (18) subsidiary companies, one (1) joint venture company and one (1) associate company, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 555.45 crore and net assets of ₹ 36.55 crore as at 31 March 2024, total revenues of ₹ 282.72 crore and net cash outflows amounting to ₹ 15.13 crore for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, associate companies and joint venture companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
UDIN: 24101797BKCPCT7447

Place: Mumbai
Date: 24 May 2024

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3A	284.07	358.09
Right-of-use assets	3B	93.62	186.80
Capital work-in-progress	3C	0.84	0.12
Investment property	4	3.45	2.84
Goodwill	5	3.38	3.38
Other intangible assets	5	64.09	72.10
Investments in joint ventures and associates	6	206.82	59.66
Financial assets			
Other Investments	6A	38.56	19.11
Trade receivables	7	703.15	670.12
Loans	8	36.78	26.62
Other financial assets	9	10.05	3,134.10
Deferred tax assets (net)	10	623.43	782.02
Non-current tax assets (net)	10	43.48	117.46
Other non-current assets	11	118.82	117.56
Total non-current assets		**2,230.54**	**5,549.98**
Current assets			
Inventories	12	436.31	490.52
Financial assets			
Investments	13	0.15	0.70
Trade receivables	7	2,204.17	2,698.14
Cash and cash equivalents	14	398.73	581.91
Bank balances other than cash and cash equivalents	15	114.39	571.63
Other financial assets	9	59.76	95.09
Unbilled work-in-progress (contract assets)	16	3,414.29	2,924.98
Other current assets	11	201.04	262.96
		6,828.84	**7,625.93**
Assets held for sale	17	-	2.19
Total current assets		**6,828.84**	**7,628.12**
TOTAL ASSETS		**9,059.38**	**13,178.10**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	151.31	151.31
Other equity	19	(319.79)	(865.69)
Equity attributable to owners of the parent		**(168.48)**	**(714.38)**
Non-controlling interest		0.00*	0.00*
Total equity		**(168.48)**	**(714.38)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	1,671.52	4,851.11
Lease liabilities	41	96.89	185.70
Other financial liabilities	21	1,470.55	1,708.73
Provisions	22	86.68	126.68
Total non-current liabilities		**3,325.64**	**6,872.22**
Current liabilities			
Financial liabilities			
Borrowings	20	436.95	443.41
Lease liabilities	41	17.18	31.35
Trade payables	23		
- Total outstanding dues of micro enterprises and small enterprises		90.38	134.67
- Total outstanding dues of creditors other than micro enterprises and small enterprises		2,383.11	2,856.54
Other financial liabilities	21	1,016.48	856.76
Other current liabilities	24	1,651.17	2,086.62
Current tax liabilities	10	0.21	8.97
Provisions	22	306.74	601.94
		5,902.22	**7,020.26**
TOTAL EQUITY AND LIABILITIES		**9,059.38**	**13,178.10**

* Represents amount less than ₹ 1 lakh

The accompanying notes are an integral part of the consolidated financial statements

This is the Consolidated Balance Sheet referred to in our audit report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
Continuing Operations			
Income			
Revenue from operations	25	7,006.71	8,269.86
Other income	26	132.66	53.18
Total income		**7,139.37**	**8,323.04**
Expenses			
Cost of materials consumed	27	862.05	1,009.64
Subcontracting expenses		4,261.65	5,395.45
Changes in inventories	28	10.16	(11.04)
Employee benefits expense	29	640.33	727.95
Finance costs	30	813.27	1,012.31
Depreciation and amortisation expense	31	105.10	127.64
Other expenses	32	561.32	599.57
Total expenses		**7,253.88**	**8,861.52**
Loss before share in profit of associates/ joint ventures, exceptional items and tax		(114.51)	(538.48)
Share in profit of associates/ joint ventures (net)		41.39	9.59
Loss before exceptional items and tax		**(73.12)**	**(528.89)**
Exceptional items- Gain	33	850.75	409.74
Profit/ (Loss) before tax		**777.63**	**(119.15)**
Tax expense / (credit)	10		
Current tax		89.64	4.15
Deferred tax		158.57	(70.79)
Total tax expense/ (credit)		**248.21**	**(66.64)**
Profit / (loss) for the year from continuing operations (A)		**529.42**	**(52.51)**
Discontinued Operations			
Profit/ (Loss) before tax from discontinued operations		(51.26)	28.99
Tax expense of discontinued operations		-	4.32
Profit/ (Loss) after tax from discontinued operations (B)		**(51.26)**	**24.67**
Net profit/ (loss) from total operation (A) + (B)		**478.16**	**(27.84)**
Other comprehensive income/ (loss)			
(a) Items that will not to be reclassified subsequently to statement of profit or loss (net of tax)			
- Gain/ (Loss) on remeasurement of defined benefit plans		49.92	(20.23)
- Gain on fair value of equity instruments		19.46	0.53
(b) Items that will be reclassified subsequently to statement of profit or loss (net of tax)			
- Translation loss relating to foreign operations		(1.84)	(6.06)
Total other comprehensive income/ (loss) for the year, net of tax (C)		**67.54**	**(25.76)**
Total comprehensive income/ (loss) for the year, net of tax (A+B+C)		**545.70**	**(53.60)**
Profit/ (loss) for the year attributable to:			
Owners of the parent		478.16	(27.84)
Non-controlling interest		(0.00)*	0.00*
Other comprehensive income/ (loss) attributable to:			
Owners of the parent		67.54	(25.76)
Non-controlling interest		(0.00)*	0.00*
Total comprehensive income/ (loss) attributable to:			
Owners of the parent		545.70	(53.60)
Non-controlling interest		(0.00)*	0.00*
Earnings / (Loss) per share (Face value of ₹ 1 each) - for continuing operations			
a) Basic EPS (in ₹)	34	3.50	(0.35)
b) Diluted EPS (in ₹)		3.50	(0.35)
Earnings/ (Loss) per share (Face value of ₹ 1 each) - for discontinued operations			
a) Basic EPS (in ₹)	34	(0.34)	0.16
b) Diluted EPS (in ₹)		(0.34)	0.16
Earnings/ (Loss) per share (Face value of ₹ 1 each) - for total operations			
a) Basic EPS (in ₹)	34	3.16	(0.19)
b) Diluted EPS (in ₹)		3.16	(0.19)

* Represents amount less than ₹ 1 lakh

The accompanying notes are an integral part of the consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our audit report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/ (loss) before tax including discontinued operations	726.37	(90.16)
	Adjustments for:		
	Depreciation and amortisation expense	105.10	127.64
	Finance costs	813.27	1,012.31
	Interest income	(31.10)	(20.95)
	Fair valuation gain on subsequent measurement of financial assets	(275.80)	(248.55)
	Gain on implementation of debt resolution plan of the holding company	-	(223.30)
	Gain on sale of land	(87.93)	-
	Gain on settlement of debt	(55.75)	(43.96)
	Gain on deconsolidation of erstwhile subsidiaries	(762.82)	(142.48)
	Share in profit of associates and joint ventures (net)	(41.39)	(9.59)
	Dividend income	(0.07)	(4.57)
	Unrealised exchange gain on foreign currency translation (net)	(23.13)	(4.18)
	Profit on disposal of property, plant and equipment (net)	(6.06)	(2.89)
	Employee stock option expenses	0.20	-
	Loss allowance on financial assets	19.33	29.72
	Provision no longer required written back	(64.94)	(50.14)
		(411.09)	**419.06**
	Operating profit before working capital changes	315.28	328.90
	Adjustments for changes in working capital:		
	Increase/ (decrease) in inventories	54.21	(5.68)
	Increase/ (decrease) in trade receivables	425.74	(239.57)
	Increase/ (decrease) in other financial assets, other assets and unbilled work-in-progress	(746.15)	145.20
	Decrease in trade payables, other financial liabilities, other liabilites and provisions	80.50	(217.83)
	Cash generated from operations	**129.58**	**11.02**
	Direct taxes paid/ (refunded) (net)	(38.90)	4.98
	Net cash generated from operating activities	**90.68**	**16.00**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment	(18.63)	(214.46)
	Proceeds from disposal of property, plant and equipment	98.61	9.47
	Proceeds from sale of investments	0.26	5.69
	Investments in associates	-	(29.60)
	Net proceeds from bank deposits	457.19	250.06
	Interest received	14.93	25.89
	Proceeds from sale of erstwhile subsidiaries	272.42	373.99
	Dividend received	0.07	4.57
	Net cash generated from investing activities	**824.85**	**425.61**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long-term borrowings	(284.69)	(175.43)
	Repayment of short-term borrowings (net)	(45.32)	(26.00)
	Repayment of lease labilities	(33.05)	(9.77)
	Proceeds from issue of equity shares by erstwhile subsidiary	15.25	-
	Finance costs paid	(462.03)	(391.90)
	Net cash used in financing activities	**(809.84)**	**(603.10)**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**105.69**	**(161.49)**
	Cash and cash equivalents at the beginning of the year	581.91	720.97
	Impact of deconsolidation of erstwhile subsidiaries	(313.96)	-
	Unrealised foreign exchange gain (net)	25.09	22.43
	Cash and cash equivalents at the end of the year	398.73	581.91

Notes:

1) The cash flow statement has been prepared under the indirect method as set out in Ind AS 7- Statement of Cash Flows.

2) Additions include movements of capital work-in-progress, capital advances and liability for capital goods, including intangible assets.

This is the Consolidated Cash Flow Statement referred to in our audit report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

a) Equity share capital (equity shares of ₹ 1 each)

Particulars	Issued, subscribed and paid-up	
	Number	Amount
As at 1 April 2022	**1,512,976,244**	**151.31**
Issued during the year	-	-
As at 31 March 2023	**1,512,976,244**	**151.31**
Issued during the year	-	-
As at 31 March 2024	**1,512,976,244**	**151.31**

b) Other equity

Particulars	Reserves and surplus								Other comprehensive income		Non-controlling interest	Total equity attributable to equity holders
	Capital reserve	Forfeited debentures account	Securities premium	Share option outstanding reserve	Debenture redemption reserve	General reserve	Retained earnings	Other Reserves: Foreign currency monetary translation reserve	Equity instruments at fair value through other comprehensive income	Translation loss relating to foreign operation (net)		
As at 1 April 2022	**39.70**	**0.02**	**2,650.87**	**-**	**54.99**	**180.24**	**(3,772.42)**	**1.64**	**(11.54)**	**46.06**	**0.00***	**(810.45)**
Loss for the year	-	-	-	-	-	-	(27.84)	-	-	-	-	(27.84)
Other comprehensive gain/ (loss) for the year	-	-	-	-	-	-	(20.23)	-	0.53	(6.06)	-	(25.76)
Restatement of foreign currency monetary translation items	-	-	-	-	-	-	-	1.51	-	-	-	1.51
Share based payment expense	-	-	-	0.00 *	-	-	-	-	-	-	-	-
Amortization of foreign currency monetary translation items	-	-	-	-	-	-	-	(3.15)	-	-	-	(3.15)
As at 31 March 2023	**39.70**	**0.02**	**2,650.87**	**0.00 ***	**54.99**	**180.24**	**(3,820.50)**	**-**	**(11.01)**	**40.00**	**0.00***	**(865.69)**
Profit for the year	-	-	-	-	-	-	478.16	-	-	-		478.16
Other comprehensive gain/ (loss) for the year	-	-	-	-	-	-	49.92	-	19.46	(1.84)	-	67.54
Share based payment expense	-	-	-	0.20	-	-	-	-	-	-	-	0.20
As at 31 March 2024	**39.70**	**0.02**	**2,650.87**	**0.20**	**54.99**	**180.24**	**(3,292.43)**	**-**	**8.45**	**38.16**	**0.00 ***	**(319.79)**

* Represents amount less than ₹ 1 lakh

This is the consolidated statement of Changes in Equity referred to in our audit report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

NOTE 1 CORPORATE INFORMATION

Hindustan Construction Company Limited (the "Holding Company", "Parent" or "HCC") is a public limited company incorporated and domiciled in India. The Company having CIN L45200MH1926PLC001228, is principally engaged in the business of providing engineering and construction services. Its shares are listed on two recognised stock exchanges in India- the Bombay Stock Exchange and the National Stock Exchange. The registered office of the Company is located at Hincon House, LBS Marg, Vikhroli (West), Mumbai- 400 083, India.

The consolidated financial statements comprises the financial statements of the Company and its subsidiaries (the Company and its subsidiaries referred to as the "Group") and its associates and joint arrangements. The Group is principally engaged in the business of providing engineering and construction services. These consolidated financial statements ("the financial statements") of the Group for the year ended 31 March 2024 were authorised for issue in accordance with resolution of the Board of Directors on 24 May 2024.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation

The financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time and guidelines issued by Securities and Exchange Board of India (SEBI) to the extent applicable.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities and share based payments which have been measured at fair value, on an accrual basis of accounting.

The Group's financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are presented in ₹ crore (INR 0,000,000), except when otherwise indicated. Amount presented as "0.00* " are non zero numbers rounded off in crore.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to Act. The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7)- Statement of Cash Flows. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with other notes required to be disclosed under the notified Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

ii) Operating cycle for current and non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Group as per the guidance set out in Schedule III to the Act. Operating cycle is the time between the acquisition of resources / assets for processing their realisation in cash and cash equivalents. Operating cycle for the business activities of the Group covers the duration of the project / contract / service including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project.

iii) Principles of consolidation

The financial statements have been prepared on the following basis:

a) Subsidiaries

- The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

- Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.

- The consolidated financial statements of the Group combine financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses, and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the financial statements.

- Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

- The gains/ losses in respect of part divestment/ dilution of stake in subsidiary companies not resulting in ceding of control, are recognised directly in other equity attributable to the owners of the Parent Company.

- The gains/ losses in respect of divestment of stake resulting in ceding of control in subsidiary companies are recognised in the Statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognised at its fair value with the corresponding effect recognised in the Statement of Profit and Loss as on the date the control is ceded. Such retained interest is subsequently accounted as an associate or a joint venture or a financial asset.

b) Investments in joint venture and associates

When the Group has with other parties' joint control of the arrangement and rights to the net assets of the joint arrangement, it recognises its interest as joint venture. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. When the Group has significant influence over the other entity, it recognises such interests as associates. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.

The results, assets and liabilities of joint venture and associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable. An investment in associate or joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint venture or associate. Gain or loss in respect of changes in other equity of joint ventures or associates resulting in dilution of stake in the joint ventures and associates is recognised in the Statement of Profit and Loss. On acquisition of investment in a joint venture or associate, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture, is recognised as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve. The unrealised profits/ losses on transactions with joint ventures are eliminated by reducing the carrying amount of investment.

The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

c) Interests in joint operations

In accordance with Ind AS 111- Joint Arrangements, when the Group has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Parent Company and its subsidiaries are combined for consolidation.

d) Business combination / Goodwill on consolidation

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

The excess of the:

- Consideration transferred;

- Amount of any non-controlling interest in the acquired business, and

- Acquisition-date fair value of any previous equity interest in the acquired business over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase is recognized directly in equity as capital reserve.

Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully. Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

e) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

iv) Accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

v) Key accounting estimates and assumptions

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

a) Going concern

The Group in earlier years has incurred significant losses resulting in full erosion of net worth. Further, the Holding Company was also in default on payment to its lenders and also had overdue payments to operational creditors of which certain creditors also applied before National Company Law Tribunal ('NCLT') for debt resolution under Insolvency and Bankruptcy Code, 2016, none of which were admitted. During the current year, 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 Group, 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. Consequently, the Holding Company is not in default in repayment of dues to its lenders as at 31 March 2024.

Based on the above and considering the future business plans, including time-bound monetization of assets, the management has prepared the future cash flow forecasts to assess its ability to operate as a going concern for a period of at least 12 months from the date of financial statements and concluded that the going concern basis of accounting used for preparation of the accompanying consolidated financial statements is appropriate with no material uncertainty over going concern.

b) Contract estimates

Refer note 2(xxiii) below

c) Variable consideration (claims)

The Group has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/ discussion/ arbitration/ litigation with the clients. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and/or external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

d) Deferred tax assets

The realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the applicable tax rates, scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment, which involves significant judgements and estimates. Based on the projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

e) Defined benefit plans

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

f) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease required significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group revises the lease term if there is a change in non-cancellable period of a lease.

g) Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

vi) Fair value measurement

The Group measures financial instruments, at fair value at each balance sheet date.

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

- in the principal market for the asset or liability, or
- in the absence of a principal market, In the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

vii) Property, plant and equipment (Tangible assets)

Property, plant and equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure relating to Property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

viii) Capital work-in-progress

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

ix) Investment property

Investment properties are held to earn rentals or for capital appreciation, or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined on an annual evaluation based on the reckoner value with the main inputs being comparable transactions and industry data.

Depreciation on investment properties (building) is provided on the straight-line method, computed on the basis of useful lives as prescribed in Schedule II to the Act i.e. 60 years. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year and the effect of any change in the estimates of useful lives/residual value is accounted on prospective basis.

x) Intangible assets

Intangible assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets mainly comprise of toll roads and computer software. Computer software represents license fees and implementation cost for software and other application software acquired / developed for in-house use.

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible asset received as Consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition by reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment losses.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period.

xi) Non-current assets or disposal group held for sale

Non-current assets or disposal group (including liabilities directly associated with those assets of a disposal group) that are available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale. Non-current assets or disposal group held for sale are measured at the lower of carrying amount or fair value less costs to sell except financial assets within the scope of Ind AS 109- Financial Instruments. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of asset held for sale has been estimated using observable inputs such as price quotations.

xii) Depreciation and amortisation

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives on a straight-line basis, except Building and sheds which is depreciated using WDV method. Intangible assets are amortised from the date they are available for use, over their estimated useful lives. The useful lives are as per Schedule II to the Act except in case of certain assets, where the useful life is based on technical evaluation by management.

Asset category	Useful life (in years)
Building and sheds	3 to 60
Leasehold improvements	As per the period of lease or estimated useful life determined by management's expert, whichever is lower.
Plant and equipment	2 to 14
Furniture fixtures and office equipment	5 to 10
Vehicles	3 to 12
Speed boat	13
Computers	3
Intangible assets	3 to 5

The estimated useful life and residual values are reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on additions is provided on a pro-rata basis, from the date on which asset is ready to use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are accounted in the Statement of Profit and Loss under Other income or Other expenses.

xiii) Financial instruments

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

a) Financial assets

i) Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company's business model refers to how it manages it's financial assets to generate cash flows. The business model determines whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

ii) Subsequent measurement

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

- Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the Effective Interest Rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

- Financial assets measured at fair value through Other Comprehensive Income

Financial assets are measured at Fair Value through Other Comprehensive Income ('FVOCI') if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Group has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Group on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

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

  Any financial asset which does not meet the criteria for categorization as financial asset at amortized cost or at FVTOCI, is classified as financial asset at FVTPL. Financial assets included within the FVTPL category are subsequently measured at fair value with all changes recognized in the statement of profit and loss.

iii) Impairment of financial assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. after all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

iv) De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or loss, except in case of equity instruments classified as FVOCI, where such cumulative gain or loss is not recycled to statement of profit and loss.

b) Equity instruments and financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii) Financial liabilities

- **Subsequent measurement**

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

- **Financial liabilities at FVPL**

  Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

- **Financial liabilities at amortised cost**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Where the Group issues optionally convertible debentures, the fair value of the liability portion of such debentures is determined using a market interest rate for an equivalent non-convertible debenture. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity (net of income tax) and are not subsequently re-measured.

Where the terms of a financial liability is re-negotiated and the Group issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

- **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

- **De-recognition of financial liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

iii) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

xiv) Employee benefits

a) Defined contribution plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund and superannuation scheme are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Group's provident fund contribution, in respect of certain employees of the Company and its Indian subsidiaries is made to a government administered fund, and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Group has no further obligations beyond the monthly contributions.

b) Defined benefit plan

In respect of certain employees, provident fund contributions are made to a trust administered by the Group. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Group. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognised as an expense in the period in which services are rendered by the employee.

The Group also provides for gratuity which is a defined benefit plan the liabilities of which are determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

In case of foreign subsidiaries, the post-employment benefit plan, in the form of a pension, qualify as defined benefit plans. For the purposes of determining the defined benefit obligation at the reporting date, the total defined benefit obligations, made by an independent actuary using the projected unit credit method, are compared to the fair value of the plan assets and resultant surplus or shortfall is recognised as an asset or liability, respectively. Re-measurement, comprising of actuarial gains and losses, in respect of this pension plan are recognised in the OCI, in the period in which they occur.

c) Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

xv) Contract assets

Contract revenue earned in excess of certification are classified as contract assets (which we refer as unbilled work-in-progress). A contract asset is initially recognised for revenue earned from engineering and construction services because the receipt of consideration is conditional on successful completion of the service. Upon completion of the service and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

xvi) Contract liabilities

Certification in excess of contract revenue is classified as contract liabilities (which we refer to as due to customer). A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

xvii) Inventories

a) Construction materials, stores, spares and fuel

The stock of construction materials, stores, spares and embedded goods and fuel is valued at cost or net realisable value, whichever is lower. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis and includes all applicable cost of bringing the goods to their present location and condition. Revenue from sale of scrap material is presented as reduction from cost of materials consumed in the Statement of Profit and Loss.

b) Land and development rights

Undeveloped land (including development costs) and finished units which are held for sale are valued at the lower of construction costs and net selling price.

c) Project work in progress

Land and construction / development expenses are accumulated under "Project work-in-progress" and the same are valued at lower of cost or net realizable value.

Cost of land purchased / acquired by the Group includes purchase / acquisition price plus stamp duty and registration charges.

Construction / development expenditure includes cost of development rights, all direct and indirect expenditure incurred on development of land/ construction, attributable interest and financial charges and overheads relating to site management and administration less incidental revenues arising from site operations.

xviii) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

xix) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Group as one segment of "Engineering and Construction". Thus, as defined in Ind AS 108 "Operating Segments", the Group's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

xx) Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

xxi) Foreign exchange translation of foreign projects and accounting of foreign exchange transaction

a) Initial recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Group uses a monthly average rate if the average rate approximate is the actual rate at the date of the transactions.

b) Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c) Treatment of exchange difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Statement of Profit and Loss.

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset and exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Account" and amortised over the remaining life of the concerned monetary item.

xxii) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected lives of the related assets and presented with other income.

xxiii) Revenue recognition

a) Revenue from construction contracts

The Group evaluates whether the performance obligations in engineering and construction services are satisfied at a point in time or over time. The performance obligation is transferred over time if one of the following criteria is met:

- As the entity performs, the customer simultaneously receives and consumes the benefits provided by the entity's performance.
- The entity's performance creates or enhances an asset (e.g., work in progress) that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

The percentage-of-completion of a contract is determined by the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party and is adjusted for variable considerations.

Advance payments received from contractee for which no services are rendered are presented as 'Advance from contractee'.

Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost of completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, if any. The Group considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Group includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group presents revenues net of indirect taxes in its Statement of Profit and Loss.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit and Loss immediately in the period in which such costs are incurred.

b) Software development and servicing revenue

Revenue from software development on fixed price, fixed time frame contracts, including system development and integration contracts, where there is no uncertainty as to measurement or collectability is recognized as per percentage of completion method. Revenue from last billing date to the Balance Sheet date is recognized as unbilled revenue. Stage of completion is measured by reference to the proportion that service cost incurred for work performed to date bears to the estimated total service cost. Service cost incurred to date excludes costs that relate to future activity on the contract. Such costs are recognized as an asset and are classified as unbilled revenue as due from customers.

Servicing revenue is recognized over the term of servicing contract. For sales of services, revenue is recognized in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of actual services provided as a proportion of the total services to be provided.

Time and material contracts is recognized as and when the related services are provided.

Annual maintenance service contracts are recognized proportionately over the period in which services are rendered.

Revenue from sale of user licenses for software applications is recognized on transfer of the title/ product, in accordance with the sales contract. Revenue from product sales are shown as net of all applicable taxes and discounts.

c) Interest on arbitration awards

Interest on arbitration awards, being in the nature of additional compensation as per the terms of the contract is recognised as other operating revenue that reflects the consideration the Group has received or expects to receive on favourable arbitration awards.

d) Fair valuation gain on subsequent measurement of financial assets

The Group recognizes the changes in the fair value of the financial assets held through profit and loss account in the statement of profit and loss. At each reporting date the entity carries out fair value assessment of the financial assets in accordance with the principles laid down in Ind AS 113 – Fair Value Measurement through a registered valuer and on the basis of the fair valuation report recognizes the accretion to the carrying value of the Financial Assets held through profit and loss account in its other operating income.

xxiv) Other income

a) Interest income

Interest income (other than interest on income tax refund) is accrued on a time proportion basis, by reference to the principal outstanding and the applicable Effective Interest Rate (EIR).

b) Dividend income

Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

c) Other income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

d) Rental income

Rent is recognised on time proportionate basis.

e) Finance and other income

Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable EIR. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

xxv) Income tax

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

a) Current tax

Current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. The Group as at 31 March 2024 continues to follow the Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

The Group recognises deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that both of the following conditions are satisfied:

- When the Group is able to control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not reverse in the foreseeable future

xxvi) Leases

The Group's lease asset classes primarily consist of leases for vehicles, building and shed. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of the consideration.

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of the assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Carrying amount of right-of-use asset is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The future lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. For a lease with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Right-of-use assets have been separately presented in the Balance Sheet and the Lease liability is presented under Other financial liabilities. Further, lease payments have been classified as financing cash flows.

xxvii) Impairment of non-financial assets

As at each Balance Sheet date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

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

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

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xxviii) Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost using the EIR method, less provision for impairment. Trade receivables ageing has been presented based on the due date of payment.

xxix) Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method. Trade payables ageing has been presented based on the due date of payment.

xxx) Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the parent by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the parent and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xxxi) Provisions, contingent liabilities, contingent assets and commitments

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Commitments are future liabilities for contractual expenditure, classified and disclosed as estimated amount of contracts remaining to be executed on capital account and not provided for.

xxxii) Provision for warranty

In case of real estate projects of a subsidiary, the estimated liability for warranty is recorded on the building and its components during the construction period. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence based on corrective actions during the construction period under warranty phase.

xxxiii) Treasury shares

Treasury shares represents own equity instruments reacquired by the Holding Company or other members of the Consolidated Group, which are deducted from the equity of the acquiring entity. Treasury shares held is disclosed separately in the financial statements.

xxxiv) Share issue expenses

Share issue expenses are charged off against available balance in the Securities premium.

xxxv) Share based payments

Share based compensated benefits are provided to certain grades of employees in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the instrument given to employees is recognised as 'employee benefits expenses' with a corresponding increase in equity over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

xxxvi) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

xxxvii) Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors.

xxxviii) RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March, 2024, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption or this amendment is annual periods beginning on or after 1 April 2023. The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 - Financial Instruments

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group does not expect any significant impact of the amendment on its financial statements.

(Amount in ₹ crore, unless otherwise stated)

NOTE 3A PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Building and sheds	Leasehold improvements	Plant and equipment	Furniture, fixtures and office equipment	Vehicles	Speed boat	Computers	Total
Gross carrying value									
As at 1 April 2022	38.29	108.18	3.78	800.68	88.23	57.49	1.05	7.87	1,105.57
Additions	-	-	-	13.39	0.38	0.37	-	0.16	14.30
Disposals	-	-	-	(12.68)	-	(4.53)	-	-	(17.21)
Transferred to assets held for sale	(2.19)	-	-	-	-	-	-	-	(2.19)
As at 31 March 2023	**36.10**	**108.18**	**3.78**	**801.39**	**88.61**	**53.33**	**1.05**	**8.03**	**1,100.47**
Additions	-	-	-	7.01	1.90	2.97	-	0.60	12.48
Impact of deconsolidaton	-	-	-	(0.28)	-	-	-	-	(0.28)
Disposals	-	(9.61)	-	(44.16)	(0.04)	(8.34)	-	(0.04)	(62.19)
As at 31 March 2024	**36.10**	**98.57**	**3.78**	**763.96**	**90.47**	**47.96**	**1.05**	**8.59**	**1,050.48**
Accumulated depreciation									
As at 1 April 2022	-	88.08	2.64	481.96	62.86	27.07	0.77	5.96	669.34
Depreciation charge	-	0.97	0.31	72.56	5.99	2.97	0.11	0.83	83.74
Accumulated depreciation on disposals	-	-	-	(7.26)	-	(3.36)	-	-	(10.62)
Adjustments [Refer sub note (iii)]	-	-	-	-	(0.08)	-	-	-	(0.08)
As at 31 March 2023	**-**	**89.05**	**2.95**	**547.26**	**68.77**	**26.68**	**0.88**	**6.79**	**742.38**
Depreciation charge	-	0.79	0.31	63.44	5.25	3.01	0.09	0.61	73.50
Accumulated depreciation on disposals	-	(4.71)	-	(37.76)	-	(7.04)	-	(0.03)	(49.54)
Impact of deconsolidaton	-	-	-	(0.28)	-	-	-	-	(0.28)
Adjustments [Refer sub note (iii)]		-	-	-	0.35	-	-	-	0.35
As at 31 March 2024	**-**	**85.13**	**3.26**	**572.66**	**74.37**	**22.65**	**0.97**	**7.37**	**766.41**
Net carrying value									
As at 31 March 2023	36.10	19.13	0.83	254.13	19.84	26.65	0.17	1.24	358.09
As at 31 March 2024	**36.10**	**13.44**	**0.52**	**191.30**	**16.10**	**25.31**	**0.08**	**1.22**	**284.07**

Notes:

(i) Refer note 20 for information of property, plant and equipment pledged as security against borrowings of the Group.

(ii) Refer note 35(B)(i) for disclosure of contractual commitments for acquisition of Property, plant and equipment.

(iii) Adjustments represents exchange gain/ loss arising on long-term foreign currency monetary items.

(Amount in ₹ crore, unless otherwise stated)

NOTE 3B RIGHT-OF-USE ASSETS

	Buildings	Vehicles	Total
Gross carrying value			
As at 1 April 2022	307.93	0.94	308.87
Additions	-	-	-
Disposals	(0.87)	-	(0.87)
As at 31 March 2023	**307.06**	**0.94**	**308.00**
Additions	-	-	-
Disposals	(69.93)	-	(69.93)
As at 31 March 2024	**237.13**	**0.94**	**238.07**
Accumulated depreciation			
As at 1 April 2022	90.32	0.94	91.26
Depreciation charge	30.82	-	30.82
Accumulated depreciation on disposals	(0.88)	-	(0.88)
As at 31 March 2023	**120.26**	**0.94**	**121.20**
Depreciation charge	23.28	-	23.28
Accumulated depreciation on disposals	(0.03)	-	(0.03)
As at 31 March 2024	**143.51**	**0.94**	**144.45**
Net carrying value			
As at 31 March 2023	186.80	-	186.80
As at 31 March 2024	**93.62**	**-**	**93.62**

Note: Also refer note 39 for the disclosure required as per Ind AS 116- Leases.

NOTE 3C CAPITAL WORK-IN-PROGESS ('CWIP')

	Amount
As at 1 April 2022	0.68
Additions	1.18
Transferred to property, plant and equipment	(1.06)
Written off during the period	(0.68)
As at 31 March 2023	**0.12**
Additions	2.56
Transferred to property, plant and equipment	(1.82)
Written off during the period	(0.02)
As at 31 March 2024	**0.84**

CWIP AGEING SCHEDULE

	As at 31 March 2024		As at 31 March 2023	
	Projects in progress	**Projects temporarily suspended**	Projects in progress	Projects temporarily suspended
Less than 1 year	0.72	-	0.12	-
1-2 years	0.12	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**0.84**	**-**	**0.12**	**-**

Notes:

There are no projects which has exceeded its cost compared to its original plan.

NOTE 4 INVESTMENT PROPERTY

	Land	Building	Total
Gross carrying value			
As at 1 April 2022	2.24	2.36	4.60
Additions	-	-	-
Adjustment [Refer sub note (iii)]	0.08	-	0.08
Disposals	-	-	-
As at 31 March 2023	**2.32**	**2.36**	**4.68**
Additions	0.57	-	0.57
Adjustment [Refer sub note (iii)]	0.06	-	0.06
Disposals	-	-	-
As at 31 March 2024	**2.95**	**2.36**	**5.31**
Accumulated depreciation			
As at 1 April 2022	-	1.81	1.81
Depreciation charge	-	0.03	0.03
As at 31 March 2023	**-**	**1.84**	**1.84**
Depreciation charge	-	0.02	0.02
As at 31 March 2024	**-**	**1.86**	**1.86**
Net carrying value			
As at 31 March 2023	2.32	0.52	2.84
As at 31 March 2024	**2.95**	**0.50**	**3.45**

Information regarding income and expenditure of Investment Property

	Year ended 31 March 2024	Year ended 31 March 2023
Rental income derived from investment property	0.54	0.50
Direct operating expenses (including repairs and maintenance) generating rental income	(0.08)	(0.08)
Gain arising from investment properties before depreciation and indirect expenses	**0.46**	**0.42**
Less : Depreciation	(0.03)	(0.03)
Gain arising from investment properties before indirect expenses	**0.43**	**0.39**

Note:

(i) The fair value of the investment properties held by the Group as at the Balance Sheet date is ₹ 12.95 crore (31 March 2023: ₹ 15.04 crore).

(ii) The Group has assessed the fair value its Investment properties, however the valuation is not done by the registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

(iii) Adjustments represents impact of foreign exchange fluctuation arising on long-term foreign currency monetary items.

(Amount in ₹ crore, unless otherwise stated)

NOTE 5 OTHER INTANGIBLE ASSETS AND GOODWILL

	Computer software	Goodwill
Gross carrying value		
As at 1 April 2022	101.36	3.38
Additions	22.96	-
Disposals	-	-
As at 31 March 2023	**124.32**	**3.38**
Additions	-	-
Impact of deconsolidaton	(10.31)	-
Disposals	-	-
As at 31 March 2024	**114.01**	**3.38**
Accumulated amortisation		
As at 1 April 2022	38.82	-
Amortisation charge	13.05	-
Amortisation charge related to discontinued operation	0.91	-
Adjustments	(0.56)	-
As at 31 March 2023	**52.22**	**-**
Amortisation charge	8.30	-
Impact of deconsolidaton	(10.31)	-
Adjustments	(0.29)	-
As at 31 March 2024	**49.92**	**-**
Net carrying value		
As at 31 March 2023	72.10	3.38
As at 31 March 2024	**64.09**	**3.38**

NOTE 5.1 IMPAIRMENT TESTING FOR GOODWILL

Goodwill is tested for impairment annually in accordance with the Group's procedure for determining the recoverable amount of such assets. The recoverable amount is determined based on the fair value of the underlying net assets of the entity. The fair value measurement has been categorised as level 3 fair value based on the inputs to the valuation technique used. Based on the above, no impairment provision is considered necessary as the recoverable value exceeded the carrying value.

(Amount in ₹ crore, unless otherwise stated)

NOTE 6 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

		As at 31 March 2024	As at 31 March 2023
Investments at cost			
i)	in joint venture in India	142.83	-
ii)	in associates in India	23.75	20.49
iii)	in associates outside India	40.24	39.17
Total investments in joint venture and associates		**206.82**	**59.66**
Detailed list of investments in joint ventures and associates			
Investments at cost, unquoted and fully paid up			
i)	**In joint ventures in India**		
	Prolific Resolution Private Limited	142.83	-
	Equity Shares 50,000 (31 March 2023: Nil) of ₹ 10 each		
ii)	**In associates in India**		
	Highbar Technocrat Limited	23.75	20.49
	99,940 (31 March 2023: 99,440) equity shares of ₹ 10 each		
iii)	**In associates outside India**		
	Evostate AG	13.53	10.57
	300 (31 March 2023: 300) equity shares of CHF 1,000 each		
	Hegias AG	24.69	27.19
	7,082,160 (31 March 2023: 7,082,160) shares of CHF 0.01 each		
	MCR Managing Corp	2.02	1.41
	30 (31 March 2023: 30) equity shares of CHF 1,000 each		
		40.24	**39.17**
		206.82	**59.66**

Note 6.1 : The Group's share of profit / (loss) of joint ventures and associates is as follows:

	As at 31 March 2024	As at 31 March 2023
From Joint venture		
Prolific Resolution Private Limited	37.06	-
From associates		
Highbar Technocrat Limited	25.75	21.49
Evostate AG	(5.19)	(8.89)
Hegias AG	(7.24)	(3.04)
MCR Managing Corp	4.21	3.64
	54.59	**13.20**

NOTE 6 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES....Contd.

NOTE 6A OTHER INVESTMENTS

	As at 31 March 2024	As at 31 March 2023
Other investments in equity shares at fair value through Other Comprehensive Income		
In India	37.91	18.47
Outside India	0.65	0.64
Total other investments	**38.56**	**19.11**

Detailed list of other investments	**As at 31 March 2024**	As at 31 March 2023
Other investments in equity shares at fair value through Other Comprehensive Income		
In India		
Khandwala Securities Limited	0.01	0.01
3,332 (31 March 2023: 3,332) equity shares of ₹ 10 each, fully paid- quoted		
Housing Development Finance Corporation Limited	-	4.00
Nil (31 March 2023: 15,220) equity shares of ₹ 1 each, fully paid- quoted		
HDFC Bank Limited	4.52	0.81
30,569 (31 March 2023: 5,000) equity shares of ₹ 1 each, fully paid- quoted		
Shushrusha Citizens Co-Op. Hospitals Limited	0.00*	0.00*
100 (31 March 2023 : 100) equity shares of ₹ 100 each, fully paid- unquoted		
Hincon Finance Limited	33.38	13.65
120,000 (31 March 2023 : 120,000) equity shares of ₹ 10 each, fully paid- unquoted		
	37.91	**18.47**
Outside India		
Opernhaus Zürich AG	0.05	0.05
10 (31 March 2023 : 10) equity shares of CHF 900 each, fully paid- unquoted		
Genossenschaft Theater für den Kt. Zürich	0.00*	0.00*
1 (31 March 2023 : 1) equity shares of CHF 300 each, fully paid- unquoted		
Betriebsges. Kongresshaus Zürich AG	0.03	0.03
30 (31 March 2023 : 30) equity shares of CHF 100 each, fully paid- unquoted		
MTZ Medizinishces Therapiezentrum	0.45	0.44
50 (31 March 2023 : 50) equity shares of CHF 1,000 each, fully paid- unquoted		
Namenaktien Messe Zürich	0.04	0.04
10 (31 March 2023 : 10) equity shares of CHF 50 each, fully paid- unquoted		
MCH Group AG	0.08	0.08
2,100 (31 March 2023 : 2,100) equity shares of CHF 10 each, fully paid- quoted		
	0.65	**0.64**
Total non-current investments (6 + 6A)	**245.38**	**78.77**

* Represents amount less than ₹ 1 lakh

NOTE 6 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES....Contd.

		As at 31 March 2024	As at 31 March 2023
Details:			
Aggregate value of non-current investments is as follows:			
(i)	Aggregate value of unquoted investments	240.77	77.87
(ii)	Aggregate value of quoted investments and market value thereof	4.61	0.90
(iii)	Aggregate value of impairment of investments	-	-
		245.38	**78.77**
(i)	Investments carried at cost	206.82	59.66
(ii)	Investments carried at fair value through profit and loss account	-	-
(iii)	Investments carried at fair value through other comprehensive income	38.56	19.11
		245.38	**78.77**

NOTE 7 TRADE RECEIVABLES

	As at 31 March 2024	As at 31 March 2023
Non-current		
Trade receivables (Refer note 7.1 and 7.3)	703.15	670.12
Total non-current trade receivables	**703.15**	**670.12**
Current		
Trade receivables (Refer notes 7.2 and 36)	2,204.17	2,698.14
[Including retention ₹ 807.58 crore (31 March 2023: ₹ 791.48 crore)]		
Total current trade receivables	**2,204.17**	**2,698.14**
Total trade receivables	**2,907.32**	**3,368.26**

	As at 31 March 2024	As at 31 March 2023
Break-up of security details		
Trade receivables considered good- secured	-	-
Trade receivables considered good- unsecured	2,907.32	3,368.26
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	52.10	33.31
Total	**2,959.42**	**3,401.57**
Loss allowance	(52.10)	(33.31)
Total trade receivables	**2,907.32**	**3,368.26**

Note 7.1 : Presented net off advance received against favourable arbitration awards ₹ 3,575.48 crore (31 March 2023: ₹ 3,378.69 crore)

Note 7.2 : Non-current trade receivables and current trade receivables as at 31 March 2024 includes ₹ 654.99 crore (31 March 2023: ₹ 621.96 crore) and ₹ 596.53 crore (31 March 2023: ₹ 452.13 crore) respectively, representing claims awarded in arbitration in favour of the Holding Company which have been further challenged by the customers in courts.

Note 7.3 : There are no trade receivables due from any director or any officer of the Group, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

Note 7.4 : Trade receivables (other than receivables on account of claims awarded in arbitration in favour of the Company) are non-interest bearing and are generally on terms of 30 to 90 days except retention deposits which are due after completion of the defect liability period of the respective projects.

(Amount in ₹ crore, unless otherwise stated)

NOTE 7 TRADE RECEIVABLES....Contd.

Note 7.5 : Trade receivables ageing schedule

As at 31 March 2024		Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivables- considered good	513.74	240.40	79.19	140.75	128.92	552.80	1,655.80
(ii)	Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables- credit impaired	17.14	7.79	3.04	4.78	4.30	15.05	52.10
(iv)	Disputed trade receivables- considered good (Non- current)	-	132.38	17.89	152.09	61.98	290.65	654.99
(v)	Disputed trade receivables- considered good (Current)	-	13.67	16.90	143.74	384.99	37.23	596.53
(vi)	Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vii)	Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
		530.88	**394.24**	**117.02**	**441.36**	**580.19**	**895.73**	**2,959.42**
Less: Allowance for expected credit loss								**(52.10)**
Total trade receivables								**2,907.32**

Note: Refer note 16 for details of unbilled dues i.e. contract assets.

As at 31 March 2023		Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 Months- 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivables- considered good	436.27	446.25	107.42	255.10	462.14	277.83	1,985.01
(ii)	Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables- credit impaired	-	6.88	3.33	4.91	11.88	6.31	33.31
(iv)	Disputed trade receivables- considered good (Non- current)	-	35.27	110.22	139.08	216.93	120.63	622.13
(v)	Disputed trade receivables- considered good (Current)	-	309.21	1.98	367.18	46.39	36.36	761.12
(vi)	Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vii)	Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
		436.27	**797.61**	**222.95**	**766.27**	**737.34**	**441.13**	**3,401.57**
Less: Allowance for expected credit loss								(33.31)
Total trade receivables								**3,368.26**

Note:

Refer note 16 for details of unbilled dues i.e. contract assets.

(Amount in ₹ crore, unless otherwise stated)

NOTE 8 LOANS

	As at 31 March 2024	As at 31 March 2023
Loans given	36.78	42.26
Less: loss allowance	-	(15.64)
Total non-current loans	**36.78**	**26.62**
Break-up of security details		
Loans considered good- secured	-	-
Loans considered good- unsecured	36.78	26.62
Loans- credit impaired	-	15.64
	36.78	**42.27**
Loss allowance	-	(15.64)
Total loans	**36.78**	**26.62**

NOTE 9 OTHER FINANCIAL ASSETS

	As at 31 March 2024	As at 31 March 2023
Non-current		
Awards and claims (carried at fair value through profit and loss account)	-	3,127.97
Security and other deposits	10.00	5.28
Interest receivable on loans to others	-	0.85
Bank deposits with balance maturity of more than 12 months	0.05	-
Total non-current financial assets	**10.05**	**3,134.10**
Current		
Security deposits	16.80	27.05
Interest accrued on deposits/ advances	9.91	5.65
Other receivables	33.05	63.84
Total	**59.76**	**96.54**
Less: Loss allowance	-	(1.45)
Total current financial assets	**59.76**	**95.09**
Total other financial assets	**69.81**	**3,229.19**

(Amount in ₹ crore, unless otherwise stated)

NOTE 10 NON-CURRENT TAX ASSETS (NET)

i. The following table provides the details of income tax assets and liabilities:

	As at 31 March 2024	As at 31 March 2023
a) Income tax assets	312.66	323.64
b) Income tax liabilities	269.39	215.15
Net income tax assets (net)	**43.27**	**108.49**
Income tax assets in certain entities	43.48	117.46
Current tax liabilities in case of certain entities	0.21	8.97
Net income tax assets	**43.27**	**108.49**

ii. The gross movement in the income tax assets/ liabilities is as follows:

	As at 31 March 2024	As at 31 March 2023
Net income tax asset at the beginning	108.49	120.30
Income tax (refund)/ paid (net)	38.90	(3.51)
Impact of deconsolidation	(14.27)	-
Current income tax expense	(89.64)	(8.30)
Net income tax assets at the end	**43.27**	**108.49**

iii. Income tax expense comprises:

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax expense	89.64	8.47
Deferred tax charge/ (credit)	158.57	(70.79)
Income tax charge/ (credit) [net] in the Statement of Profit and Loss	**248.21**	**(62.32)**

iv. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit/ (loss) before income taxes is as below:

	Year ended 31 March 2024	Year ended 31 March 2023
Profit / (loss) before income tax (including discontinuing operations)	726.37	(90.16)
Applicable tax rate in India	34.944%	34.944%
Computed expected tax charge/ (credit)	**253.82**	**(31.51)**
Effect of difference in tax rates of overseas subsidiaries	(46.28)	62.41
Effect of expenses not allowed for tax purpose	16.51	119.16
Effect of income not considered for tax purpose	(9.41)	(128.90)
Impact of losses where deferred tax not recognised in certain entities	(9.17)	(88.97)
Earlier year tax adjustments	-	1.32
Effect of income charged at different rate	(12.08)	-
Expiry of brought forward losses and MAT Credit written off	67.07	-
Utilization of unrecognized loss carry forwards from prior years	(12.87)	-
Others	0.62	4.16
Income tax charge / (credit) [net] in the Statement of Profit and Loss	**248.21**	**(62.32)**

NOTE 10 INCOME TAX ASSETS (NET)....Contd.

v. Components of deferred income tax assets and liabilities arising on account of temporary differences are:

		As at 31 March 2024	As at 31 March 2023
(A)	**Deferred tax assets (Refer note 10.1)**		
(a)	Business loss / unabsorbed depreciation/ MAT credit entitlements	1,978.76	2,139.99
(b)	Impairment allowance on receivables	16.21	9.69
(c)	Timing difference on tangible and intangible assets' depreciation and amortisation	41.26	35.19
(d)	Expense allowable on payment basis	235.98	167.13
		2,272.21	**2,352.00**
(B)	**Deferred tax liabilities**		
(a)	Arbitration awards not offered to tax	(1,648.78)	(1,569.98)
Deferred tax assets (net) (A) - (B)		**623.43**	**782.02**
Deferred tax assets in case of certain entities		623.43	782.02
Deferred tax liabilities in case of certain entities		-	-
Net deferred tax assets		**623.43**	**782.02**

* Represents amount less than ₹ 1 lakh

vi. Movement in components of deferred tax assets and deferred tax liabilities are as follows:

	Business loss / unabsorbed depreciation / MAT credit entitlements	Impairment allowance on receivables	Timing difference on tangible and intangible assets' depreciation and amortisation	Arbitration awards not offered for tax	Expense allowable on payment basis and others	Other	Total
At at 1 April 2022	**1,708.21**	**0.65**	**36.13**	**(1,167.56)**	**165.39**	**(31.59)**	**711.23**
(Charged)/ credited							
- to profit or loss	431.78	9.04	(0.92)	(402.42)	1.73	31.59	70.79
- to other comprehensive income	-	-	-	-	-	-	-
As at 31 March 2023	**2,139.99**	**9.69**	**35.19**	**(1,569.98)**	**167.13**	**-**	**782.02**
(Charged)/ credited							
- to profit or loss	(161.23)	6.52	6.09	(78.80)	68.85	-	(158.57)
- to other comprehensive income	-	-	-	-	-	-	-
As at 31 March 2024	**1,978.76**	**16.21**	**41.26**	**(1,648.78)**	**235.98**	**-**	**623.43**

Note 10.1: As at 31 March 2024, the Holding Company has recognised net deferred tax assets amounting to ₹ 613.09 crore (31 March 2023: ₹ 741.93 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Holding Company during the current year, is liable to pay tax as per Section 115JB of the Income Tax Act. Further, during the current year, certain brought forward losses of Holding Company has expired which has resulted in reversal of corresponding deferred tax assets amounting to ₹ 88.49 crore being reversed.
However, 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 management believes it is probable that sufficient future taxable profits will be available against which such deferred tax assets can be utilised and consequently these are considered good and fully recoverable.

Note 10.2: Deferred tax liabilities on undistributed earnings of the Group subsidiaries have not been provided as such earnings are deemed to be reinvested in the business and the Group is able to control the timing of the reversals of temporary differences associated with these investments.

(Amount in ₹ crore, unless otherwise stated)

NOTE 11 OTHER ASSETS

	As at 31 March 2024	As at 31 March 2023
Non-current		
Capital advances	62.50	63.28
Balances with government authorities	55.57	52.37
Prepaid expenses	0.75	1.66
Others	-	0.25
Total other non-current assets	**118.82**	**117.56**
Current		
Advance to suppliers and subcontractors	61.04	84.20
Balances with government authorities	121.98	159.76
Prepaid expenses	11.12	8.85
Others	6.90	10.15
Total other current assets	**201.04**	**262.96**
Total other assets	**319.86**	**380.52**

NOTE 12 INVENTORIES

	As at 31 March 2024	As at 31 March 2023
Land and development rights	309.57	319.73
Construction raw material, stores and spares	123.42	166.18
Fuel and others	3.32	4.61
Total inventories	**436.31**	**490.52**

NOTE 13 CURRENT INVESTMENTS

	As at 31 March 2024	As at 31 March 2023
Investments in others carried at fair value through profit and loss		
Investment in mutual funds	0.15	0.70
Total current investments	**0.15**	**0.70**
Detailed list current investments		
Investments in mutual funds		
Essel Liquid Fund Growth plan	-	0.02
Nil (31 March 2023: 72.422 units)		
Canara Rebeco Mutual Fund	-	0.53
Nil (31 March 2023: 1976.26 units)		
ICICI Money Market Fund	0.01	0.01
798.602 units (31 March 2023: 748.574 units)		
SBI Premier Liquid Fund	0.14	0.14
1,276.729 units (31 March 2023: 1,205.366 units)		
	0.15	**0.70**
Details:		
Aggregate value of current investments is as follows:		
(i) Aggregate value of unquoted investments	-	-
(ii) Aggregate value of quoted investments and market value thereof	0.15	0.70
(iii) Aggregate value of impairment in the value of investments	-	-
	0.15	**0.70**

NOTE 13 CURRENT INVESTMENTS....Contd.

		As at 31 March 2024	As at 31 March 2023
(i)	Investments carried at cost	-	-
(ii)	Investments carried at amortised cost	-	-
(iii)	Investments carried at fair value through profit and loss	0.15	0.70
		0.15	**0.70**

NOTE 14 CASH AND CASH EQUIVALENTS

		As at 31 March 2024	As at 31 March 2023
Balances with banks			
-	In current accounts	284.25	565.39
-	in deposit account (with original maturity upto 3 months)	88.97	15.92
Cheque on hand		25.04	-
Cash on hand		0.47	0.60
Total cash and cash equivalents		**398.73**	**581.91**

Note 14.1 There are no repatriation restrictions with regards to cash and cash equivalents as at the end of respective reporting periods.

NOTE 15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March 2024	As at 31 March 2023
Bank deposits with maturity of more than 3 months and less than 12 months	114.39	571.63
Total bank balances other than cash and cash equivalents	**114.39**	**571.63**

Note 15.1: Includes ₹ 10.98 crore (31 March 2023: ₹ 16.76 crore) held as margin money against arbitration awards.

Note 15.2: There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2024

NOTE 16 UNBILLED WORK-IN-PROGRESS (CONTRACT ASSETS)

	As at 31 March 2024	As at 31 March 2023
Unbilled work-in-progress (contract assets)	3,414.29	2,924.98
Total Unbilled work-in-progress (contract assets)	**3,414.29**	**2,924.98**

Note 16.1: Presented net of advance received against work bill ₹ 150.53 crore (31 March 2023: ₹ 174.33 crore)

NOTE 17 ASSETS HELD FOR SALE

	As at 31 March 2024	As at 31 March 2023
Freehold Land (refer note 33.3)	-	2.19
Total assets held for sale	**-**	**2.19**

NOTE 18 EQUITY SHARE CAPITAL

	As at 31 March 2024		As at 31 March 2023	
	Number	₹ in crore	Number	₹ in crore
Authorised share capital				
Equity shares of ₹ 1 each	2,000,000,000	200.00	2,000,000,000	200.00
Total authorised share capital	**2,000,000,000**	**200.00**	**2,000,000,000**	**200.00**
Issued, subscribed and paid-up equity share capital:				
Equity shares of ₹ 1 each, fully paid up ^	1,512,976,244	151.31	1,512,976,244	151.31
Total issued, subscribed and paid-up equity share capital	**1,512,976,244**	**151.31**	**1,512,976,244**	**151.31**

^ excludes 13,225 equity shares forfieted by the Company

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	Number	₹ crore
As at 1 April 2022	**1,512,976,244**	**151.31**
Issued during the year	-	-
As at 31 March 2023	**1,512,976,244**	**151.31**
Issued during the year	-	-
As at 31 March 2024	**1,512,976,244**	**151.31**

b. Terms / rights attached to equity shares:

The Holding Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, if any.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shareholding of more than 5%:

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% held	No. of shares	% held
Hincon Holdings Limited	216,023,600	14.28%	216,023,600	14.28%
Asia Opportunities IV (Mauritius) Limited	-	-	115,462,961	7.63%

As per the records of the holding company, including its register of shareholders / members the above shareholding represents both legal and beneficial ownership of shares.

d. Bonus shares / buy back shares for consideration other than cash issued during past five years:

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash- Nil

(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares- Nil

(iii) Aggregate number and class of shares bought back- Nil

e. Option outstanding for issue under Employee Stock Options Scheme (ESOS):

As at 31 March 2024, the Company has 371,748 (31 March 2023; 371,748) employee stock option issued under ESOS for its employees.

NOTE 18 EQUITY SHARE CAPITAL......Contd.

f. Shareholding of promoters

As at 31 March 2024

Name of Promoters	**As at 31 March 2024**		As at 31 March 2023		% Change during the year
	No. of shares	**% of total shares**	No. of shares	% of total shares	
Hincon Holdings Limited	216,023,600	14.28%	216,023,600	14.28%	-
Hincon Finance Limited	62,261,186	4.12%	62,261,186	4.12%	-
Ajit Gulabchand	2,117,294	0.14%	2,117,294	0.14%	-
Shalaka Investment Private Limited	538,000	0.04%	538,000	0.04%	-
Anjani Ashwin Parekh	251,400	0.02%	251,400	0.02%	-
Shalaka Gulabchand Dhawan	10,000	0.00%*	10,000	0.00%*	-
Maharani Holdings Private Limited	500	0.00%	-	-	0.00%*

As at 31 March 2023

Name of Promoters	As at 31 March 2023		As at 31 March 2022		% Change during the year
	No. of shares held	% of total shares	No. of shares held	% of total shares	
Arya Capital Management Private Limited	-	-	244,013,391	16.13%	16.13%
Hincon Holdings Limited	216,023,600	14.28%	216,023,600	14.28%	-
Hincon Finance Limited	62,261,186	4.12%	62,261,186	4.12%	-
Ajit Gulabchand	2,117,294	0.14%	2,117,294	0.14%	-
Shalaka Investment Private Limited	538,000	0.04%	538,000	0.04%	-
Anjani Ashwin Parekh	251,400	0.02%	251,400	0.02%	-
Shalaka Gulabchand Dhawan	10,000	0.00%*	10,000	0.00%*	-

* represents less than 0.01%

g. The Board of Directors, at its meetings held on 8 February 2024 approved the issuance of equity shares of the Group for an amount not exceeding ₹ 350 crore by way of rights issue to the eligible equity shareholders, subject to regulatory and statutory approvals, under the applicable laws. Pursuant to aforesaid approval, on 12 March 2024, the Holding Company has filed the Letter of Offer with the Securities and Exchange Board of India ('SEBI'). Subsequent to the year end, the Holding Company has allotted 166,666,666 equity shares on rights basis at a price of ₹ 21 per equity share (including a premium of ₹ 20 per equity share).

NOTE 19 OTHER EQUITY

	As at 31 March 2024	As at 31 March 2023
Reserves and surplus		
Capital reserve	39.70	39.70
Forfeited debentures account	0.02	0.02
Securities premium	2,650.87	2,650.87
Debenture redemption reserve	54.99	54.99
General reserve	180.24	180.24
Share option outstanding reserve	0.20	0.00*
Retained earnings	(3,292.43)	(3,820.50)

NOTE 19 OTHER EQUITY....Contd.

	As at 31 March 2024	As at 31 March 2023
Other comprehensive income		
Equity instruments at fair value through other comprehensive income	8.45	(11.01)
Translation loss relating to foreign operation (net)	38.16	40.00
Non-controlling interest	0.00*	0.00*
Total other equity	**(319.79)**	**(865.69)**

* Represents amount less than ₹ 1 lakh

Nature and purpose of reserves

i) Capital reserve

The Group recognizes profit or loss on purchase or cancellation (including forfeiture) of its own equity instruments to capital reserve. Capital reserve represents gain arising from business combination and gain/ loss on account of acquisition/ divestment of non- controlling interest/ merger of subsidiaries.

ii) Forfeited debentures account

The Group recognizes profit or loss on purchase or cancellation (including forfeiture) of its own debentures to forfeited debentures account.

iii) Securities premium

Securities premium is used to record the premium on issue of shares or debentures. This account is utilised in accordance with the provisions of the Companies Act, 2013.

iv) Debenture redemption reserve

The Act requires that where a Company issues debentures, it shall create a debenture redemption reserve out of profits of the Company available for payment of dividend. The Company is required to maintain a Debenture Redemption Reserve of 25% of the value of the debentures issued, either by a public issue or a private placement basis. The amounts credited to the debenture redemption reserve cannot be utilised by the Company except to redeem debentures. Consequent to the amendment in the provision of Act, requirement to create reserve in respect of certain debenture have been withdrawn.

v) Foreign currency monetary translation reserve

Exchange difference arising on translation of the long term monetary items is accumulated in separate reserve within equity. The cumulative amount is reclassified to the Statement of Profit and Loss over the life of the monetary asset / liability on a straight line basis.

vi) General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

vii) Share option outstanding reserve

The share option outstanding reserve represents reserve in respect of equity settled share options granted to the Holding Company's employees in pursuance of the Employee Stock Option Plans.

viii) Retained earnings

Retained earnings represents the profits/ losses that the Group has earned / incurred till date including gain / (loss) on fair value of defined benefits plans as adjusted for distributions to owners, transfer to other reserves etc.

(Amount in ₹ crore, unless otherwise stated)

NOTE 19 OTHER EQUITY....Contd.

ix) Equity instruments at fair value through other comprehensive income

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within FVTOCI reserve within equity. The Group transfers amount from this reserve to retained earnings when the relevant equity securities are disposed off.

x) Translation loss relating to foreign operation (net)

The Group recognised exchange differences arising on translation of the foreign operations in other comprehensive income and accumulated in 'Translation loss relating to foreign operation (net)' in other equity.

NOTE 20 BORROWINGS

	As at 31 March 2024	As at 31 March 2023
I. Non-current borrowing:		
Secured		
A) Secured		
1) 0.01% Optionally Convertible Debentures (OCDs)		
(i) From banks	638.59	863.92
(ii) From others	63.31	77.92
2) Non-Convertible Debentures (NCDs)	333.90	3,203.97
3) Foreign Currency Term Loans from Bank	244.50	274.02
4) Non-Cumulative Redeemable Preference Shares	0.01	-
	1,280.31	**4,419.83**
B) Unsecured		
1) Non-Convertible Debentures (NCDs)	366.60	404.30
2) Foreign Currency Term Loan from Bank	24.61	26.98
	391.21	**431.28**
Total non-current borrowings (A +B)	**1,671.52**	**4,851.11**
II. Current borrowing:		
A) Secured		
Current maturities of long-term borrowings		
1) 0.01% Optionally Convertible Debentures (OCDs)		
(i) From banks	147.36	107.99
(ii) From others	14.61	9.74
2) Non-Convertible Debentures (NCD's)	15.30	10.13
3) Foreign Currency Term Loans from Bank	11.88	7.83
4) Other term loans	-	27.00
5) Other working capital loans from Banks	204.35	245.75
B) Unsecured		
1) Non-Convertible Debentures (NCD's)		24.80
2) Other bank loans	6.25	10.17
	43.45	**34.97**
Total current borrowings (A +B)	**436.95**	**443.41**
Total borrowings (I+II)	**2,108.47**	**5,294.52**

NOTE 20 BORROWINGS......Contd.

20.1 : Details of security and terms of repayment

(a) 0.01% Optionally Convertible Debentures (OCDs)

OCDs issued to the lenders with a tenure of 10 years and carry a coupon of 0.01% with an interest yield of 11.50% p.a. in yield equalization compounded on a quarterly basis. The lenders have an option to convert the OCDs into equity shares of the Company, in accordance with the terms thereof including in case of any event of default or default in payment during the 10 years from the date of issuance of respective OCDs. In accordance with the resolution plan implemented in previous year, the repayment tenure of OCDs has been extended and the revised repayment of the OCDs commenced from 31 March 2023. Details of principal maturity of the OCDs outstanding as at 31 March 2024 have been provided below. Refer note 20.1.1 for security details.

Date of repayment	₹ in Crore
31 March 2025	161.97
31 March 2026	161.98
31 March 2027	161.98
31 March 2028	161.98
31 March 2029	215.96
Total	**863.87**

(b) Foreign Currency Term Loans

(i) Export-Import Bank of India

A) The loan availed by HCC Mauritius Enterprises Limited, a subsidiary company, carries an interest rate of SOFR + 530 bps payable quarterly. The availed loan is repayable in 11 structured quarterly installments between 30 September 2022 to 31 March 2025.

This loan is secured by exclusive charge on (i) corporate guarantee by Holding Company (ii) pledge of equity shareholding of the borrower held by Holding Company (iii) *pari-passus* first charge over specific fixed assets of Holding Company having written down value of ₹ 50 crore (at the time of original sanction in May 2010) (iv) pledge of 33% equity share holding of Steiner AG, held by HMEL, a subsidiary company (v) non disposal undertaking for non-disposal of shareholding in Steiner AG or any other SPV created for the purpose of acquisition.

B) The loan availed by HCC Mauritius Investment Limited, a subsidiary company, carries an interest rate of SOFR + 530 bps payable quarterly. The availed loan is repayable in 11 structured quarterly installments between 30 September 2022 to 31 March 2025.

This loan is secured by exclusive charge on (i) corporate guarantee by Holding Company (ii) pledge of equity shareholding of the borrower held by Holding Company (iii) *pari-passus* first charge over specific fixed assets of Holding Company (also encumbered for term loan availed by HMEL from Exim bank for acquisition of 66% of the equity shares of Steiner AG) (iv) pledge of 66% equity share holding of Steiner AG, held by HMEL, a subsidiary company (including *pari-passu* pledge on 33% shares encumbered for term loan availed by HMEL from Exim bank) (v) pledge of enitire equity share holding of Steiner AG, held by HMIL, a subsidiary company (vi) corporate guarantee by HMEL.

(ii) Asia Opportunities IV (Mauritius) Limited

During the previous year, the Holding Company has implemented debt resolution plan pursuant to which the FCTL has been restructured and the loan is repayable in 7 structured annual instalments commencing from 31 March 2023. The FCTL carries a floating interest rate equal to 3 Month SOFR plus 350 basis point.The facility is secured by first charge by way of hypothecation of plant and machinery acquired under the facility described in the first schedule to the memorandum of hypothecation.

(c) Non-Convertible Debentures (NCDs)

i) NCDs issued by Prolific Resolution Private Limited ('PRPL')

During the previous year ended 31 March 2023, the Holding Company has novated specified debt of lenders aggregating ₹ 2,854.40 crore to PRPL, with the consideration being the assignment of beneficial interest in the specified arbitration awards and claims by way of Deed of Assignment dated 10 August 2022 between Holding Company, lenders of Holding Company and the PRPL.

NOTE 20 BORROWINGS......Contd.

NCDs have been issued to the lenders as part of the Resolution Plan with a tenure of 8 years and a coupon of 0.01% with an interest yield of 12.00% p.a. in yield equalization compounded and payable on a yearly basis. These NCDs are issued in 2 Series namely Series I and Series II having different security structure as given in security details. Refer note 20.1.2 for details of security. These NCDs are listed NCDs in BSE. Repayment schedule is as stated below:

₹ in Crore

Date of Repayment	Series I Amount	Series II Amount
30-Sep-26	230.30	55.14
30-Sep-27	345.45	82.71
30-Sep-28	460.60	110.28
30-Sep-29	575.75	137.85
30-Sep-30	690.90	165.42
Total	**2,303.00**	**551.40**

During the current year, PRPL ceases to be a subsidiary of the Holding Company and accordingly assets and liabilities of PRPL have been derecognized from consolidated financial statements with effect from 30 September 2023. (Refer Note 33.2)

ii) Non Convertible Debentures - LIC

These NCDs carry an interest yield of 11.50% p.a. compounded quarterly and a coupon of 0.01% p.a. These are repayable in 7 structured annual instalments commencing 31 March 2023 and ending on 31 March 2029. Refer note 20.1.3 for security details.

(iii) Non Convertible Debentures - Karnataka Bank

These debentures are issued to one of the lender of erstwhile subsidiary, which carry an interest yield of 9.5% p.a. compounded quarterly and a coupon of 0.01% p.a. These NCDs are repayable on 31 March 2026 and are secured by exclusive charge upto 0.19% on specific claims of the Holding Company.

(iv) Non Convertible Debentures - ACRE

These NCDs carry an interest yield of 9.5% p.a. compounded quarterly and a coupon of 0.01% p.a. These are repayable in 2 structured instalments on 31 March 2026 and 30 June 2029 and secured by exclusive charge upto 49.53% on specific claims of the Holding Company.

d) Other term loans from banks

i) Loan availed by Highbar Technologies Limited

Term Loan from ICICI bank carrying interest rate of ICICI Base Rate (9.25% p.a.) plus 2.25% p.a. This loan was repayable within 10 years in 28 structured quarterly instalments commencing from 15 April 2016 and ending on 15 January 2023. During the current year, the same loan has been repaid fully.

ii) Loan availed by Raiganj Dalkhola Highways Limited

Rupee Term Loan I from Banks are Secured by way of first *pari-passu* charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement and pledge of 51% shareholding of the promoters.The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge dated 03 March 2011.

Rupee Term Loan II are Secured by way of first *pari-passu* charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement and pledge of 51% shareholding of the promoters. The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge modified dated 30 May 2016.

Term Loans from Banks and IIFCL are secured by way of first *pari-passu* charge on all assets, both present and future, excluding the project assets as defined in the concession agreement dated 28 June,2010 and pledge of 28.22% equity shares of the company held by promoter companies.

NOTE 20 BORROWINGS....Contd.

Loans are taken under Common Loan Agreement (CLA) and are secured by way of first *pari-passu* charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 1,53,00,000 shares of the promoters equity shareholding.

The loans have been classified as Non Performing Assets (NPA) and IIFCL have recalled the entire financial assisance exteneded by them to the Company vide letter dated 3 October 2018.In financial it is netted with transaction cost.

During the current year, persuent to one time settlement with its lenders, part of outstanding debt including interest thereon has been settled fullly.

I. Secured

Note 20.1 : Details of security

Note 20.1.1 : Optionally Convertible Debentures (OCDs) are secured in the form of:

1. First ranking *pari-passu* charge on all of the Company's Property, plant and equipment (immovable and movable) [excluding the Specified Assets and Excluded Assets]; and

2. Second ranking and *pari-passu* security interest by way of a legal mortgage over the First, Second and the Fifth Mortgaged Properties as specified in the mortgage deed. The security perfection has been completed on the OCD facilities issued as part of the S4A scheme.

Note 20.1.2 : Non-Convertible Debentures issued by Prolific Resolution Private Limited

Series I- First Ranking *pari-passu* Charge over Specified Awards and Claims

Series II- Second Ranking *pari-passu* Charge over Specified Awards and Claims

During the current year PRPL ceases to be a subsidiary of the Holding Company and accordingly assets and liabilities of PRPL have been derecognized from consolidated financial statements with effect from 30 September 2023.(Refer Note 33.2)

Note 20.1.3 : Non-Convertible Debentures - LIC

1. All the present and future movable assets of the Borrower (excluding 'Current Assets' and 'Specified Assets') as the Second Mortgaged Properties.

2. All the present and future current assets of the Borrower (other than those forming part of 'Additional Assets') as the Third Mortgaged Properties.

3. All of the 'Additional Assets' collectively referred to as the Fourth Mortgaged Properties.

   The terms 'Current Assets', 'Specified Assets' and 'Additional Assets' have been defined in the Master Restructuring Agreement (MRA).

   The above security having ranking in respect to LIC-NCD are as below:

   1. A first ranking and *pari-passu* security interest by way of legal mortgage over the First Mortgaged Properties and Second Mortgaged Properties.

   2. A second ranking and *pari-passu* security interest by way of legal mortgage over the Third Mortgaged Properties, Fourth Mortgaged Properties and the Fifth Mortgaged Properties.

NOTE 20 BORROWINGS....Contd.

Collateral security *pari-passu* with lenders for LIC-NCD and OCD

1. HREL Real Estate Limited, an erstwhile subsidiary, has provided Corporate guarantee for the above outstanding facilities of the Holding Company.

2. First *pari-passu* charge on 154,151,669 shares of the Holding Company and second charge on 85,767,617 equity shares of the Company held by Hincon Holdings Limited and Hincon Finance Limited.

3. First *pari-passu* charge on Prolific Shares of 50,000 of HCC Holding

4. Personal guarantee of Chairman and Non-Executive Director of the Company.

II. Unsecured

(a) Foreign Currency Term Loan from Bank

During the earlier year, the Holding Company has entered into an amendment agreement with the lender wherein the parties have agreed to restructure the outstanding amounts for USD 6.89 Million with fixed interest rate of 1.91% compounded annually, repayable in 3 structured instalments commencing from 31 December 2028 and ending on 31 December 2030.

(b) Non Convertible Debentures - ARCIL

These NCDs carry an interest yield of 9.5% p.a. compounded quarterly and a coupon of 0.01% p.a. These NCDs are repayable in 7 structured annual instalments commencing 31 March 2023 and ending on 31 March 2029.The Holding Company has paid its March 2023 and March 2024 instalment on time.

(c) Non Convertible Debentures - Others

These NCDs carry an interest yield of 9.5% p.a. compounded quarterly and a coupon of 0.01% p.a. and are repayable in 3 structured instalments commencing on 30 June 2029 and ending on 30 June 2031.

(d) Other bank loan

Overdraft facility availed by HCC-HDC a joint operation carries an interest rate of 8.71% p.a. (31 March 2023: 8.71%) which are repayable on demand.

Note 20.2 : Right to Recompense

In accordance with the provisions of Master Restructuring Agreement (MRA) dated 29 June 2012 executed between the Holding Company and its lenders, as amended from time to time and pursuant to deliberations between the parties, lenders have agreed for the recompense amount to be settled by the Holding Company in the form of equity shares to be issued at a future date, which is inter-alia dependent upon various factors including improved financial performance of the Holding Company and other conditions, and which would be restricted to a maximum of 2.87% of equity share capital of the Holding Company on the date of issue of such equity shares. This is valid as on balance sheet date under MRA dated 20 July 2022.

NOTE 20 BORROWINGS....Contd.

Note 20.3 : Net debt reconciliation

An analysis of net debt and the movement in net debt is as follows:

₹ in Crore

	As at 31 March 2024	As at 31 March 2023
(A) Non-current borrowings	1,671.52	4,851.11
(B) Current borrowings	436.95	443.41
(C) Interest payable	1,654.44	1,843.16
(D) Cash and cash equivalents	398.73	581.91
Net debts (E) = (A)+(B)+(C)-(D)	**3,364.18**	**6,555.77**

	Liabilities from financing activities			Cash and cash equivalents	Total
	Non-current borrowings	Current borrowings	Interest payable		
	(A)	(B)	(C)	(D)	(E) = A+B+C-D
Net debt as at 1 April 2022	**1,856.62**	**3,061.65**	**1,689.80**	**720.97**	**5,887.10**
Movement in cash and cash equivalents	-	-	-	(161.49)	161.49
Repayment of long-term borrowings	(175.43)	-	-	-	(175.43)
Repayment of short-term borrowings (net)	-	(26.00)	-	-	(26.00)
Gain on debt resoluiton plan	-	-	(223.30)	-	(223.30)
Foreign exchange fluctuations	(4.79)	-	-	22.43	(27.22)
Impact of resolution plan	2,855.69	(2,397.13)	(458.56)	-	-
Impact of deconsolidation of erstwhile subsidiary	(584.14)	(64.62)	-	-	(648.76)
Reclassification	129.74	(129.74)	-	-	-
Conversion of other financial liability to debt	773.42	-	332.36	-	1,105.78
Gain on settlement of debt	-	(0.75)	(43.21)	-	(43.96)
Interest expense	-	-	812.66	-	812.66
Interest paid	-	-	(266.59)	-	(266.59)
Net debt as at 31 March 2023	**4,851.11**	**443.41**	**1,843.16**	**581.91**	**6,555.77**
Net debt as at 1 April 2023	**4,851.11**	**443.41**	**1,843.16**	**581.91**	**6,555.77**
Movement in cash and cash equivalents	-	-	-	105.69	(105.69)
Repayment of long-term borrowings	(284.69)	-	-	-	(284.69)
Repayment of short-term borrowings (net)	-	(45.32)	-	-	(45.32)
Foreign exchange fluctuations	1.35	-	-	25.09	(23.74)
Impact of deconsolidation of erstwhile subsidiary	(2,854.40)	-	(446.78)	(313.96)	(2,987.22)
Reclassification	(41.85)	38.86	2.99	-	-
Gain on settlement of debt	-	-	(55.75)	-	(55.75)
Interest expense	-	-	604.91	-	604.91
Interest paid	-	-	(294.09)	-	(294.09)
Net debt as at 31 March 2024	**1,671.52**	**436.95**	**1,654.44**	**398.73**	**3,364.18**

(Amount in ₹ crore, unless otherwise stated)

NOTE 20 BORROWINGS....Contd.

Note 20.4 : Default in repayment of borrowings

The subsidiary company has defaulted in repayment of borrowings (non-current and current) including interest thereon. The details are as under:

As at 31 March 2024

Sr. No.		Period	Principal	Interest
1	Term Loans from Banks	Upto 30 days	-	-
		31 to 90 days	14.17	6.42
		91 to 180 days	14.17	6.36
		181 to 365 days	4.19	-
		> 365 days	-	-
2	Term Loans from Financial Institutions	31 to 90 days	-	-
		91 to 180 days	-	-
		181 to 365 days	-	-
Total			**32.53**	**12.78**

As at 31 March 2023

Sr. No.		Period	Principal	Interest
1	Term Loans from Banks	Upto 30 days	10.65	2.84
		31 to 90 days	-	0.21
		91 to 180 days	-	0.81
		181 to 365 days	12.40	32.38
		> 365 days	6.63	2.54
2	Term Loans from Financial Institutions	31 to 90 days	-	-
		91 to 180 days	-	-
		181 to 365 days	4.32	6.91
Total			**34.00**	**45.69**

Note 20.5 : Disclosures pursuant to the requirements as specified under paragraph 6 (L) (ix) (a) and (b) of the General Instructions for preparation of Balance Sheet of Schedule III of the Act.

Reconciliation of stock statement submitted by the Holding Company to the consortium banks with books of account where borrowings have been availed based on security of current assets:

As at 31 March 2024

During the current year the Holding Company has not availed working capital facility, therefore the Holdiing Company is not required to submit quarterly returns to the Banks.

NOTE 20 BORROWINGS....Contd.

As at 31 March 2023

Quarter ended	Name of the Bank	Particulars	Amount as per books of accounts	Amount reported in the quarterly return/statement	Difference	Reason for material differences
31 March 2022	ICICI Bank, Punjab National Bank, Indian Bank, Union Bank of India, Canara Bank, State Bank of India, IDBI Bank Limited, Jammu & Kashmir Bank, Standard Chartered Bank, Bank of Baroda, Federal Bank, DBS Bank	Inventory & Unbilled work-in-progress	3,028.59	2,187.87	840.72	Refer note below
		Trade Receivables	4,234.78	1,748.15	2,486.63	
30 June 2022		Inventory & Unbilled work-in-progress	3,026.01	2,295.50	730.51	Refer note below
		Trade Receivables	4,279.58	1,726.20	2,553.38	

Notes:

i) Difference is mainly on account of arrangement with banks/ financial institution, which requires the Holding Company to submit the details of inventory, trade receivable, unbilled work-in-progress excluding projects executed as joint operations and projects which are closed/ suspended/ terminated etc.

ii) The Group is not required to submit quarterly returns to the banks other than those disclosed above.

NOTE 21 OTHER FINANCIAL LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Non-current		
a) Security deposits	0.14	0.14
b) Interest accrued but not due	1,402.38	1,656.36
c) Financial guarantee liability	68.03	52.23
Total non-current financial liabilities	**1,470.55**	**1,708.73**
Current		
a) Interest accrued but not due	239.28	143.65
b) Interest accrued and due	39.90	64.83
c) Unpaid dividends	0.00*	0.00*
d) Financial guarantee liability	9.77	0.36
e) Financial liabilities of erstwhile subsidiary assumed (Refer note 21.1)	305.86	275.39
f) Others		
- Due to employees	65.81	60.12
- Liability for capital goods	3.96	9.25
- Interest payable on contractee advances	310.03	279.23
- Refundable bid bond deposit	-	9.75
- Other liabilities	41.87	14.18
Total current financial liabilities	**1,016.48**	**856.76**
Total other financial liabilities	**2,487.03**	**2,565.49**

* Represents amount less than ₹ 1 lakh

	As at 31 March 2024	As at 31 March 2023
Other financial liabilities carried at amortised cost	2,409.23	2,512.90
Other financial liabilities carried at FVPL	77.80	52.59

Note 21.1: HCC Operations and Maintenance Limited ('HOML'), a step down subsidiary, had signed a Debenture Sale Purchase (DSP) agreement on 29 September 2017 with certain debenture holders for purchase of debentures issued by Lavasa Corporation Limited (LCL), in the event of any default for an aggregate consideration of ₹ 138 crore plus Interest @ 10.27 % per annum. Pursuant to default by LCL, HOML has till date recognised liability towards these debentures aggregating ₹ 305.86 crore (31 March 2023: ₹ 269.51 crore).

(Amount in ₹ crore, unless otherwise stated)

NOTE 22 PROVISIONS

	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for employee benefits		
- Gratuity	50.25	72.01
- Pension fund	6.87	10.29
- Leave entitlement and compensated absence	0.04	-
Provision for warranty (Refer note 22.1)	29.52	44.38
Total non-current provisions	**86.68**	**126.68**
Current		
a) Provision for employee benefits		
- Gratuity	4.02	8.53
- Pension fund	5.16	7.08
- Leave entitlement and compensated absences	10.79	11.81
b) Provision for warranty (Refer note 22.1)	18.25	98.89
c) Provision for foreseeable losses (Refer note 22.2)	268.52	475.63
Total current provisions	**306.74**	**601.94**
Total provisions	**393.42**	**728.62**

Note 22.1 : Detail of provision for warranty is as stated below:

	As at 31 March 2024	As at 31 March 2023
Opening provision as at the beginning of the year	143.27	180.83
Addition during the year	-	21.60
Impact of deconsolidation	(17.74)	-
Utilised during the year	(77.76)	(59.16)
Closing provision as at the end of the year	**47.77**	**143.27**
Non current	29.52	44.38
Current	18.25	98.89
Total	**47.77**	**143.27**

This provision represent estimates made towards estimated liability arising out of contractual obligations in respect of warranties.

After the handover of the project there is a warranty liability, which lasts between 2 and 10 years, depending on the project and its components. During construction the warranty provision is recorded based on past experience and, in general, remains unchanged during construction. Actual warranty costs are recorded against the warranty provision of projects in warranty phase (pool approach). As per closing date, future warranty costs are estimated and if needed the warranty provisions are increased or released.

(Amount in ₹ crore, unless otherwise stated)

NOTE 22 PROVISIONS....Contd.

Note 22.2 : The Group has adequately recognised forseeable losses on projects wherever it was probable that total contract costs will exceed total contract revenue. Details of provision in respect of forseeable losses of Holding Company is as stated below:

	As at 31 March 2024	As at 31 March 2023
Opening provision at the beginning of the year	**475.63**	**324.94**
Addition during the year	18.38	150.69
Utilised during the year	(225.49)	-
Closing provision as at the end of the year	**268.52**	**475.63**

The Group has adequately recognised forseeable losses on projects wherever it was probable that total contract costs will exceed total contract revenue.

NOTE 23 TRADE PAYABLES

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises	90.38	134.67
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,383.11	2,856.54
Total trade payables	**2,473.49**	**2,991.21**

Note 23.1 : Trade payables are non-interest bearing and are normally settled as per the payment terms stated in the contract.

Note 23.2 : Trade payables ageing schedule

As at 31 March 2024	**Outstanding for following periods from due date of payment**						**Total**
	Not due	**Unbilled**	**Less than 1 year**	**1 -2 years**	**2 -3 years**	**More than 3 years**	
(i) MSME	36.14	-	39.02	5.99	2.25	6.98	90.38
(ii) Others	721.80	513.25	879.98	37.47	36.32	194.28	2,383.11
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
	757.94	**513.25**	**919.00**	**43.46**	**38.57**	**201.26**	**2,473.49**

As at 31 March 2023	Outstanding for following periods from due date of payment						Total
	Not due	Unbilled	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
(i) MSME	27.06	-	82.51	11.83	1.84	11.43	134.67
(ii) Others	973.79	609.34	895.90	66.41	49.92	261.18	2,856.54
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
	1,000.85	**609.34**	**978.41**	**78.24**	**51.76**	**272.61**	**2,991.21**

NOTE 24 OTHER CURRENT LIABILITIES

		As at 31 March 2024	As at 31 March 2023
a)	Due to customers	424.24	669.19
b)	Advance received from contractee	1,122.41	1,315.85
c)	Statutory dues payable	73.61	55.38
d)	Other liabilities	30.91	46.20
Total other current liabilities		**1,651.17**	**2,086.62**

NOTE 25 REVENUE FROM OPERATIONS

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Sale of products and services:		
	- Construction revenue	6,623.91	7,709.70
b)	Other operating revenue:		
	- Fair valuation gain on subsequent measurement of financial assets	275.80	248.55
	- Interest on arbitration awards (Refer note 25.1)	6.29	255.90
	- Royalty income	4.30	5.38
	- Provision no longer required written back	64.94	50.14
	- Service fees	31.47	-
	- Others	-	0.19
		382.80	**560.16**
Total revenue from operations		**7,006.71**	**8,269.86**

Note 25.1 : The Holding Company has recognized interest income on arbitration awards of ₹ 77.49 crore during the current year. This has been presented net of reversal of interest in respect of a project, where Supreme Court while upholding the award, has modified the interest. This resulted in a cumulative interest reversal of ₹ 83.23 crore. The net charge of ₹ 5.74 crore has been grouped in "Miscellaneous expenses" under the head "Other expenses".

Note 25.2 : Disclosure in accordance with Ind AS 115 Revenue from Contracts with Customers

(a) Disaggregation of revenue

Revenue disaggregation as per industry vertical has been included in segment information (Refer note 47)

(b) Unsatisfied performance obligations

The aggregate amount of transaction price allocated to performance obligations that are unsatisfied as at the end of reporting period is ₹ 14,382 crore (31 March 2023: ₹ 23,343 crore). Most of the Group's contracts have a life cycle of three to five years. Management expects that around 40%-50% of the transaction price allocated to unsatisfied contracts as of 31 March 2024 will be recognised as revenue during next reporting period depending upon the progress on each contracts. The remaining amounts are expected to be recognised over the next two years. The amount disclosed above does not include variable consideration.

NOTE 25 REVENUE FROM OPERATIONS....Contd.

(c) Contract balances

(i) Movement in contract balances during the year:

	Contract assets (unbilled work-in-progress)	Contract liabilities (due to customers)	Net contract balance
As at 1 April 2022	**3,787.97**	**798.84**	**2,989.13**
Net (decrease)	(862.99)	(129.65)	(733.34)
As at 31 March 2023	**2,924.98**	**669.19**	**2,255.79**
Net increase/ (decrease)	489.31	(244.95)	734.26
As at 31 March 2024	**3,414.29**	**424.24**	**2,990.05**

Note: Increase in contract assets is primarily due to lesser certification of progress bills as compared to revenue for the year. Further, contract liability has decreased due to higher recognition of revenue as compared to progress bills raised during the year.

(ii) Revenue recognised during the year from opening balance of contract liability amounts to ₹ 255.73 crore (31 March 2023: ₹ 790.80 crore)

(iii) Revenue recognised during the year from the performance obligation satisfied upto previous year amounts to Nil (31 March 2023: ₹ 61.58 crore)

(d) Out of the total revenue recognised during the year, ₹ 6937.47 crore (31 March 2023: ₹ 8214.15 crore) is recognised over a period of time and ₹ 69.24 crore (31 March 2023: ₹ 55.71 crore) is recognised at a point in time.

(e) There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.

(f) Cost to obtain or fulfil the contract:

(i) Amount of amortisation recognised in Statement of Profit and Loss during the year : Nil

(ii) Amount recognised as contract assets as at 31 March 2024 : Nil

NOTE 26 OTHER INCOME

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Interest income from financial assets at amortised cost	31.10	20.95
b)	Other non-operating income:		
	- Gain on settlement of debt (Refer note below)	55.75	-
	- Profit on disposal of property, plant and equipment (net)	6.06	2.89
	- Plant hire income	24.32	0.50
	- Exchange gain (net)	1.72	4.18
	- Dividend from non-current investments	0.07	4.57
	- Rental Income	0.54	0.50
	- Miscellaneous	13.10	19.59
Total other income		**132.66**	**53.18**

Note : The Holding Company entered into a revised sanction letter with a holder of Optionally Convertible Debentures ('OCD') which provides for a waiver on the interest accrued on prepayment of OCD. During the current year, the Holding Company made prepayments towards outstanding OCD which resulted in gains on settlement of debt, representing waiver of interest (net of processing charges), amounting to ₹ 46.16 crore during the year ended 31 March 2024.

Further, pursuant to an one time settelment by HCC Infrastructure Company Limited (a subsidiary) with its lenders, total oustanding debt (including interest thereon) aggregating ₹ 61.38 crore was settled for ₹ 51.79 crore. The settlement amount has been fully repaid and the resultant gain of ₹ 9.59 crore has been recognised under other income.

(Amount in ₹ crore, unless otherwise stated)

NOTE 27 COST OF MATERIALS CONSUMED

	Year ended 31 March 2024	Year ended 31 March 2023
Stock at beginning of the year	166.18	170.05
Add: Purchases	854.36	1,042.42
	1,020.54	**1,212.47**
Less: Sale of scrap and unserviceable material	(35.07)	(36.65)
	985.47	**1,175.82**
Less: Stock at the end of the year	(123.42)	(166.18)
Total cost of materials consumed	**862.05**	**1,009.64**

NOTE 28 CHANGES IN INVENTORIES

	Year ended 31 March 2024	Year ended 31 March 2023
Opening inventory	319.73	308.69
Less: Closing inventory	(309.57)	(319.73)
Total changes in inventories	**10.16**	**(11.04)**

NOTE 29 EMPLOYEE BENEFITS EXPENSE

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	526.92	643.95
Contribution to provident and other funds	59.14	29.00
Staff welfare	54.07	55.00
Share based payment expense	0.20	0.00
Total employee benefits expense	**640.33**	**727.95**

NOTE 30 FINANCE COSTS

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on:		
- debentures	565.22	605.37
- term loan/ cash credit facilities	39.69	134.14
- financial liabilities of an erstwhile subsidiary	-	90.15
- advance from contractee	91.87	100.38
- lease liabilities (Refer note 39)	2.38	2.93
- others	53.53	18.71
Other borrowing costs		
- guarantee commission	47.15	50.60
- others	13.43	10.03
Total finance costs	**813.27**	**1,012.31**

(Amount in ₹ crore, unless otherwise stated)

NOTE 31 DEPRECIATION AND AMORTISATION EXPENSE

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Depreciation of tangible assets (Refer note 3A)	73.50	83.74
b)	Depreciation on right-of-use assets (Refer note 3B)	23.28	30.82
c)	Depreciation of investment properties (Refer note 4)	0.02	0.03
d)	Amortisation of intangible assets (Refer note 5)	8.30	13.05
Total depreciation and amortisation expense		**105.10**	**127.64**

NOTE 32 OTHER EXPENSES

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Stationery, postage, telephone and advertisement	7.49	5.70
b)	Travelling and conveyance	36.63	41.28
c)	Rates and taxes	27.18	30.02
d)	Power, fuel and water	137.73	147.65
e)	Insurance	40.83	28.86
f)	Rent (Refer note 39)	80.76	91.70
g)	Professional fees	87.93	60.75
h)	Repairs and maintenance- building	4.30	4.83
i)	Repairs and maintenance- others	4.97	11.88
j)	Payment to auditors	6.73	6.65
k)	Office expenses	2.92	13.60
l)	Operation, maintenance and warranty	57.30	83.12
m)	Selling and distribution expenses	3.45	4.44
n)	IT support and computer maintenance	9.80	7.97
o)	Loss allowance on financial assets	19.33	29.72
p)	Miscellaneous expenses	33.97	31.40
Total other expenses		**561.32**	**599.57**

NOTE 33 EXCEPTIONAL ITEMS - GAIN

		Year ended 31 March 2024	Year ended 31 March 2023
a)	Gain on deconsolidation of HREL Real Estate Limited (Refer note 33.1)	86.73	-
b)	Gain on deconsolidation of Prolific Resolution Private Limited (Refer note 33.2)	1.53	-
c)	Gain on deconsolidation of Steiner Construction SA (Refer note 38.1)	564.56	-
d)	Gain on sale of land (Refer note 33.3)	87.93	-
e)	Gain on deconsolidation of a erstwhile subsidiary (Refer note 49)	110.00	142.48
f)	Gain on implementation of debt resolution plan of Holding Company (Refer note 33.4)	-	223.30
g)	Gain on settlement of debt (Refer note 33.5)	-	43.96
Total exceptional items - Gain		**850.75**	**409.74**

NOTE 33 EXCEPTIONAL ITEMS - GAIN....Contd.

Note 33.1 : Gain on deconsolidation of HREL Real Estate Limited

The Holding Company has divested its entire equity shareholding in HREL Real Estate Limited ('HREL'), a wholly owned subsidiary, vide Share Purchase Agreement dated 31 March 2024 for a consideration of ₹ 0.10 crore. Accordingly, HREL along with its step-down subsidiaries have ceased to be subsidiaries of the Group in accordance with Ind AS 110 'Consolidated Financial Statements' and the resultant gain on deconsolidation has been presented as an exceptional item for the year ended 31 March 2024.

	Amount
Non-current liabilities	56.20
Current liabilities	50.82
Total liabilities (a)	**107.02**
Non-current assets	19.06
Current assets	1.33
Total assets (b)	**20.39**
Sale proceeds (c)	**0.10**
Gain on deconsolidation [(a) - (b) - (c)]	**(86.73)**

Note 33.2 : Gain on deconsolidation of Prolific Resolution Private Limited

During the quarter ended 30 September 2023, 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, JIPL holds 51% of equity share capital 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 have been derecognized from consolidated financial statements and the Group has recognised a gain on deconsolidation of ₹ 1.53 crore for the year ended 31 March 2024, which has been presented as an exceptional item.

Note 33.3 : Gain on sale of land

During the current year, 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.

Note 33.4 : Gain on implementation of debt resolution plan of Holding Company

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, and a joint venture thereafter 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.

Note 33.5 : Gain on settlement of debt

During the year ended 31 March, 2023, Raiganj Dalkhola Highways Limited ('RDHL'), a wholly owned subsidiary of HICL, entered into one time settlement with its lenders, where part of outstanding debt (including interest thereon) aggregating ₹ 92.43 crore was settled for ₹ 48.47 crore resulting in a gain of ₹ 43.96 crore. The aforementioned resultant gains have been presented as exceptional items.

NOTE 34 EARNINGS/ (LOSS) PER SHARE (EPS)

			Year ended 31 March 2024	Year ended 31 March 2023
Basic and diluted EPS				
Earnings/ (Loss) per share (Face value of ₹ 1 each) - for continuing operations				
A.	Profit / (loss) computation for basic earnings per share of ₹ 1 each			
	Net profit / (loss) as per the Consolidated Statement of Profit and Loss available for equity shareholders	(₹ crore)	529.42	(52.51)
B.	Weighted average number of equity shares for EPS computation	(Nos.)	1,512,976,244	1,512,976,244
	Add: Effect of dilution on account of employee stock option issued		185,186	12,035
	Weighted average number of equity shares adjusted for the effect of dilution	(Nos.)	**1,513,161,430**	**1,512,988,279**
C.	EPS- Basic and Diluted	(₹ per share)		
	- Basic EPS		3.50	(0.35)
	- Diluted EPS		3.50	(0.35)
			Year ended 31 March 2024	Year ended 31 March 2023
Earnings / (Loss) per share (Face value of ₹ 1 each) - for discontinued operations				
A.	Profit / (loss) computation for basic earnings per share of ₹ 1 each			
	Net profit / (loss) as per the Consolidated Statement of Profit and Loss available for equity shareholders	(₹ crore)	(51.26)	24.67
B.	Weighted average number of equity shares for EPS computation	(Nos.)	1,512,976,244	1,512,976,244
	Add: Effect of dilution on account of employee stock option issued	(Nos.)	185,186	12,035
	Weighted average number of equity shares adjusted for the effect of dilution		**1,513,161,430**	**1,512,988,279**
C.	EPS- Basic and Diluted	(₹ per share)		
	- Basic EPS		(0.34)	0.16
	- Diluted EPS		(0.34)	0.16
Earnings / (Loss) per share (Face value of ₹ 1 each) - for total operations				
A.	Profit / (loss) computation for basic earnings per share of ₹ 1 each			
	Net profit / (loss) as per the Consolidated Statement of Profit and Loss available for equity shareholders	(₹ crore)	478.16	(27.84)
B.	Weighted average number of equity shares for EPS computation	(Nos.)	1,512,976,244	1,512,976,244
	Add: Effect of dilution on account of employee stock option issued		185,186	12,035
	Weighted average number of equity shares adjusted for the effect of dilution		**1,513,161,430**	**1,512,988,279**
C.	EPS- Basic and Diluted	(₹ per share)		
	- Basic EPS		3.16	(0.19)
	- Diluted EPS		3.16	(0.19)

NOTE 35 CONTINGENT LIABILITIES AND COMMITMENTS

		As at 31 March 2024	As at 31 March 2023
A.	**CONTINGENT LIABILITIES**		
(i)	Claims against the Group not acknowledged as debts	101.63	194.39
(ii)	Income tax liability that may arise in respect of matter in which the Group is in appeals	74.92	118.18
(iii)	Indirect tax liability that may arise in respect of matter in which the Group is in appeals	181.51	162.66
(iv)	Stamp duty	11.66	-

Note : It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above contingent liabilities. Future cash outflows in respect of the above are determinable only on receipt of judgments / decisions pending with various forums / authorities. The Group does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

		As at 31 March 2024	As at 31 March 2023
B.	**Commitments**		
	Capital Commitment (net of advances)	4.43	1.29

NOTE 36 Unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivable includes ₹ 528.81 crore, ₹ 245.54 crore and ₹ 57.52 crore, respectively, outstanding as at 31 March 2024, 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 of the Holding Company. 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.

NOTE 37 The Notification under Section 3C(1) under the Maharashtra Slum Area (Improvement & Redevelopment) Act, 1971 declaring the land parcel at Vikhroli (East) held by the Panchkutir Developers Limited ('PDL'), a subsidiary of Holding Company, as "Slum Rehabilitation Area" has been challenged by some persons and appeals preferred are pending in the Bombay High Court. Similarly, a suit filed in the High Court by some persons for declaration that they are Lessees of the said property is also pending. Suit filed by PDL for vacant and peaceful possession of part of the said land is in the Small Causes Court, Mumbai. On 12 December 2021, Small Causes Court passed ex-parte decree & judgement in PDL's favour. The opposite party has filed application to set aside the order of Decree and Judgement.

NOTE 38.1 : During the current year, Steiner AG ('SAG'), a step down subsidiary of the Holding Company, executed a Share Purchase Agreement (SPA) for 100% stake sale of Steiner Construction SA ('SCSA'), a wholly owned subsidiary of SAG. On 18 January 2024, material condition precedents of above SPA have been met and SCSA ceases to be a subsidiary of the Group in accordance with Ind AS 110- "Consolidated Financial Statements". Pursuant to the above sale the resultant gain on deconsolidation has been recognised during the current year.

	Amount
Non-current liabilities	590.96
Current liabilities	439.07
Total liabilities (a)	**1,030.03**
Non-current assets	10.31
Current assets	617.49
Total assets (b)	**627.79**
Net liabilities (c = a - b)	**402.24**
Sale proceeds (d)	**162.32**
Gain on deconsolidation (e = c + d)	**564.56**

Note 38.2 : SCSA was 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 tnd AS 105 are given below:

	For the period 1 April 2023 to 18 January 2024	For the year ended 31 March 2023
Statement of profit and loss		
Total Income	1,780.16	1,589.29
Total Expenses	1,831.42	1,559.22
Profit/ (Loss) before tax	**(51.26)**	**30.07**
Tax expenses	-	4.15
Profit/ (Loss) after tax	**(51.26)**	**25.92**
Other comprehensive income	**-**	**-**
Total comprehhensive income/ (loss)	**(51.26)**	**25.92**
Cash flow statement		
Net cash (used in)/ generated from operating activities	(143.87)	369.46
Net cash used in investing activities	-	(13.87)
Net cash generated from financing activities	92.01	88.78
Net cash generated from discontinued operations	**(51.85)**	**444.38**

NOTE 39 LEASES - IND AS 116

a) Right-of-use assets:

The net carrying value of right-of-use assets as at 31 March 2024 amounts to ₹ 93.62 crore (31 March 2023 : ₹ 186.80 crore) have been disclosed on the face of the balance sheet. (Refer note 3B)

b) Lease liabilities:

As at 31 March 2024, the obligations under leases amounts to ₹ 114.07 crore (31 March 2023 : ₹ 217.05 crore), which have been classified as lease liabilities [non-current ₹ 96.89 crore and current ₹ 17.18 crore (31 March 2023 : non-current ₹ 185.70 crore and current ₹ 31.35 crore)]

The following is the movement in lease liabilities:

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	**217.05**	**226.82**
Additions during the year	-	-
Finance cost accrued during the year	2.38	2.93
Payment of lease liabilities	(33.05)	(9.77)
Translation difference	(0.56)	(2.93)
Termination of lease	(71.75)	-
Balance at the end of the year	**114.07**	**217.05**

The table below provides details regarding the contractual maturities (undiscounted) of lease liabilities:

Lease Liabilities	Carrying amount	Contractual cash flows			
		Total	0-1 year	1-5 years	5 years and above
As at 31 March 2024	**114.07**	**118.06**	**18.16**	**74.47**	**25.43**
As at 31 March 2023	217.05	244.23	36.81	143.60	63.82

NOTE 39 LEASES - IND AS 116....Contd.

c) During the year ended 31 March 2024, the Group recognised the following in the Statement of Profit and Loss:

(i) Depreciation expense from right-of-use assets of ₹ 23.28 crore (31 March 2023 ₹ 30.82 crore) (Refer note 31)

(ii) Finance cost on lease liabilities of ₹ 2.38 crore (31 March 2023 ₹ 2.93 crore) (Refer note 30)

(iii) Rent expense amounting to Nil (31 March 2023 Nil) and ₹ 80.76 crore (31 March 2023 ₹ 91.70 crore) pertaining to leases with less than twelve months of lease term have been included under rent expense (Refer note 32). Further the group does not have rent expenses relating to leases of low-value assets.

d) Cash outflow in respect of lease liabilities for the year ended 31 March 2024 amounts to ₹ 33.05 crore (31 March 2023: ₹ 9.77 crore).

NOTE 40 DISCLOSURE IN ACCORDANCE WITH IND AS 24 - RELATED PARTY DISCLOSURES

A. Names of related parties and nature of relationship

Sr No	Name	Country of incorporation	Group's holding as at (%)	
			31 March 2024	31 March 2023
a)	**Joint ventures**			
	Prolific Resolution Private Limited (Refer note 33.2)	India	49.00	-
b)	**Associates**			
	Evostate AG	Switzerland	30.00	30.00
	MCR Managing Corp. Real Estate*	Switzerland	30.00	30.00
	Evostate Immobilien AG (Subsidiary of Evostate AG)	Switzerland	30.00	30.00
	Hegias AG, Zurich (with effect from 18 August 2022)	Switzerland	23.20	23.20
	Highbar Technocrat Limited	India	49.00	49.00

*in process of liquidation

c) Other related parties

Name	**Relationship**
Mrs. Shalaka Gulabchand Dhawan	Daughter of Chairman and Non-Executive Director and Wife of Executive Vice Chairman
Gulabchand Foundation	Entities over which key management personnel/ their relatives having control
Hincon Holdings Limited	Entities over which key management personnel/ their relatives having control
Hincon Finance Limited	Entities over which key management personnel/ their relatives having control
Shalaka Investment Private Limited	Entities over which key management personnel/ their relatives having control
Maharani Holdings Private Limited	Entities over which key management personnel/ their relatives having control
HCC Employee's Provident Fund	Post-employment contribution plan
Stiftung der Steniner AG (Steiner pension foundation)	Post-employment benefit plan

(Amount in ₹ crore, unless otherwise stated)

NOTE 40 DISCLOSURE IN ACCORDANCE WITH IND AS 24 - RELATED PARTY DISCLOSURES....Contd.

B. Key Management Personnel and relative of Key Management Personnel

Name	Relationship
Mr. Ajit Gulabchand	Chairman and Managing Director (upto 31 March 2023) Chairman and Non-Executive Director (w.e.f. 1 April 2023)
Mr. Arjun Dhawan	Executive Vice Chairman
Mr. Jaspreet Bhullar	Chief Executive Officer (from 23 March 2022 to 31 March 2023) Managing Director and Chief Executive Officer (w.e.f. 1 April 2023)
Mr. Mukul Sarkar	Nominee Director
Mr. N. R. Acharyulu	Independent Director
Dr. Mita Dixit	Independent Director
Mr. Mahendra Singh Mehta	Independent Director
Mr. Santosh Janakiram Iyer	Independent Director
Mr. Arun Karambelkar	Independent Director (w.e.f 7 June 2023)
Mr. Aditya Jain	Non-Executive Non-Indpendent Director (w.e.f 7 June 2023)
Mr. Rahul Rao	Chief Financial Officer (upto 18 April 2024)
Mr. Girish Gangal	Chief Financial Officer (w.e.f 18 April 2024)
Mr. Vithal P. Kulkarni	Company Secretary (upto 12 May 2022)
Mr. Nitesh Jha	Company Secretary (w.e.f 12 May 2022)

C. Nature of transactions

	Year ended 31 March 2024	Year ended 31 March 2023
Transactions with related parties:		
Finance income on corporate guarantees		
Associate		
- Highbar Technocrat Limited	-	0.16
Interest income on inter corporate deposits		
Entities over which key management personnel/ their relatives having control		
- Maharani Holdings Private Limited	0.04	-
Reimbursement of expenses		
Joint ventures		
- Prolific Resolution Private Limited	31.22	-
Services given		
Associates		
- Highbar Technocrat Limited	0.05	-
Services received		
Associates		
- Highbar Technocrat Limited	2.15	2.28
Inter corporate deposit given		
Entities over which key management personnel/ their relatives having control		
- Maharani Holdings Private Limited	25.00	-
Inter corporate deposit given recovered		
Entities over which key management personnel/ their relatives having control		
- Maharani Holdings Private Limited	25.00	-

(Amount in ₹ crore, unless otherwise stated)

NOTE 40 DISCLOSURE IN ACCORDANCE WITH IND AS 24 - RELATED PARTY DISCLOSURES....Contd.

		Year ended 31 March 2024	Year ended 31 March 2023
Remuneration paid / accrued to Key Management Personnel			
(a)	**Short-term employee benefits**		
	- Mr. Ajit Gulabchand	2.79	5.13
	- Mr. Arjun Dhawan	5.13	4.67
	- Mr. Vithal P. Kulkarni	-	0.30
	- Mr. Jaspreet Bhullar	3.55	2.49
	- Mr. Rahul Rao	1.34	1.19
	- Mr. Nitesh Kumar Jha	0.69	0.38
		13.50	**14.16**
(b)	**Post employment benefits**		
	- Mr. Ajit Gulabchand	0.21	0.37
	- Mr. Arjun Dhawan	0.37	0.33
	- Mr. Vithal P. Kulkarni	-	-
	- Mr. Jaspreet Bhullar	0.30	0.10
	- Mr. Rahul Rao	0.06	0.06
	- Mr. Nitesh Kumar Jha	0.02	0.01
		0.96	**0.87**
(c)	**Total remuneration [(a) + (b)]**		
	- Mr. Ajit Gulabchand	3.00	5.50
	- Mr. Arjun Dhawan	5.50	5.00
	- Mr. Vithal P. Kulkarni	-	0.30
	- Mr. Jaspreet Bhullar	3.85	2.59
	- Mr. Rahul Rao	1.40	1.25
	- Mr. Nitesh Kumar Jha	0.71	0.39
		14.46	**15.03**
Remuneration paid / accrued			
-	Other related parties		
-	Mrs. Shalaka Gulabchand Dhawan	1.31	1.30
Directors' sitting fees paid / accrued			
Key management personnel			
-	Mr. Ajit Gulabchand	0.16	-
-	Mr. N. R. Acharyulu	0.15	0.18
-	Mr. Arun V. Karambelkar	0.04	0.01
-	Mr. Santosh Jankiram Iyer	0.07	0.10
-	Mr. Mahendra Singh Mehta	0.12	0.15
-	Mr. Mukul Sarkar	0.03	0.04
-	Dr. Mita Dixit	0.08	0.09
-	Mr. Aditya Jain	0.03	-
		0.68	**0.57**

NOTE 40 DISCLOSURE IN ACCORDANCE WITH IND AS 24 - RELATED PARTY DISCLOSURES....Contd.

Outstanding balances:

	As at 31 March 2024	As at 31 March 2023
Outstanding receivables		
Receivables from related parties		
Other Receivable		
- Joint Venture		
- Prolific Resolution Private Limited	17.16	-
Associate		
- Highbar Technocrat Limited	0.32	0.14
	17.48	**0.14**
Outstanding payables		
Inter corporate deposits		
Associates		
- Evostate AG	-	0.47
	-	**0.47**
Other payable		
Associate		
- Highbar Technocrat Limited	1.80	1.75
Other related parties		
- Hincon Holdings Limited	-	0.00*
	1.80	**1.75**
Corporate guarantees given by Holding Company		
- Joint Venture		
- Prolific Resolution Private Limited	3,448.03	-
	3,448.03	**-**
Remuneration payable (net)		
- Key management personnel		
- Mr. Ajit Gulabchand	0.18	0.35
- Mr. Arjun Dhawan	0.14	0.12
- Mr. Rahul Rao	0.10	0.10
- Mr. Jaspreet Bhullar	0.14	0.22
- Mr. Nitesh Kumar Jha	0.04	0.03
	0.60	**0.82**
- Other related parties		
- Mrs. Shalaka Gulabchand Dhawan	0.11	0.11
	0.71	**0.93**

* represents amount less than ₹ 1 lakh.

Notes:

(i) The above figure does not include gratuity liability valued by an actuary, as separate figures are not available.

(ii) Refer note 20 for personal guarantee provided by Chairman, shares pledged and other security created in respect of borrowing by the Holding Company or the related parties.

(iii) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

(Amount in ₹ crore, unless otherwise stated)

NOTE 41 FINANCIAL INSTRUMENTS

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

(a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

(b) Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

A Financial instruments by category

The carrying value and fair value of financial instruments by categories were as follows:

As at 31 March 2024

	Refer note	Amortised cost	Fair value through profit or loss	Fair value through Other Comprehensive Income	Total carrying value
Assets:					
Investments:					
Investments in equity shares (unquoted)	6, 6A	-	-	33.95	33.95
Investments in equity shares (quoted)	6A	-	-	4.61	4.61
Investment in mutual funds (unquoted)	13	-	0.15	-	0.15
Trade receivables	7	2,907.32	-	-	2,907.32
Loans	8	36.78	-	-	36.78
Other financial assets	9	69.81	-	-	69.81
Cash and cash equivalents	14	398.73	-	-	398.73
Bank balances other than cash and cash equivalents	15	114.39	-	-	114.39
Liabilities:					
Borrowings (including current maturities of long-term debts)	20	2,108.47	-	-	2,108.47
Trade payables	23	2,473.49	-	-	2,473.49
Lease liabilities	39	114.07	-	-	114.07
Other financial liabilities	21	2,409.23	77.80	-	2,487.03

The carrying value and fair value of financial instruments by categories were as follows:

As at 31 March 2023

	Refer note	Amortised cost	Fair value through profit or loss	Fair value through Other Comprehensive Income	Total carrying value
Assets:					
Investments:					
Investments in equity shares (unquoted)	6, 6A	-	-	18.21	18.21
Investments in equity shares (quoted)	6A	-	-	0.90	0.90
Investment in mutual funds (unquoted)	13	-	0.70	-	0.70
Trade receivables	7	3,368.26	-	-	3,368.26
Loans	8	26.62	-	-	26.62
Other financial assets	9	101.22	3,127.97	-	3,229.19
Cash and cash equivalents	14	581.91	-	-	581.91
Bank balances other than cash and cash equivalents	15	571.63	-	-	571.63

NOTE 41 FINANCIAL INSTRUMENTS....Contd.

As at 31 March 2023

	Refer note	Amortised cost	Fair value through profit or loss	Fair value through Other Comprehensive Income	Total carrying value
Liabilities:					
Borrowings (including current maturities of long-term debts)	20	5,294.52	-	-	5,294.52
Trade payables	23	2,991.21	-	-	2,991.21
Lease liabilities	39	217.05	-	-	217.05
Other financial liabilities	21	2,512.90	52.59	-	2,565.49

B Fair value hierarchy

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

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

	As at 31 March 2024			As at 31 March 2023		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Investments in equity shares (quoted)	4.61	-	-	0.90	-	-
Investments in equity shares (unquoted)	-	33.38	0.57	-	13.65	4.56
Investment in mutual funds (unquoted)	-	0.15	-	-	0.70	-
Other financial assets	-	-	-	-	-	3,127.97

NOTE 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk includes loans and borrowings.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

Considering the Company's total debt obligation with floating interest rate as 31 March 2024 is ₹ 256.38 crore (31 March 2023; ₹ 292.14 crore, the impact on Statement of Profit and Loss due to fluctuation in exchange rates would be immaterial. Therefore the disclosure for sensibility analysis has not been included.

b) Foreign currency risk

The Group has several balances in foreign currency and consequently the Group is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years, which has affected the results of the Group, and may fluctuate substantially in the future. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

NOTE 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....Contd.

The following table analyses foreign currency risk from financial instruments :

As at 31 March 2024

(currency in crore)

	USD	EUR	SEK	CHF	CAD
Assets					
Inter corporate deposits and interest thereon	3.88	-	-	-	-
Advance to suppliers	0.04	0.03	-	-	-
Trade receivables	0.01*	0.18	-	3.38	-
Bank balances (including deposit)	0.00*	-	-	1.12	-
Other financial assets	-	-	-	1.75	-
Unbilled work-in-progress (contract asset)	-	-	-	8.98	-
	3.93	**0.21**	**-**	**15.23**	**-**
Liabilities					
Borrowings	3.38	-	-	2.25	-
Advance from contractee	-	0.62	-	-	-
Trade payables	0.36	0.15	0.12	7.50	0.01
Interest accrued	0.21	-	-	-	-
	3.95	**0.77**	**0.12**	**9.75**	**0.01**
Net assets / (liabilities)	**(0.02)**	**(0.56)**	**(0.12)**	**5.48**	**(0.01)**

As at 31 March 2023

(currency in crore)

	USD	EUR	SEK	CHF	AUD
Assets					
Inter corporate deposits and interest thereon	3.35	-	-	-	-
Advance to suppliers	0.01	0.01	-	-	0.02
Trade receivables	-	0.18	-	6.93	-
Bank balances (including deposit)	0.00	0.01	-	7.89	-
Other financial assets	-	-	-	0.27	-
Unbilled work-in-progress (contract asset)	-	-	-	5.66	-
	3.36	**0.20**	**-**	**20.75**	**0.02**
Liabilities					
Borrowings	3.76	-	-	2.77	-
Advance from contractee	-	0.61	-	-	-
Trade payables	0.27	0.31	0.12	12.27	0.01
Interest accrued	0.24	-	-	-	-
	4.27	**0.92**	**0.12**	**15.04**	**0.01**
Net assets / (liabilities)	**(0.91)**	**(0.72)**	**(0.12)**	**5.71**	**0.01**

NOTE 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....Contd.

Sensitivity analysis

A reasonably possible change in foreign exchange rates by 5% (31 March, 2023 : 5%) would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables in particular interest rates remain constant.

	Year ended 31 March 2024	Year ended 31 March 2023
Increase in basis points	500 basis points	500 basis points
Increase	20.80	16.26
Decrease in basis points	500 basis points	500 basis points
Decrease	(20.80)	(16.26)

c) Equity price risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors review and approve all equity investment decisions.

As at 31 March 2024, the exposure to listed equity securities including mutual fund at fair value was ₹ 4.61 crore (31 March 2023: ₹ 4.90 crore). A movement (decrease / increase) of 10% in the value of listed securities could have an impact of approximately ₹ 0.46 crore on the Other Comprehensive Income or equity attributable to owners of parent. These changes would not have a material effect on the total equity and profit or loss of the Group.

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

a) Trade receivable (net of loss allowance)

Trade receivables are typically unsecured and are derived from revenue earned from two main classes of trade receivables i.e. receivables from government promoted agencies and receivables from private third parties. A substantial portion of the Group's trade receivables are from government promoted agencies having strong credit worthiness.

	As at 31 March 2024		As at 31 March 2023^	
	Amount	**%**	Amount	%
Trade receivables				
- from Government promoted agencies	2,138.73	72.27%	2,294.95	67.47%
- from private third parties	820.69	27.73%	1,106.62	32.53%
Total trade receivables	**2,959.42**	**100.00%**	**3,401.57**	**100.00%**

The movement of the allowance for lifetime expected credit loss is stated below:

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	33.31	3.14
Allowance for expected credit loss	19.33	29.72
Impact of exchange fluctuation	(0.54)	0.45
Written off as bad debts	-	-
Balance at the end of the year	52.10	33.31

(Amount in ₹ crore, unless otherwise stated)

NOTE 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....Contd.

b) Financial assets other than trade receivables

Financial assets other than trade receivables comprise of cash and cash equivalents, bank balances other than cash and cash equivalents, loan to employees and other financial assets. The Group monitors the credit exposure on these financial assets on a case-to-case basis. Based on the Group's historical experience, the credit risk on other financial assets is also low.

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from external customers:		
India	5,327.82	5,477.19
Outside India	1,678.89	2,792.67
Total revenue from operations	**7,006.71**	**8,269.86**

The following table gives details in respect of contract revenues generated from the top 5 customers for the year ended:

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from top customer	1,020.14	723.00
Revenue from top five customers	2,814.83	2,903.09

For the year ended 31 March 2024, one (31 March 2023: Nil) customer, individually, accounted for more than 10% of the revenue.

c) Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings.

iii Liquidity risk

Liquidity is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

	Less than 1 year #	1 - 5 years	More than 5 years	Total
As at 31 March 2024				
Borrowings (including interest accrued)	882.23	2,242.77	672.11	3,797.11
Trade payables	2,073.20	347.51	52.78	2,473.49
Lease liabilities	18.16	74.47	25.43	118.06
Other financial liabilities	754.79	-	-	754.79
Total	**3,728.38**	**2,664.75**	**750.32**	**7,143.45**
As at 31 March 2023				
Borrowings (including interest accrued)	696.85	3,022.24	3,459.41	7,178.50
Trade payables	2,505.54	485.67	-	2,991.21
Lease liabilities	36.81	143.60	63.82	244.23
Other financial liabilities	659.99	9.75	-	669.74
Total	**3,899.19**	**3,661.26**	**3,523.23**	**11,083.68**

includes loan repayable on demand

NOTE 43 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The Group strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

(Amount in ₹ crore, unless otherwise stated)

NOTE 43 CAPITAL MANAGEMENT....Contd.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Group monitors its capital using the gearing ratio which is total debt (excluding interest accrued) divided by total capital plus total debt.

	As at 31 March 2024	As at 31 March 2023
Total debt	2,108.47	5,294.52
Total equity excluding capital reserve	(208.18)	(754.08)
Total debt to equity ratio (gearing ratio)	**(10.13)**	**(7.02)**

In the long run, the Group's strategy is to maintain a positive gearing ratio of less than 2.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. Subsequent to restructuring of the borrowings, there have been no communications from the banks in this regard which might have a negative impact on the gearing ratio.

NOTE 44 DISCLOSURES REQUIRED PURSUANT TO IND AS 102 SHARE BASED PAYMENT

The Holding Company has granted stock options under the HCC Employees Stock Option Scheme ('ESOP Scheme'). These options would vest based on the vesting conditions as per letter of grant executed between the Holding Company and its employees. Each option when exercised would be converted into one fully paid up equity share of ₹ 1 each of the Holding Company. The relevant details of the scheme, grant and activity under ESOP Scheme are summarised below:

A. The number and weighted average exercise prices of, and movements in, share option:

	No. of Options	Exercise Price (₹)
Options outstanding as at 1 April 2022	-	-
Options granted during the year	371,748	13.45
Options forfeited/lapsed/expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2023	**371,748**	**13.45**
Options outstanding as at 1 April 2023	**371,748**	**13.45**
Options granted during the year	-	-
Options forfeited/lapsed/expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2024	**371,748**	**13.45**

The weighted average of the remaining contractual life is 1.96 years.

B. Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the period:

	Unit	**Key parameter**
Vesting period	Years	3
Date of grant	Date	15 March 2023
Market price	₹	14.85
Expected life	Years	2.96
Volatility	%	64.00
Risk free rate	%	7.36
Exercise price	₹	13.45
Dividend yield	%	NIL
Option fair value	₹	8.31

Note: Expected volatility reflects assumption that the historical volatility over a year similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(Amount in ₹ crore, unless otherwise stated)

NOTE 45 INTEREST IN OTHER ENTITIES

45.1 : Subsidiaries

The Group's subsidiaries as at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest held by the group (%) (Refer note (a))		Ownership interest held by non controlling interests (%)		Principal activities
		As at 31 March 2024	As at 31 March 2023	**As at 31 March 2024**	As at 31 March 2023	
Western Securities Limited	India	97.87	97.87	2.13	2.13	Others- Insurance auxlliary services
HREL Real Estate Limited (Refer note (b) below)	India	-	100.00	-	-	Real Estate Development
Panchkutir Developers Limited	India	100.00	100.00	-	-	Real Estate Development
HCC Contract Solutions Limited	India	100.00	100.00	-	-	Engineering and construction
Highbar Technologies Limited	India	100.00	100.00	-	-	Others- Information Technology Consulting
HCC Infrastructure Company Limited	India	100.00	100.00	-	-	Infrastructure- Toll Management
HRL Township Developers Limited	India	100.00	100.00	-	-	Real Estate Development
Maan Township Developers Limited	India	100.00	100.00	-	-	Real Estate Development
Prolific Resolution Private Limited (Refer note (c) below)	India	-	100.00	-	-	Others- Services of recovering, assessing Managing claim, awards etc
HRL (Thane) Real Estate Limited (Refer note (d) below)	India	100.00	100.00	-	-	Real Estate Development
Nashik Township Developers Limited(Refer note (b) below)	India	-	100.00	-	-	Real Estate Development
Powai Real Estate Developer Limited(Refer note (b) below)	India	-	100.00	-	-	Real Estate Development
HCC Realty Limited (Refer note (b) below)	India	-	100.00	-	-	Real Estate Development
HCC Aviation Limited (Refer note (b) below)	India	-	100.00	-	-	Others- Aircraft services
HCC Operation and Maintenance Limited	India	100.00	100.00	-	-	Infrastructure- Operation and Maintenance of Road
Narmada Bridge Tollway Limited	India	100.00	100.00	-	-	Infrastructure- Toll Management
Badarpur Faridabad Tollway Limited	India	100.00	100.00	-	-	Infrastructure- Toll Management
Raiganj-Dalkhola Highways Limited	India	100.00	100.00	-	-	Infrastructure- Toll Management

NOTE 45 INTEREST IN OTHER ENTITIES....Contd.

Name of the entity	Country of incorporation	Ownership interest held by the group (%) (Refer note (a))		Ownership interest held by non controlling interests (%)		Principal activities
		As at 31 March 2024	As at 31 March 2023	**As at 31 March 2024**	As at 31 March 2023	
HCC Mauritius Enterprises Limited	Mauritius	100.00	100.00	-	-	Engineering and construction
HCC Mauritius Investment Limited	Mauritius	100.00	100.00	-	-	Engineering and construction
Steiner AG	Switzerland	100.00	100.00	-	-	Engineering and construction
Steiner Promotions et Participations SA	Switzerland	100.00	100.00	-	-	Engineering and construction
VM + ST AG	Switzerland	100.00	100.00	-	-	Engineering and construction
Manufakt8048 AG	Switzerland	100.00	100.00	-	-	Engineering and construction
Steiner Leman SAS (Refer note (e) below)	France	100.00	100.00	-	-	Engineering and construction
Steiner Construction SA (incorporated w.e.f. 12 July 2022) (Refer note (f) below)	Switzerland	-	100.00	-	-	Engineering and construction
Steiner Projekte AG (w.e.f 19 February 2024)	Switzerland	100.00	-	-	-	Engineering and construction
Steiner (Deutschland) GmbH	Germany	100.00	100.00	-	-	Engineering and construction
Steiner India Limited	India	100.00	100.00	-	-	Engineering and construction

Notes:

a) Including through subsidiary companies.

b) Pursuant to the Share Purchase Agreement dated 31 March 2024, HREL Real Estate Limited alongwith its subsidiaries i.e. Nashik Township Developers Limited, Powai Real Estate Developers Limited, HCC Aviation LImited and HCC Reality Limited have ceased to be subsidiaries of Hindustan Construction Company Limited.

c) During the current year, 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, JIPL holds 51% of equity share capital of PRPL. Consequently, w.e.f. 30 September 2023, PRPL ceases to be a subsidiary of the 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.

d) During the current year, the Holding Company has entered into a Share Purchase Agreement ('SPA') with HREL Real Estate Limited ('HREL') for acquisition of HRL Thane Real Estate Limited ('HRL Thane'), wholly owned subsidiary of HREL. Pursuant to the SPA, HRL Thane has become a direct subsidiary of the Holding Company.

e) Steiner Leman SAS sold during the year.

f) 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. The sale is completed on 18 January 2024. Pursuant to such sale, Steiner Construction SA ceased to be a subsidiary w.e.f. 18 January 2024.

NOTE 45 INTEREST IN OTHER ENTITIES....Contd.

45.2 : Non-controlling interest (NCI)

The following table summarises the information relating to the subsidiaries that has NCI. The amounts disclosed are before intra-group eliminations

	Western Securities Limited	
	As at 31 March 2024	As at 31 March 2023
NCI percentage	**2.13%**	**2.13%**
Summarised balance sheet		
Current assets (A)	0.61	0.66
Non-current assets (B)	1.44	2.18
Current liabilities (C)	0.49	0.75
Non-current liabilities (D)	0.14	0.14
Net assets (A+B-C-D)	**1.42**	**1.95**
Net assets attributable to NCI	**0.00***	**0.00***
Summarised statement of profit and loss		
Revenue	0.59	0.69
Loss for the year	**(0.62)**	**(0.23)**
Other comprehensive income/(loss)	0.10	(0.01)
Total comprehensive income/ (loss)	**(0.52)**	**(0.24)**
Profit/(loss) allocated to NCI	(0.00)*	(0.00)*
OCI allocated to NCI	0.00*	(0.00)*
Total comprehensive income allocated to NCI	**(0.00)***	**0.00***
Summarised cash flows		
Cash flow from operating activities	(0.66)	0.21
Cash flow from investing activities	0.57	(0.15)
Cash flow from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	**(0.09)**	**0.06**

* Represents amount less than ₹ 1 lakh

45.3 : Interest in associates and joint ventures

	Note	Carrying amount	
		As at 31 March 2024	As at 31 March 2023
Interest in associates	See (A) below	63.99	59.66
Interest in joint ventures	See (B) below	142.83	0.00*
		206.82	**59.66**

* Represents amount less than ₹ 1 lakh.

NOTE 45 INTEREST IN OTHER ENTITIES......Contd.

(A) Interest in associates

The Group's associates as at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest (%)	Carrying amount^		Principal activities
			As at 31 March 2024	As at 31 March 2023	
Evostate AG	Switzerland	30.00	13.53	10.57	Real estate development
MCR Managing Corporate Real Estate AG	Switzerland	30.00	2.02	1.41	Real estate development
Hegias AG	Switzerland	23.20	24.69	27.19	IT services
Highbar Technocrat Limited	India	49.00	23.75	20.49	IT services
Total			**63.99**	**59.66**	

Refer note 45.4 for the summarised financial information of associates. The information disclosed reflects the amount presented in the financial statement of the relevant associates and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments at the time of acquisition and modifications for difference in accounting policies.

Group share of capital commitment and contingent liability in relation to its interest in associates is Nil.

(B) Interest in joint ventures

The Group's joint ventures as at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest (%)	Carrying amount^		Principal activities
			As at 31 March 2024	As at 31 March 2023	
Prolific Resolution Private Limited (Refer note 33.2)	India	49.00	142.83	-	Others- Services of recovering, assessing Managing claim, awards etc
			142.83	**0.00***	

* Represents amount less than ₹ 1 lakh.
^ Unlisted entity- no quoted price available

Refer Note 45.5 for summarised financial information of joint ventures. The information disclosed reflects the amount presented in the financial statement of the relevant joint ventures and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments at the time of acquisition and modifications for difference in accounting policies.

Group share of capital commitment and contingent liability in relation to its interest in joint ventures is Nil

(Amount in ₹ crore, unless otherwise stated)

NOTE 45 INTEREST IN OTHER ENTITIES....Contd.

Note 45.4 : Table below provide summarised financial information for associates

	Estate AG		MCR Managing Corporate Real Estate AG		Hegias AG		Highbar Technocrat Limited	
	As at 31 March 2024	As at 31 March 2023	**As at 31 March 2024**	As at 31 March 2023	**As at 31 March 2024**	As at 31 March 2023	**As at 31 March 2024**	As at 31 March 2023
Summarised Balance Sheet								
Current assets (A)	613.65	346.86	7.40	5.18	1.09	16.49	63.50	68.49
Non-current assets (B)	-	-	-	-	27.60	25.04	5.17	3.53
Current liabilities (C)	568.96	315.18	0.67	0.46	3.17	7.61	18.71	29.25
Non-current liabilities (D)	-	-	-	-	5.01	0.58	1.57	0.97
Net assets (A+B-C-D)	**44.69**	**31.68**	**6.73**	**4.72**	**20.51**	**33.34**	**48.39**	**41.80**
Summarised Statement of Profit and Loss								
Revenue	240.80	-	3.05	0.22	19.15	14.46	100.11	99.12
Profit / (loss) for the year (A)	12.50	22.69	1.91	1.50	(18.53)	(13.10)	9.04	9.73
Other comprehensive income (B)	(0.11)	-	-	-	0.42	-	(0.35)	(0.53)
Total comprehensive income (A+B)	**12.38**	**22.69**	**1.91**	**1.50**	**(18.11)**	**(13.10)**	**8.69**	**9.20**

Note 45.5 : Financial information for joint ventures

	Prolific Resolution Private Limited	
	31 March 2024	31 March 2023
Summarised Balance Sheet		
Current assets (A)	67.00	-
Non-current assets (B)	3,545.45	-
Current liabilities (C)	65.78	-
Non-current liabilities (D)	3,459.52	-
Net assets (A+B-C-D)	**87.15**	**-**
Summarised Statement of Profit and Loss		
Revenue	266.90	-
Profit/ (loss) for the year (A)	41.12	-
Other comprehensive income (B)	-	-
Total comprehensive income (A+B)	**41.12**	**-**

(Amount in ₹ crore, unless otherwise stated)

NOTE 45 INTEREST IN OTHER ENTITIES....Contd.

Note 45.6 : Interest in other entities Joint operations (unincorporated entities)

The Group's share of interest in joint operations is set out below:

Name of the entity	% of ownership interest held by the Group		Name of Joint operator	Principal place of business	Principal activities
	As at 31 March 2024	As at 31 March 2023			
HCC- L&T Purulia Joint Venture	57.00	57.00	Larsen and Toubro Limited	India	Construction
Nathpa Jhakri Joint venture	40.00	40.00	Impregilio-Spa, Italy	India	Construction
Kumagai- Skanska- HCC- Itochu Joint Venture	19.60	19.60	Skanska, Kumagai	India	Construction
Alpine- Samsung-HCC Joint Venture	33.00	33.00	Itochu, Alpine Meyreder Bau, Samsung Corporation	India	Construction
Alpine- HCC Joint Venture	49.00	49.00	Alpine Meyreder Bau	India	Construction
HCC- Samsung Joint Venture CC-34	50.00	50.00	Samsung C&T Corporation	India	Construction
HCC- HDC Joint Venture	55.00	55.00	Hyundai Development Company	India	Construction
HCC- VCCL Joint Venture	50.00	50.00	Vensar Constructions Co Ltd	India	Construction
Werkarena Basel AG	50.00	50.00	P.A Real Estate AG	Switzerland	Real Estate Development

i) Classification of joint arrangements

The aforementioned entities are joint arrangements whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Holding Company (i.e. Joint Operator) recognises its direct right to assets, liabilities, revenue and expenses of Joint Operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses and are incorporated in the Holding Company's financial statements under the respective financial statement line item.

		As at 31 March 2024	As at 31 March 2023
ii)	**Summarised balance sheet**		
	Total assets	386.83	293.83
	Total liabilities	376.09	287.03
iii)	**Contingent liability/ capital commitment as at reporting date (Group's share)**		
	Contingent liability	18.62	13.28
	Capital and other commitment	-	-

		Year ended 31 March 2024	Year ended 31 March 2023
iv)	**Summarised statement of profit and loss**		
	Revenue from operations	475.47	199.08
	Other income	1.57	0.04
	Total expenses (including taxes)	473.16	200.56

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2024

(Amount in ₹ crore, unless otherwise stated)

NOTE 46 ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Name of the entity	Country of incorporation	% of voting power as at 31 March 2024	Net assets / (liabilities) i.e. total assets minus total liabilities		Share in profit / (loss) [including discontinued operation]		Share in other comprehensive income		Share in total comprehensive income / (loss)	
			Amount	As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income
Hindustan Construction Company Limited	India	-	921.08	55.83%	178.57	33.66%	21.39	37.98%	199.95	34.07%
Subsidiaries **										
Indian										
HREL Real Estate Limited (Refer note (b) below)	India	-	-	0.00%	56.54	10.65%	-	-	56.54	9.63%
HCC Infrastructure Company Limited	India	100.00%	147.53	8.94%	121.53	22.90%	(0.16)	-0.28%	121.37	20.67%
HCC Contract Solutions Limited	India	100.00%	(0.01)	0.00%	0.00*	0.00%*	-	-	-	0.00%*
Panchkutir Developers Limited	India	100.00%	41.97	2.54%	0.00*	0.00%*	-	-	-	0.00%*
Maan Township Developers Limited	India	100.00%	(11.34)	-0.69%	0.00*	0.00%*	-	-	-	0.00%*
HRL Township Developers Limited	India	100.00%	(0.55)	-0.03%	0.00*	0.00%*	-	-	-	0.00%*
Western Securities Limited	India	97.87%	1.44	0.09%	(0.62)	-0.12%	0.10	0.18%	(0.52)	-0.09%
Highbar Technologies Limited	India	100.00%	7.46	0.45%	2.22	0.42%	(0.22)	-0.39%	2.00	0.34%
Prolific Resolution Private Limited (Refer note 33.2)	India	-	-	-	13.77	2.59%	-	-	13.77	2.35%
HRL (Thane) Real Estate Limited	India	100.00%	(22.78)	-1.38%	0.00%*	0.00%*	-	-	0.00*	0.00%*
Foreign										
Steiner AG	Switzerland	100.00%	686.51	41.60%	153.09	28.84%	37.31	66.28%	190.40	32.43%
HCC Mauritius Enterprises Limited	Mauritius	100.00%	(113.08)	-6.85%	(23.71)	-4.47%	(1.71)	-3.04%	(25.42)	-4.33%
HCC Mauritius Investment Limited	Mauritius	100.00%	(30.83)	-1.87%	(7.67)	-1.45%	(0.41)	-0.73%	(8.08)	-1.38%
Joint Ventures										
Indian										
Prolific Resolution Private Limited (Refer note 33.2)	India	49.00%	22.67	1.37%	37.06	6.98%	-	0.00%*	37.06	6.31%
Total			**1,650.07**	**100.00%**	**530.78**	**100.00%**	**56.29**	**100.00%**	**587.07**	**100.00%**
Others										
a) Adjustments arising out of consolidation			(1,818.55)		(52.61)		11.25		(41.36)	
b) Non-controlling interest in subsidiaries			0.00*		(0.00)*		(0.00)*		(0.00)*	
Total			**(168.48)**		**478.16**		**67.54**		**545.70**	

* Represents amount less than ₹ 1 lakh

** Including step-down subsidiaries and their joint ventures/ associates

(Amount in ₹ crore, unless otherwise stated)

NOTE 47 SEGMENT REPORTING

The Group has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of activities of the parent company, its subsidiaries and joint ventures, the differing risks and returns, the organization structure and internal reporting system. The Group's operations predominantly relate to 'Engineering and Construction', 'Infrastructure' and 'Real Estate'. Other business segments contribute less than 10% of the total revenue and have been grouped as 'Others'. Also, refer note 42(ii) for information on revenue from major customers.

The geographical segments have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and overseas segment includes sales to customers located outside India.

The segment revenue, segment results, segment assets and segment liabilities include respective amounts identifiable to each of the segment and also amounts allocated on a reasonable basis.

	Year ended 31 March 2024	Year ended 31 March 2023
Segment revenue		
Engineering and construction	6,256.01	7,394.20
Real estate	938.69	1,598.98
Infrastructure	94.86	6.24
Others	6.50	22.57
Less: Inter segment revenue	(289.35)	(752.13)
Revenue from continued operations	**7,006.71**	**8,269.86**
Revenue from discontinued operations	**1,780.16**	**1,961.34**
Revenue from total operations	**8,786.87**	**10,231.20**
Segment results		
Engineering and construction	(135.26)	(851.05)
Real estate	67.99	398.73
Infrastructure	23.99	(68.34)
Others	(29.84)	(8.23)
Loss before exceptional items, tax and discontinued operations	**(73.12)**	**(528.89)**
Exceptional items- Gain		
Engineering and construction	654.02	223.30
Real estate	86.73	-
Infrastructure	110.00	186.44
Profit/ (loss) before tax and discontinued operations	**777.63**	**(119.15)**
Profit/ (loss) before tax from discontinued operations	**(51.26)**	**28.99**
Profit/ (loss) before tax from total operations	**726.37**	**(90.16)**

	As at 31 March 2024	As at 31 March 2023
Segment assets		
Engineering and construction	7,041.20	10,942.74
Real estate	1,110.48	938.86
Infrastructure	442.51	501.62
Others	41.03	39.50
Unallocable assets	424.16	755.38
Total Assets	**9,059.38**	**13,178.10**

NOTE 47 SEGMENT REPORTING......Contd.

	As at 31 March 2024	As at 31 March 2023
Segment liabilities		
Engineering and construction	7,708.56	12,534.34
Real estate	208.97	180.12
Infrastructure	394.61	399.05
Others	208.21	227.00
Unallocable liabilities	707.51	551.97
Total Liabilities	**9,227.86**	**13,892.48**

The Holding Company is domiciled in India. The amount of its assets broken down by location is shown in the below table:

	As at 31 March 2024	As at 31 March 2023
Asset		
- In India	6,259.00	9,663.04
- Outside India	2,800.38	3,515.06
	9,059.38	**13,178.10**

NOTE 48 During the year ended 31 March 2024, 'Steiner AG ('SAG'), a wholly owned step-down subsidiary, maintains a bank facility with a Bank syndicate with the objective to provide guarantees for its projects. Furthermore, the facility agreement sets forth financial covenants related to consolidated minimum Earnings Before Interest and Tax (EBIT) and minimum non-project account cash. As of 31 March 2024, SAG complies with the covenant for minimum non-project cash, however does not comply with the financial covenant regarding the minimum consolidated EBIT. The present agreement is renewed with validity upto 30 May 2025.

The performance of SAG in past years have suffered due to the impact of the COVID pandemic on the supply chain, high inflation on construction cost and discontinuance of construction business. This resulted in raising interest rates due to global tightening monetary policy by all central banks and temporary reluctance of investors in the Swiss real estate market which is expected to turn back to a stable situation in the course of financial year 2024-25.

Due to this and the tightening liquidity situation the SAG's ability to continue as a going concern depends on whether it can achieve the proposed liquidity measures and therefore there exists a material uncertainty that may cast significant doubt about the SAG's ability to continue as a going concern. However, the Management is confident about the liquidity measure in place and is optimistic of successfully seeing through the current situation, in next quarters and beyond.

NOTE 49 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 Bahrampore-Farakka Highways Limited ('BFHL'), a step-down subsidiary of Holding Company. During previous year, on 28 March 2023, HCL has completed the 100% stake sale of BFHL to Cube. Pursuant to this, HCL has received ₹ 373.99 crore towards consideration for sale of equity shares and BFHL was deconsolidated. As a result, gain on deconsolidation ₹ 142.48 crore was recognised as exceptional item during previous year as per details given below.

	Amount
Non-current assets	1,023.22
Current assets	62.38
Total assets (a)	**1,085.60**
Non-current liabilities	578.46
Current liabilities	275.63
Total liabilities (b)	**854.09**
Net assets (c = a-b)	231.51
Sale proceeds (d)	373.99
Gain on deconsolidation (d-c)	**142.48**

NOTE 49....Contd.

As part of the sale agreement with Cube, the Group continued to be entitled to contingent considerations in the form of earn-outs (contingent on future traffic/ revenue projections) which were not recognised in the absence of certainty over realisation. During the current year, pursuant to the earn-out threshold being met, the earn-out consideration of ₹ 110 crore have been recognised as well as realised by the Group and disclosed as exceptional item.

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

	Year ended 31 March 2024	For the period 1 April 2022 to 28 March 2023
Revenue from operations	-	372.05
Other income	-	7.88
Total income	**-**	**379.93**
Total expenses	-	405.93
Loss before tax	**-**	**(26.00)**
Impact of elimination	-	(24.92)
Loss before tax	**-**	**(1.08)**
Tax expense on profit on sale of discontinued operation	-	0.17
Loss from sale of discontinued operations, net of tax	**-**	**(1.25)**

NOTE 50 OTHER STATUTORY INFORMATION

(i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group do not have any transactions with struck off companies.

(iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) None of the Group entities have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

NOTE 51 The Ministry of Corporate Affairs (MCA) vide notification dated 24 March 2021 has issued the "Companies (Audit and Auditors) Amendment Rules, 2021. As per proviso to Rule 3(1), applicable for financial years commencing on or after the 1 April, 2022, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

As required under above rules, all group companies in India have used SAP application as accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded and the audit trail feature has not been tampered with.

The audit trail feature at database level in case of Holding Company, 8 subsidiaries and 1 joint venture was enabled subsequent to balance sheet date. However, the Group believes that no instances of changes in database found as these Group Companies has all other necessary controls in place which are operating effectively.

NOTE 52 * REPRESENTS AMOUNT LESS THAN ₹ 1 LAKH.

NOTE 53 Figures for the previous year have been regrouped/ rearranged, wherever considered necessary, to confirm to current period's classification. The impact of such reclassification/ regrouping is not material to the consolidated financial statements.

This is a summary of material accounting policies and other explanatory information referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797
Place: Mumbai
Date : 24 May 2024

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	*Chairman*
Arjun Dhawan	DIN : 01778379	*Executive Vice Chairman*
Jaspreet Bhullar	DIN : 03644691	*Managing Director & Chief Executive Officer*
Mahendra Singh Mehta	DIN : 00019566	*Director*
Girish Gangal		*Chief Financial Officer*
Nitesh Jha	FCS No. 8436	*Company Secretary*

Place: Mumbai
Date : 24 May 2024

ANNEXURE I

Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Consolidated)

Statement on Implication of Audit Qualifications for the Financial Year ended 31 March 2024

[See Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016)]

(₹ in Crore except earnings per share)

I.	Sl. No.		Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/ total income	7,006.71	Not ascertainable [Refer note II (a) below]
	2	Total expenditure	7,253.88	Not ascertainable [Refer note II (a) below]
	3	Exceptional items	850.75	Not ascertainable [Refer note II (a) below]
	4	Profit for the year from continuing operations	529.42	Not ascertainable [Refer note II (a) below]
	5	Earnings per share (in ₹)	3.50	Not ascertainable [Refer note II (a) below]
	6	Total assets	8,852.56	Not ascertainable [Refer note II (a) below]
	7	Total liabilities	9,227.86	Not ascertainable [Refer note II (a) below]
	8	Net worth	(168.48)	Not ascertainable [Refer note II (a) below]
	9	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	**Audit Qualification**			
	a.	**Details of Audit Qualification:**	As stated in Note 3 to the accompanying Statement, the Holding Company has recognised net deferred tax assets amounting to ₹ 613.09 crore as at 31 March 2024, 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 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 March 2024.	
	b.	**Type of Audit Qualification (Qualifiied/ Disclaimer of opinion/ Adverse):**	Qualified Opinion	
	c.	**Frequency of Qualification:**	Qualification II (a)- Appearing in continunation since the quarter and year ended 31 March 2020;	
	d.	**For Audit Qualifications where the impact is quantified by the auditor, management views:**	Not applicable as the impact is unquantified	

e.	**For Audit Qualifications where the impact is not quantified by the auditor:**	
i)	**Management's estimation on the impact of audit qualification:**	Not ascertainable
ii)	**If management is unable to estimate the impact, reasons for the same:**	As at 31 March 2024, the Holding Company has recognised net deferred tax assets amounting to ₹ 613.09 crore (31 December 2023: ₹ 722.71 crore and 31 March 2023: ₹ 741.93 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Holding Company during the current year, is liable to pay tax as per Section 115JB of the Income Tax Act. Further, during the current year, deferred tax assets on expiring brought forward losses of ₹ 88.49 crore have been reversed. 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 management believes it is probable that sufficient future taxable profits will be available against which such deferred tax assets can be utilised. Statutory auditors report is modified in respect of this matter.
iii)	**Auditors' comments on (i) or (ii) above**	Included in details of auditor's qualifications stated above

III. Signatories:

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Shashi Tadwalkar
Partner
Membership No.: 101797

Place: Mumbai
Date: 24 May 2024

For **Hindustan Construction Company Limited**

Jaspreet Bhullar
Managing Director & Chief Executive Officer
DIN : 03644691

Mahendra Singh Mehta
Audit Committee Chairman
DIN : 00019566

Girish Gangal
Chief Financial Officer

Place: Mumbai
Date: 24 May 2024

FORM AOC-I

Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing silent features of the financial statement of subsidiaries / associates and joint venture

Part "A": Subsidiaries

₹ in crore

Sr. No.	Name of the subsidiary	Reporting period	Reporting currency	Exchange Rate	Share capital	Reserves & surplus	Total assets	Investments	Turnover	Profit / (loss) before taxation	Provision for taxation	Proposed Dividend	Extent of Holding (in percentage)
Indian Subsidiary													
1	HCC Contract Solution Limited	31-Mar-24	INR	NA	0.05	(0.06)	0.03	-	-	(0.00)*	-	-	100%
2	Highbar Technologies Limited	31-Mar-24	INR	NA	6.25	1.21	42.45	23.74	2.37	2.36	-	-	100%
3	Panchkutir Developers Limited	31-Mar-24	INR	NA	1.40	40.56	102.64	-	-	(0.00)*	-	-	100%
4	HCC Operations & Maintenance Limited	31-Mar-24	INR	NA	0.05	(32.04)	110.18	-	6.69	2.70	0.73	-	100%
5	HCC Infrastructure Company Limited	31-Mar-24	INR	NA	0.25	435.85	590.33	137.25	115.45	187.01	26.09	-	100%
6	Narmada Bridge Tollway Limited	31-Mar-24	INR	NA	0.05	0.04	0.12	-	0.00 *	(0.01)	-	-	100%
7	Badarpur Faridabad Tollway Limited	31-Mar-24	INR	NA	98.00	(106.29)	0.43	-	1.32	0.95	-	-	100%
8	Raiganj-Dalkhola Highways Limited	31-Mar-24	INR	NA	137.15	(58.96)	267.49	-	9.66	5.35	-	-	100%
9	Steiner India Limited	31-Mar-24	INR	NA	19.64	47.55	110.93	-	36.80	(0.41)	0.09	-	100%
10	Western Securities Limited	31-Mar-24	INR	NA	2.00	(0.56)	2.06	0.32	-	(0.70)	0.09	-	97.87%
11	HRL (Thane) Real Estate Limited (Refer note 4)	31-Mar-24	INR	NA	0.10	(22.89)	18.96	-	-	(0.01)	-	-	100%
12	HRL Township Developers Limited	31-Mar-24	INR	NA	0.10	(0.65)	0.05	-	-	(0.00)*	-	-	100%
13	Maan Township Developers Limited	31-Mar-24	INR	NA	0.10	(11.44)	10.83	-	-	(0.00)*	-	-	100%
Foreign Subsidiary													
1	HCC Mauritius Investment Limited	31-Mar-24	USD	82.97	8.30	(39.13)	262.34	36.91	-	(7.67)	-	-	100%
2	HCC Mauritius Enterprises Limited	31-Mar-24	USD	82.97	41.53	154.62	267.49	267.43	-	(23.71)	-	-	100%
3	Steiner AG, Zurich	31-Mar-24	CHF	90.82	365.55	320.97	2,270.55	0.65	1,678.89	183.23	30.14	-	100%
4	Steiner (Deutschland) GmbH Paderborn	31-Mar-24	CHF	90.82	9.08	(23.38)	97.55	-	-	1.70	-	-	100%
5	VM & ST AG, Zurich	31-Mar-24	CHF	90.82	9.08	(0.04)	9.05	-	-	(0.05)	-	-	100%
6	Steiner Promotions et Participations SA (Including Manufakt8048 AG, Zurich)	31-Mar-24	CHF	90.82	27.25	(9.30)	185.86	-	-	(2.62)	-	-	100%
7	Steiner Projekte AG (w.e.f 19 February 2024)	31-Mar-24	CHF	90.82	0.91	-	0.91	-	-	-	-	-	100%

* represents amount less than ₹ 1 lakh.

Notes

1 All above subsidiaries has commenced the operation.

2 Steiner Construction SA & Steiner Léman sold during the year.

3 No subsidiaries liquidated during the current year.

4 During the current year, Hindustan Construction Company Limited ('Company') has entered into a Share Purchase Agreement ('SPA') with HREL Real Estate Limited ('HREL') for acquisition of HRL Thane Real Estate Limited ('HRL Thane'), wholly owned subsidiary of HREL. Pursuant to the SPA, HRL Thane has become a direct subsidiary of the Company. However, the shares were held by HREL as beneficiary for the Company as on March 31, 2024.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ in crore

Sr. No.	Name of Associates / Joint Ventures	Highbar Technocrat Limited	Evostate AG (Including Evostate Immobilien AG)	MCR Managing Corporate Real-estate AG	Prolific Resolution Private Limited	Hegias AG, Zurich
1	Latest audited balance sheet date	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
2	Date on which the associate or joint venture was associated or acquired	21-Jul-16	1-May-10	31-May-17	30-Sep-23	18-Aug-22
3	Shares of associate/joint ventures held by the Company at the year end					
	- Number	99,940	300	30	50,000	7,082
	- Amount of investment in associates/joint venture	15.97	3.66	0.84	0.05	0.87
	- Extend of holding %	49.00%	30.00%	30.00%	49.00%	23.20%
4	Description of how there is significant influence	Associate-Significant Influence over Share Capital	Associate-Significant Influence over Share Capital	Associate-Significant Influence over Share Capital	Joint Venture-Significant Influence over Share Capital	Associate-Significant Influence over Share Capital
5	Reason why the associate/joint venture is not consolidated	Consolidated - Equity Method	Consolidated - Equity Method	Consolidated - Equity Method	Consolidated - Equity Method	Consolidated - Equity Method
6	Weather company has commenced the operations	Yes	Yes	Yes	Yes	Yes
7	Networth attributable to shareholders as per latest audited balance sheet	48.39	52.58	6.72	87.14	24.70
8	Profit / Loss for the year/ period	8.69	11.80	6.37	54.90	(13.71)
	i. considered in consolidation	4.26	3.54	1.91	50.83	(3.18)
	ii. Not considered in consolidation	4.43	8.26	4.46	4.06	(10.53)

Notes:

1. All above joint ventures and associates has commenced the operation
2. No joint ventures and associates liquidated during the current year

NOTICE

NOTICE is hereby given that the Ninety-Eighth Annual General Meeting of the Members of Hindustan Construction Company Ltd. (''the Company'') will be held on Tuesday, September 17, 2024, at 11.00 a.m. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. Adoption of the Audited Standalone and Consolidated Financial Statements of the Company

To receive, consider and adopt:

a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 including the Audited Standalone Balance Sheet as at March 31, 2024 and the Standalone Statement of Profit and Loss account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon; and

b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, including the Audited Consolidated Balance Sheet as at March 31, 2024 and the Consolidated Statement of Profit and Loss for the year ended on that date together with the Report of the Auditors thereon.

2. Appointment of Mr. Aditya Pratap Jain (DIN: 08115375), who retires by rotation and being eligible, offers himself for re-appointment as a Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any amendment(s) thereto or any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Aditya Pratap Jain (DIN: 08115375) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. Appointment of M/s. Mukund M Chitale & Co., Chartered Accountants (Firm Registration No. 006655W) as the Statutory Auditors of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Audit Committee and the Board of Directors, M/s. Mukund M Chitale & Co., Chartered Accountants (Firm Registration No. 006655W) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of the 98th Annual General Meeting (AGM) until the conclusion of the 103rd AGM of the Company at the remuneration of ₹ 1.35 crore (Rupees One Crore Thirty-five Lakhs Only) excluding applicable taxes and out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board") (which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board), be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this Resolution."

SPECIAL BUSINESS

4. Re-appointment of Mr. N. R. Acharyulu (DIN: 02010249) as an Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any amendment(s) thereto or any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule IV to the Act, and Regulations 17(1A) and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. N. R. Acharyulu (DIN: 02010249), who has already attained 75 years of age and has given declaration that he meets with the criteria of independence and qualifies for being re-appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 consecutive years from the conclusion of the 98th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board") (which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board), be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this Resolution."

5. **Payment of Remuneration to Mr. Ajit Gulabchand (DIN : 00010827), Non-Executive Chairman of the Company**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the approval granted by the Members vide Special Resolution passed in the Extra -ordinary General Meeting held on February 14, 2023 for appointment of Mr. Ajit Gulabchand (DIN : 00010827) as Non-Executive Chairman of the Company and in accordance with the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), consent of the Members of the Company be and is hereby accorded for payment of remuneration of ₹ 3,00,00,000/- (Rupees Three Crore Only), for the financial year 2024-25 to him payable monthly, which is exceeding 50% (fifty percent) of the aggregate remuneration paid /payable to all Non-Executive Directors of the Company for the said financial year.

RESOLVED FURTHER THAT apart from the above remuneration, Mr. Ajit Gulabchand shall be entitled to Chairman's Office at the cost of the Company and reimbursement of expenses viz. car, mobile, telephone etc. incurred by him in discharge of his duties as per Company's Policy.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board") (which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board), be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this Resolution."

6. **Ratification of Remuneration of Cost Auditors for the financial year 2023-24**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any amendment(s) thereto or any statutory modification(s) and/ or re-enactment thereof, for the time being in force), the remuneration payable to M/s. Joshi Apte & Associates, Cost Accountants (Firm Registration No. 00240), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2023-24 amounting to ₹ 2,85,000/- (Rupees Two Lakhs Eighty-Five Thousands Only) plus applicable taxes and reimbursement of out-of-pocket expenses, in connection with the said audit, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board") (which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board), be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this Resolution."

7. **Issue of Securities of the Company**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 42, 62, 71, 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any amendment(s) thereto or any statutory modification(s) and/or re-enactment thereof, for the time being in force) and all other applicable laws and regulations including the Foreign Exchange Management Act, 1999 ("FEMA"), the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, including any statutory modification(s) or re-enactment(s) thereof, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and modified from time to time and such other statutes, notifications, clarifications, circulars, rules and regulations, as may be applicable, issued by Government of India ("GOI"), Reserve Bank of India ("RBI"), Stock Exchanges, Securities and Exchange Board of India ("SEBI") including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Regulations") as amended and modified from time to time and such other statutes, notifications, clarifications, circulars, rules and regulations, as may be applicable and in accordance with enabling provisions in the Memorandum and Articles of Association of the Company and/or stipulated in the listing agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, SEBI, RBI, Stock Exchanges and any other relevant statutory/governmental/ regulatory authorities (the "Concerned Authorities") as may be required and applicable and further subject to such terms and conditions as may be prescribed or imposed by any of the Concerned Authorities while granting such approvals, consents, permissions and sanctions, as may be necessary, which may be agreed upon by the Board of Directors of the Company as deemed appropriate (hereinafter referred to as Board, which term includes a committee constituted by the Board or any person authorized by the Board to exercise the powers conferred on the Board by this Resolution), consent be and is hereby accorded to the Board to create, issue, offer and allot (including with provisions for reservation on firm and/ or competitive basis, of such part of issue and for such categories of persons as may be permitted), Equity Shares and/or Equity Shares through depository receipts including American Depository Receipts (ADRs), Global Depository Receipts (GDRs) and/or Foreign Currency Convertible Bonds (FCCBs), Fully Convertible Debentures (FCDs) and Non-Convertible Debentures (NCDs), Partly Convertible Debentures (PCDs), Optionally Convertible Debentures (OCDs), and/or other securities convertible into Equity Shares at a later date, at the option of the Company and/or the holder(s) of such securities or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, whether rupee denominated or denominated in foreign currency (collectively referred as "Securities"), as the Board at its sole discretion or in consultation with underwriters, merchant bankers, financial advisors or legal advisors may at any time decide, by way of one or more public or private offerings/placement in domestic and/ or one or more international market(s), with or without a green shoe option, or issued/ allotted through Qualified Institutions Placement (QIP) in accordance with the SEBI Regulations, or by any one or more combinations of the above or otherwise and at such time or times and in one or more tranches, to any eligible investors including residents and/or non-residents and/or qualified institutional buyers and/or institutions/banks/lenders against repayment/ restructuring of debts and/or corporate bodies and/ or individuals and/or trustees and/or stabilizing agent or otherwise, whether or not such investors are Members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations, for an aggregate amount not exceeding ₹1,500 Crore (Rupees One Thousand Five Hundred Crore only) on such terms and conditions and in such manner as the Board may in its sole discretion decide including the timing of the issue(s)/ offering(s), the investors to whom the Securities are to be issued, terms of issue, issue price, number of Securities to be issued, the Stock Exchanges on which such securities will be listed, finalization of allotment of the Securities on the basis of the subscriptions received including details on face value, premium, rate of interest, redemption period, manner of redemption, amount of premium on redemption, the ratio/ number of Equity Shares to be allotted on redemption/ conversion, period of conversion, fixing of record date or book closure dates, etc., as the case may be, prescribe any terms or a combination of terms in respect of the Securities in accordance with local and/or international practices including conditions in relation to offer, early redemption of Securities, debt service payments, voting rights, variation of price and all such terms as are provided in domestic and/or international offerings and any other matter in connection with, or incidental to the issue, in consultation with the merchant bankers or other advisors or otherwise, together with any amendments or modifications thereto ("the Issue").

RESOLVED FURTHER THAT the Securities to be created, issued, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Equity Shares to be allotted in terms of this resolution shall rank pari-passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT if the issue or any part thereof is made for a QIP, FCDs, PCDs, OCDs or any other Securities, which are convertible into or exchangeable with the Equity Shares of the Company (hereinafter collectively referred as "Other Specified Securities" and together with Equity Shares of the Company (hereinafter referred as "Specified Securities") within the meaning of the SEBI Regulations or any combination of Specified Securities as may be decided by the Board, issued for such purpose, the same shall be fully paid-up and the allotment of such Specified Securities shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI Regulations, from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under the SEBI Regulations and the Specified Securities shall not be eligible to be sold except as may be permitted, from time to time, under the SEBI Regulations.

RESOLVED FURTHER THAT the Company may, in accordance with applicable laws, also offer a discount of such percentage as permitted under applicable laws on the price calculated in accordance with the pricing formula provided under the SEBI Regulations.

RESOLVED FURTHER THAT in the event of issue of Specified Securities by way of a QIP, the 'Relevant Date' on the basis of which the price of the Specified Securities shall be determined as specified under SEBI Regulations, shall be the date of the Meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of Specified Securities or such other date as may be decided by the Board and as permitted by the SEBI Regulations, subject to any relevant provisions of applicable laws, rules and regulations, as amended from time to time, in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT in the event of issue of Other Specified Securities, the number of Equity Shares and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion shall be appropriately adjusted for corporate actions including bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring exercise.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevalent market practices in the capital markets, including but not limited to, the terms and conditions relating to variation of the price or period of conversion of Other Specified Securities into Equity Shares or for issue of additional Securities and such of these Securities to be issued, if not subscribed, may be disposed of by the Board, in such manner and/or on such terms including offering or placing them with banks/lenders/financial institutions/mutual funds or otherwise, as the Board may deem fit and proper in its absolute discretion, subject to applicable laws, rules and regulations.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as American Depository Receipts ("ADRs") or Global Depository Receipts ("GDRs"), pursuant to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable pricing provisions issued by the Ministry of Finance, the relevant date for the purpose of pricing the Equity Shares to be issued pursuant to such issue shall be the date of the Meeting in which the Board or duly authorised committee of Directors decides to open such issue after the date of this resolution or such other date as may be decided by the Board subject to the relevant provisions of the applicable law, rules and regulations as amended from time to time, in relation to the proposed issue of the Securities.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and any issue, offer and allotment of Securities, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds, things and matters connected therewith, as it may, in its absolute discretion deem necessary, desirable or incidental thereto including, without limitation, the determination of terms and conditions for issuance of Securities, the number of Securities that may be offered in domestic and/or international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, the entering into and executing arrangements/ agreements for managing, underwriting, marketing, listing of Securities, trading, appointment of merchant banker(s), advisor(s), registrar(s), trustee(s), paying and conversion agent(s) and any other advisors, professionals, intermediaries and all such agencies as may be involved or concerned in such offerings of Securities and to issue and sign all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions whether in India or abroad, for the issue and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s) including, but not limited to, prospectus, offer documents and/or letter of offer and/or circular, documents and agreements including conducting all requisite filings with GOI, RBI, SEBI, Stock Exchanges, if required, and any other concerned authority in India or outside, and to give such directions that may be necessary in regard to or in connection with any such issue, offer and allotment of Securities and utilization of the issue proceeds, as it may in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, and accordingly any such action, decision or direction of the Board shall be binding on all the Members of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company to give effect to the aforesaid resolution and thereby such Committee of Directors or one or more such Directors as authorized, are empowered to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modifications as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in this regard."

By Order of the Board
For **Hindustan Construction Company Ltd.**

Nitesh Kumar Jha
Company Secretary

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083

Place: Mumbai
Date : August 05, 2024

NOTES – FORMING PART OF THE NOTICE

1. The Explanatory Statement in respect of Item No. 3 (Ordinary Business) and Item Nos. 4 to 7(Special Business) of the Notice dated August 05, 2024 is appended hereto.

   Details of the Directors in pursuance of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings, as applicable are annexed to this Notice.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 and all other relevant circulars issued from time to time ("MCA Circulars"), physical attendance of the Members to the AGM venue is not required and General Meeting can be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

   In compliance with the Companies Act, 2013, the SEBI Listing Regulations and the MCA Circulars, the 98th Annual General Meeting of the Company (AGM) is being held through VC/OAVM and Members can attend and participate in the ensuing AGM through VC/OAVM.

   The detailed procedure for participating in the AGM through VC/OAVM is annexed herewith (Refer serial no.16) and is also available at the Company's website i.e., www.hccindia.com.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM and accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-Voting (Refer para 1 of 'General Guidelines for Shareholders mentioned under serial no.16).

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

7. The SEBI has decided that securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialize shares that are held by them in physical form. Members can contact the Company or Company's Registrar and Transfer Agents, Link Intime India Private Limited (LIPL) for assistance in this regard.

8. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 11, 2024, to Tuesday, September 17, 2024 (both days inclusive) for the purpose of the AGM of the Company.

9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection in the electronic form (scanned copy) by the Members during the AGM. All documents referred to in the Notice will also be available for inspection in the electronic form (scanned copy) without any fee by the Members from the date of circulation of this Notice up to the date of AGM i.e., Tuesday , September 17, 2024. Members seeking to inspect such documents can send an email to secretarial@hccindia.com.

10. In compliance with the provisions of Section 129(3) of the Act, the Audited Financial Statements include the Consolidated Financial Statements of the Company as defined in the Act for consideration and adoption by the Members of the Company.

11. **The Members are requested to:**

    a) Intimate change in their registered address, if any, to Link Intime Private Limited ("LIPL") at C-101, 1st Floor, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083 in respect of their holdings in physical form.

    b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.

    c) Non-Resident Indian Members are requested to inform TCPL immediately of the change in residential status on return to India for permanent settlement.

    Please note that in accordance with the provisions of Section 72 of the Act, Members are entitled to make nominations in respect of the Equity Shares held by them. Members desirous of making nominations may procure the prescribed form SH-13 from LIPL and have it duly filled, signed and sent back to them, in respect of shares held in physical form. Members holding shares in dematerialised mode should file their nomination with their Depository Participant (DP).

12. **Green Initiative**

    The MCA and the SEBI have encouraged paperless communication as a contribution to greener environment.

In compliance with the aforesaid MCA Circulars and the SEBI Circular dated January 05, 2023, the copy of the Annual Report for the financial year 2023-24 including the Audited Financial Statements, Board's Report etc. and Notice of the 98th Annual General Meeting of the Company, *inter-alia*, indicating the process and manner of remote e-Voting is being sent by electronic mode, to all those Members whose e-mail IDs are registered with their respective Depository Participants.

Members who have not registered their email address and holding shares in physical mode are requested to register their e-mail IDs with LIPL and Members holding shares in Demat mode are requested to register their email IDs with the respective Depository Participants (DPs) in case the same is still not registered.

If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to LIPL in respect of shares held in physical form and to their respective DPs in respect of shares held in electronic form.

Members may also note that the Notice of the 98th AGM and the Annual Report for the financial year 2023-24 of the Company are also available on the Company's website www.hccindia.com.

13. Re-appointment of Directors

Relevant details of the Directors seeking re-appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations"), as amended, read with Secretarial Standard-2 on General Meetings are provided in Annexure to the Explanatory Statement to the AGM Notice.

14. IEPF Disclosures

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund Rules), 2016 ('the IEPF Rules'), during the year under review, no amount of Unclaimed dividend and corresponding equity shares were due to be transferred to IEPF account.

15. Voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

Any Member holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes Member of the Company after the Notice is sent through e-mail and holding shares as of the cut-off date i.e., Tuesday, September 10, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for Remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free nos. 1800 1020 990 and 1800 22 44 30. In case of Individual Member holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., Tuesday, September 10, 2024 may follow steps mentioned in this Notice of the AGM under "Access to NSDL e-Voting system."

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.hccindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., www.evoting.nsdl.com.

AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, Circular No. 10/2022 dated December 28, 2022, and Circular No. 09/2023 dated September 25, 2023.

16. The Instructions for Members for remote e-Voting and joining General Meeting are as under:

The remote e-Voting period begins on Friday, September 13, 2024 (9.00 a.m.) and ends on Monday, September 16, 2024 (5.00 p.m.). The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Tuesday, September 10, 2024 may cast their vote electronically. The voting right of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cutoff date, being Tuesday, September 10, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

For Members whose e-mail addresses are registered with the Company /depositories

Step 1: Log-in to NSDL e-Voting system at https:// www.evoting.nsdl.com

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual Meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

Type of Shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Helpdesk details	
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022- 4886 7000 and 022- 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. **Your User ID details are given below:**

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8-Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. **Password details for Shareholders other than Individual Shareholders are given below:**

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8-digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID'and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those Shareholders whose email ids are not registered.

6. **If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**

   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual Meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evoting.hcc@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter "displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll-free no.: 022- 4886 7000 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.com

Process for those Shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-Voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@hccindia.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@hccindia.com. If you are an Individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A) i.e., Login method for e-Voting and joining virtual Meeting for Individual Shareholders holding securities in demat mode.**

3. Alternatively, Shareholder/Members may send a request to evoting@nsdl.com for procuring user id and password for e-Voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

17. **THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

   1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

   2. Only those Members/ Shareholders, who will be

present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

18. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM link" placed under **"Join Meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.

4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, email id, mobile number at secretarial@hccindia.com latest by Wednesday, September 11, 2024 (5:00 p.m.). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

19. Mr. B. Narasimhan, Proprietor, B N & Associates, Practicing Company Secretary (Membership No. FCS 1303 and Certificate of Practice No. 10440) and failing him Mr. Venkatraman K (Membership No. ACS 8897 and Certificate of Practice No. 12459) have been appointed as the Scrutinizer to scrutinize the remote e-Voting process and voting at AGM, in a fair and transparent manner and they have communicated willingness to be appointed and shall be available for the same purpose.

20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter, unblock the votes cast through remote e-Voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing. The voting results along with the consolidated Scrutinizer's Report shall be submitted to the Stock Exchanges i.e., BSE and NSE within two working days of conclusion of the AGM by the Company.

21. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing.

The results shall also be uploaded on the BSE Listing Portal and on the NSE NEAPS Portal.

22. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the 98th Annual General Meeting i.e Tuesday, September 17, 2024.

By Order of the Board
For **Hindustan Construction Company Ltd.**

Nitesh Kumar Jha
Company Secretary

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083

Place: Mumbai
Date : August 05, 2024

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF ITEM NO. 3 OF ORDINARY BUSINESS:

Item No.3

The Members of the Company, at the 93rd Annual General Meeting("AGM") held on September 06, 2019, had approved the re-appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No. 001076N) for a second term of 5 consecutive years, as the Statutory Auditors of the Company, to hold office from the conclusion of that AGM until the conclusion of the 98th AGM. Accordingly, they will complete their two consecutive terms as Statutory Auditors of the Company on conclusion of the ensuing 98th AGM.

The Board of Directors of the Company ("the Board"), at its Meeting held on August 05, 2024, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Members of the Company, appointment of M/s. Mukund M Chitale & Co., Chartered Accountants (Firm Registration No. 006655W) as Statutory Auditors of the Company in place of M/s. Walker Chandiok & Co. LLP. The proposed appointment is for a term of 5 (five) consecutive years from the conclusion of 98th AGM till the conclusion of the 103rd AGM on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors, from time to time.

The proposed remuneration to be paid to them for the Financial Year 2024-25 is ₹ 1.35 Crore (Rupees One Crore Thirty-Five Lakhs Only) excluding applicable taxes and out of pocket expenses.

The exercise for selection of new Statutory Auditor was led by Executive Vice Chairman, Managing Director, CEO and CFO through a fair process inviting all lead firms followed by shortlisting of firms based on a comprehensive assessment criterion.

After evaluating all proposals and considering various factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports, etc., the Audit Committee recommended appointment of M/s. Mukund M Chitale & Co. as the Statutory Auditors of the Company.

Mukund M Chitale & Co., established in year 1973, is an integrated professional services firm of Chartered Accountants registered and empanelled with the Institute of Chartered Accountants of India (ICAI). It is India's 1st ISO 9001:2000 CA Firm (certified by SGS Yarsley). Its head office is at Mumbai with a branch operating at Pune providing services on a pan India basis. It is primarily engaged in providing audit and assurance services to its clients. It is amongst the highly reputed audit firms in India.

Pursuant to Section 139 of the Companies Act, 2013 (the Act) and the Rules framed thereunder, the Company has received written consent from M/s. Mukund M Chitale & Co. and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Mukund M Chitale & Co., have confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

Accordingly, approval of the Members is sought for passing the Ordinary Resolution as set out at Item No. 3 of this Notice for appointment of M/s. Mukund M Chitale & Co., Chartered Accountants (Firm Registration No. 006655W) as Statutory Auditors of the Company in place of M/s. Walker Chandiok & Co. LLP.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of this Notice for the consideration and approval of the Members.

None of the Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of this Notice except to the extent of their respective shareholding in the Company, if any.

AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT"), THE FOLLOWING EXPLANATORY STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS MENTIONED UNDER ITEM NUMBERS 4 TO 7 OF THE ACCOMPANYING NOTICE DATED AUGUST 05, 2024.

Item No. 4

At the 95th Annual General Meeting ("AGM") of the Company held on September 23, 2021, Mr. N. R. Acharyulu was appointed as an Independent Director of the Company for a term of 3 years with effect from June 23, 2021 upto the conclusion of 98th AGM, not liable to retire by rotation. Accordingly, his tenure is ending at the 98th AGM.

The Company has received declaration from Mr. N. R. Acharyulu that he continues to meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015 ("SEBI Listing Regulations").

Mr. N. R. Acharyulu, being eligible, has offered himself for re-appointment and has given his consent to act as Director of the Company, alongwith a declaration to the effect that he is not disqualified to act as such.

Based on the performance evaluation carried out by the Board, and after reviewing the declaration submitted by Mr. N. R. Acharyulu and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on August 05, 2024 has formed an opinion that Mr. N. R. Acharyulu is meeting the criteria of independence as per the provisions of Section 149 of the Act and rules made thereunder read with the requirements of SEBI Listing Regulations and that he is independent of the management.

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations), a justification note for the continuation of directorship of Mr. N. R. Acharyulu on the Board of the Company, upon attaining the age of Seventy-Five years, is appended below, for the consideration of the Members.

Mr. N.R. Acharyulu, an Independent Director of the Company, has a distinguished career having more than forty-eight years of enriched experience and has held various leadership positions. He had a remarkable rise during his career, due to his business acumen, project management and leadership skills.

A Mechanical Engineer from Andhra University, Mr. Acharyulu joined HCC in 1970 as Junior Engineer at Idukki Hydroelectric Power project in Kerala. Over the years, he worked on various projects covering all segments viz., Hydro, Transport, Water, Marine & Nuclear/Industrial structures, during this tenure, he worked on various state-of-art mining and tunnelling equipment including tunnel boring machines.

During his career with HCC, he was entrusted with the responsibilities of heading the Plant and Equipment department since 1991. Thereafter he headed the Construction Engineering and Methodology Group (CEMG) in 2001 for some time before he was made the Project Controller of the Water Supply and Irrigation Projects in 2004. He was then made the Head of Water Vertical in 2007 and later given the independent responsibility of Claims Task force in 2011.

Mr. Acharyulu became the Chief Operating Officer of HCC in 2012 and was given the charge to head the Sales and Tendering Division in 2014 with the sole aim to build the order book.

Upon conclusion of his contract period, he was appointed as an Additional Director (Non-Executive-Non-Independent) on the Board of Directors of the Company with effect from May 02, 2016, and same was approved by the Members on July 14, 2016.

He is not holding directorship in any other Company.

Mr. N. R. Acharyulu does not hold by himself or for any other person on a beneficial basis, any Equity Shares in the Company.

The Nomination and Remuneration Committee, at its Meeting held on April 18, 2024, has recommended the re-appointment and continuation of Mr. Ramanujacharyulu Nateri, being more than 75 years of age as an Independent Director, for a second term of 5 consecutive years from the conclusion of the 98th Annual General Meeting of the Company, not liable to retire by rotation.

Based on the recommendation of the Nomination and Remuneration Committee and taking into consideration that his experience and long-standing association will be of immense benefit to the Company, the Board has at its Meeting held on August 05, 2024, also recommended his re-appointment and continuance as an Independent Director of the Company for a second term.

A copy of the draft letter of appointment of Mr. N. R. Acharyulu as an Independent Director setting out the terms and conditions is uploaded on the website of the Company www.hccindia.com and shall also be available for inspection in the electronic form (scanned copy) without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e., Tuesday, September 17, 2024. Members seeking to inspect the same can send an email to secretarial@hccindia.com.

Relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations"), as amended, read with Secretarial Standard-2 on General Meetings are provided in Annexure A to the Explanatory Statement to this AGM Notice.

Accordingly, approval of the Members is sought for passing the Special Resolution as set out at Item No. 4 of this Notice for re-appointment and continuation of Mr. N. R. Acharyulu, being more than 75 years of age as an Independent Director of the Company.

The Board recommends the resolution set out at Item No. 4 of this Notice for approval of the Members as a Special Resolution.

Except Mr. N. R. Acharyulu, none of the Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice except to the extent of their respective shareholding in the Company, if any.

Item No. 5

The Members of the Company, vide Special Resolution passed in their Extra-ordinary General Meeting held on February 14, 2023, had approved the appointment of Mr. Ajit Gulabchand (DIN : 00010827) as Non-Executive Chairman of the Company at a remuneration of ₹ 3,00,00,000/- (Rupees Three Crore Only) per annum, payable monthly, for a period of 3 years commencing from April 01, 2023, in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013 ("the Act"). Apart from the above remuneration, he is entitled to Chairman's Office at the cost of the Company and, re-imbursement of expenses viz. car, mobile, telephone etc. incurred by him in discharge of his duties as per Company's Policy pursuant to the aforesaid approval granted by the Members of the Company.

Pursuant to the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the approval of the Members of the Company by way of a Special Resolution is hereby sought for payment of the aforesaid remuneration to Mr. Ajit Gulabchand, Non-Executive Chairman of the Company for the financial year 2024-25 as the same is exceeding fifty percent of the total annual remuneration/compensation paid/ payable to all Non-Executive Directors of the Company.

After considering the industry benchmarks and extraordinary contribution made by Mr. Ajit Gulabchand to the sustained growth of the Company, guidance and support being provided by him and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the Special Resolution set out at Item No. 5 of this Notice for the consideration and approval of the Members.

Except Mr. Ajit Gulabchand, who is interested to the extent of his remuneration as set out at Item No. 5 of this Notice and Mr. Arjun Dhawan, Executive Vice Chairman of the Company, being relative of Mr. Ajit Gulabchand who is deemed to be directly/indirectly concerned or interested in the said resolution, none of the other Directors, Key Managerial Persons (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of this Notice, except to the extent of their respective shareholding in the Company, if any.

Relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations"), as amended, read with Secretarial Standard-2 on General Meetings are provided in Annexure A to the Explanatory Statement to this AGM Notice.

Item No. 6

The Board of Directors, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Joshi Apte & Associates, Cost Accountants as Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ended March 31, 2024.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 ("the Act") read with Rule 14 the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the Members.

The remuneration payable to M/s. Joshi Apte & Associates, Cost Auditors of the Company for conducting the audit of the cost records for the financial year ended March 31, 2024, as recommended by the Audit Committee, and approved by the Board of Directors at its Meeting held on August 03, 2023 will not exceed ₹ 2,85,000/- (Rupees Two Lakhs Eighty-Five Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses.

Accordingly, approval of the Members is sought for passing the Ordinary Resolution as set out at Item No. 6 of this Notice to ratify the remuneration payable to the Cost Auditors for the financial year ended March 31, 2024.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 6 of this Notice for the consideration and approval of the Members.

None of the Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of this Notice except to the extent of their respective shareholding in the Company, if any.

Item No. 7

The Special Resolution contained in the Notice under Item No. 7 relates to a resolution by the Company enabling the Board of Director to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible Debentures, Non-Convertible Debentures and such other Securities as stated in the resolution (the 'Securities') at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with merchant bankers, advisors, underwriters, etc., inclusive of such premium, as may be determined by the Board in one or more tranche(s), subject to the SEBI Regulations and other applicable laws, rules and regulations.

The Special Resolution as set out at Item No. 7, is an enabling resolution and if passed, will have the effect of permitting the Board to issue and allot Securities to Investors, who may or may not be existing Members of the Company.

The resolution also enables the Board to issue Securities for an aggregate amount not exceeding ₹1,500 crore or its equivalent in any currency including foreign currency.

The Board shall issue Securities pursuant to this Special Resolution to meet long term working capital and capital expenditure requirements of the Company and its subsidiaries, joint ventures and affiliates, investment in subsidiaries (including overseas subsidiaries), joint ventures and affiliates, repayment/restructuring of debts due to lenders/banks/institutions, strengthening the Balance Sheet of the Company, tap acquisition opportunities, business ventures/projects and other general corporate purposes.

The Special Resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, (the "SEBI Regulations") for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the said SEBI Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the relevant provisions of the said SEBI Regulations.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the advisors, merchant bankers, underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue/allotment/ conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further, the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits/cap specified by Reserve Bank of India from time to time.

Pursuant to the provisions of Sections 42, 62, 71 and 180(1)(c) of the Companies Act, 2013 including any rules made thereunder and any other provision of the said Act, as may be applicable and the relevant provisions of the listing agreements with the stock exchanges and any other applicable laws, the issue of securities comprising Equity Shares, foreign currency convertible bonds, ADR's, GDR's, non-convertible debentures and/or issue of debentures on private placement, convertible debentures, etc., require the prior approval of the Members by way of a Special Resolution.

Accordingly, approval of the Members is sought for passing Special Resolution as set out at Item No. 7 of this Notice for issuance of securities of the Company.

The Board of Directors recommends the Special Resolution set out at Item No. 7 of this Notice for the consideration and approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of this Notice except to the extent of their respective shareholding in theCompany, if any.

By Order of the Board
For **Hindustan Construction Company Ltd.**

Nitesh Kumar Jha
Company Secretary

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083

Place: Mumbai
Date: August 05, 2024

ANNEXURE A (FOR ITEM NUMBERS 2, 4 AND 5)

Details of the Directors seeking re-appointment in pursuance of the Companies Act, 2013 and the SEBI Listing Regulations read with Secretarial Standard-2 on General Meetings, as applicable..

1	**Name of the Director**	**Mr. Aditya Pratap Jain**
	DIN	08115375
	Date of Birth	June 22, 1962
	Qualification	Law Graduate and Diploma in Personnel Management from the National Institute of Personnel Management
	Date of Appointment	June 07, 2023
	Brief Resume along with Justification Note	Mr. Aditya Pratap Jain has a rich experience of over 33 years in reputed Public Sector organizations. Having worked across a diverse industry spectrum ranging from Project-based organisations,Manufacturing and the Telecom Sector, he has in-depth exposure to all facets of Human Resource Strategy,Development,Processes and Operations. He joined the HCC Group in October 2007 and was responsible for providing HR Leadership to all the HCC Group Companies till March 2022 with a major focus on expansion, competency development, change, initiatives and management. He has also been associated with ABB, Alstom India, Tata Teleservices Limited, Tata Tea Limited and has been a stalwart in the field of Human Resources.
	Relationship with Directors	None
	Expertise in specific functional areas	Wide experience in the field of Human Resources
	No. of Board Meetings attended during the year	Three
	Directorships held in other Companies and Bodies Corporate	NIL
	Chairman/Member of the Committee of the Board of Directors in other Companies	NIL
	Number of Shares held in the Company	NIL
2	**Name of the Director**	**Mr. N. R. Acharyulu**
	DIN	02151606
	Date of Birth	May 22, 1944
	Qualification	BE (Mechanical)
	Date of Appointment	June 23, 2021 (As Independent Director)
	Brief Resume alongwith Justification Note	As provided in the Explanatory Statement to the AGM Notice under Item No. 4.
	Relationship with Directors	None
	Expertise in specific functional areas	Diverse experience in Construction Industry
	No. of Board Meetings attended during the year	Four
	Directorships held in other Companies and Bodies Corporate	NIL
	Chairman/Member of the Committee of the Board of Directors in other Companies	NIL
	Number of Shares held in the Company	NIL

3	**Name of the Director**	**Mr. Ajit Gulabchand**
	DIN	00010827
	Date of Birth	28-06-1948
	Qualification	Bachelor's degree in commerce
	Date of Appointment	April 1, 2023
	Brief Resume along with Justification Note	Mr. Ajit Gulabchand is the Chairman of the Board of Hindustan Construction Company Ltd (HCC). He served as Chairman & Managing Director of HCC for the past four decades till 2023. During this tenure, he transformed the company from a construction major into a diversified infrastructure group of a global scale, developing and building responsible infrastructure through the next practices. Mr. Gulabchand hails from a family of nation builders who has made a significant contribution to the development of modern India. A graduate of Mumbai University, Mr. Gulabchand previously served as Chief Executive Officer of Indian Hume Pipe Co. and Managing Director of Ravalgaon Sugar Farm. He became Managing Director of HCC in 1983 and Chairman in 1994. Past Alongside his responsibilities at HCC, Mr. Gulabchand has been a vocal advocate of sustainable development and is regarded as a spokesperson for India's infrastructure sector in global forums. A regular participant at the World Economic Forum (WEF) for over two decades, Mr. Gulabchand was the first Asian to chair the Governor's Steering Board of the Engineering & Construction Community at the WEF in Davos, 2011. He is a signatory member of Caring for Climate, United Nation's action platform for business and a signatory member of WEF's CEO Climate Leaders. He has also been a frequent invitee to ministerial business delegations from the Government of India to various countries aimed at attracting foreign investments into the Indian infrastructure sector.
	Relationship with Directors	He is father-in-law of Mr. Arjun Dhawan, Executive Vice Chairman and is not related to any other Director of the Company
	Expertise in specific functional areas	Enriched experience in the Construction Industry over 4 decades
	No. of Board Meetings attended during the year	4 (Four)
	Directorships held in other Companies and Bodies Corporate Chairman/ Member of the Committee of the Board of Directors in other Companies	1. Champali Garden Private Limited 2. Gulabchand Foundation 3. Hincon Finance Limited 4. Hincon Holdings Limited 5. Shalaka Investment Private Limited 6. Western Securities Limited 7. Seamarine Investments Private Limited Bodies Corporate: 8. HCC Mauritius Enterprises Limited 9. HCC Mauritius Investment Limited 10. Steiner AG
	Chairman/Member of the Committee of the Board of Directors in other Companies	Hindustan Construction Company Ltd. • Stakeholders Relationship Committee – Member • Nomination & Remuneration Committee – Member • Corporate Social Responsibility Committee – Chairman • Authorisation Committee – Chairman Hincon Holdings Ltd. • Stakeholder Relationship Committee – Member • Investment Committee – Chairman • Risk Management Committee – Chairman Hincon Finance Ltd. • Investment Committee – Chairman
	Number of Shares held in the Company	2,117,294

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IMPORTANT FINANCIAL STATISTICS

	Paid Up Capital				Fixed Assets					
Year	Equity ₹ Lacs	Preference ₹ Lacs	Reserves ₹ Lacs	Debentures ₹ Lacs	Gross Block ₹ Lacs	Net Block ₹ Lacs	Turnover ₹ Lacs	Net Profit ₹ Lacs	Dividend paid on Preference and Equity shares ₹ Lacs	Equity Dividend %
1926-27	4.00	—	0.30	—	0.58	0.58	N.A.	0.98	0.80	20.00
1927-28	4.00	—	0.30	—	0.53	0.53	N.A.	0.98	0.80	20.00
1928-29	4.00	—	0.25	—	0.53	0.53	N.A.	1.38	1.40	35.00
1929-30	4.00	—	0.25	—	0.50	0.50	N.A.	0.81	0.70	17.50
1930-31	4.00	—	0.25	—	0.84	0.84	N.A.	0.12	-	-
1931-32	4.00	—	0.25	—	0.94	0.64	N.A.	0.44	0.40	10.00
1932-33	8.00	—	0.25	—	1.78	1.28	N.A.	2.19	2.00	25.00
1933-34	8.00	—	0.19	—	3.16	2.66	N.A.	2.67	2.80	35.00
1934-35	12.00	—	0.24	—	3.42	2.82	N.A.	2.19	2.00	16.33
1935-36	12.00	—	0.48	—	4.71	3.96	9.40	1.86	1.75	14.50
1936-37	12.00	—	0.56	—	7.30	6.40	62.96	1.81	—	—
1937-38	12.00	—	0.70	—	8.08	7.18	69.04	-1.90	—	—
1938-39	12.00	—	0.70	—	6.85	5.95	45.50	0.31	—	—
1939-40	12.00	—	0.70	—	6.02	5.12	90.39	3.58	2.40	20.00
1940-41	12.00	—	1.70	—	5.36	4.46	184.58	4.28	4.20	35.00
1941-42	12.00	25.00	1.70	—	4.70	3.80	510.53	7.45	6.18	45.00
1942-43	12.00	25.00	1.70	—	4.66	3.01	574.57	10.59	8.76	60.00
1943-44	12.00	25.00	1.70	—	4.89	1.74	466.69	10.33	8.56	60.00
1944-45	12.00	25.00	2.70	—	3.87	—	—	10.14	1.56	—
1945-46	12.00	25.00	9.70	—	3.99	0.04	175.47	12.89	4.56	25.00
1946-47	12.00	25.00	17.70	—	10.46	6.31	165.70	10.92	4.56	25.00
1947-48	36.00	25.00	1.70	—	12.40	8.25	249.76	8.26	4.56	8.33
1948-49	36.00	25.00	5.70	—	14.46	10.31	263.14	11.20	4.56	8.33
1949-50	36.00	25.00	12.70	—	18.52	14.37	202.49	9.75	5.16	10.00
1950-51	36.00	25.00	15.70	—	21.38	16.23	239.24	9.10	5.16	10.00
1951-52	36.00	25.00	18.70	—	21.89	15.94	299.04	6.22	5.16	10.00
1952-53	36.00	25.00	19.00	—	24.30	17.35	231.57	8.16	5.16	10.00
1953-54	36.00	25.00	21.50	—	24.09	16.64	—	10.65	5.16	10.00
1954-55	36.00	25.00	24.00	—	24.06	14.11	345.62	15.34	5.16	10.00
1955-56	36.00	25.00	25.35	—	27.93	16.01	415.54	17.73	6.06	12.50
1956-57	36.00	25.00	23.34	—	29.42	17.01	769.15	12.46	6.06	12.50
1957-58	36.00	25.00	51.11	—	37.16	25.06	928.37	15.22	6.06	12.50
1958-59	36.00	25.00	66.70	—	38.48	24.10	1080.85	24.37	8.76	20.00
1959-60	36.00	25.00	97.62	—	563.22	210.51	913.84	31.88	8.76	20.00
1960-61	36.00	25.00	129.34	—	575.97	202.46	1037.66	31.08	8.76	20.00
1961-62	72.00	25.00	144.75	—	635.20	225.06	1280.33	59.68	11.45	20.00
1962-63	72.00	25.00	218.32	—	673.22	259.40	1476.12	30.86	15.96	20.00
1963-64	72.00	25.00	280.29	—	744.67	281.65	1837.79	84.51	37.56	50.00
1964-65	72.00	25.00	389.13	—	889.87	364.65	2169.89	120.79	44.76	60.00
1965-66	180.00	25.00	389.81	—	977.45	401.22	2021.32	114.64	46.43	25.00
1966-67	252.00	25.00	391.81	—	1154.51	503.28	1994.93	72.76	46.92	18.00
1967-68	252.00	25.00	427.26	—	1250.05	524.60	1689.72	55.35	31.80	12.00
1968-69	252.00	25.00	472.14	—	1420.94	614.79	2249.82	36.61	31.80	12.00
1969-70	252.00	25.00	492.31	—	1473.64	577.23	2574.57	28.86	31.80	12.00
1970-71	252.00	25.00	468.44	—	1541.99	527.99	2256.93	-37.01	1.56	—
1971-72	252.00	25.00	355.07	—	1580.80	471.42	2294.29	-140.47	1.56	—
1972-73	252.00	25.00	260.62	120.00	1677.91	491.34	2478.09	-136.27	1.56	—
1973-74	252.00	25.00	216.33	120.00	1776.09	481.58	2962.99	-55.7	—	—
1974-75	252.00	25.00	301.11	120.00	1825.94	462.49	3006.50	61.65	—	—
1975-76	252.00	25.00	320.23	120.00	1890.47	471.69	2529.62	15.98	19.81	6.00
1976-77	252.00	25.00	435.82	120.00	1994.99	508.35	3485.71	-46.25	51.96	20.00
1977-78	252.00	25.00	384.81	96.00	2111.14	594.75	2903.63	145.71	16.68	6.00
1978-79	252.00	25.00	387.43	80.42	2170.42	595.93	3146.53	21.38	24.24	9.00
1979-80	252.00	25.00	409.90	64.85	2255.96	582.63	4181.76	45.31	24.24	9.00
1980-81	252.00	25.00	608.98	49.28	3122.81	1152.64	6916.96	233.58	39.36	15.00
1981-82	252.00	25.00	755.81	45.71	3991.44	1598.37	10989.86	184.07	39.36	15.00
1982-83	252.00	25.00	1861.51	42.14	4744.49	2745.66	11021.23	422.90	39.36	15.00
1983-84	628.54	25.00	2046.45	38.57	5022.30	2748.32	10989.89	513.13	81.46	15.00
1984-85	629.96	25.00	2253.89	1035.00	5627.17	3052.75	9178.04	231.06	96.06	15.00
1985-86	629.98	25.00	2057.21	1035.00	6329.50	3311.65	8426.38	-195.12	1.56	—
1986-87	630.00	25.00	1710.57	1035.00	6578.91	3102.10	9885.49	-346.64	—	—
1987-88	630.00	25.00	1672.72	990.83	6445.07	2653.76	12334.37	21.98	59.83	9.00
1988-89 (14 months)	630.00	25.00	1772.71	1032.15	6282.70	2308.82	12223.19	202.61	102.62	16.00
1989-91 (18 months)	630.00	—	1820.25	1421.60	6685.51	2477.79	12794.33	161.05	113.46	18.00
1991-92 (15 months)	775.13	—	1824.84	1031.78	6318.24	2015.47	11232.57	64.95	60.36	8.00
1992-93	775.90	—	2006.60	800.65	7033.20	2488.91	11072.27	275.01	93.25	12.00
1993-94	775.98	—	2624.81	547.16	7949.79	3101.73	14292.85	812.48	194.27	25.00
1994-95	776.79	—	3955.22	451.73	8442.89	2899.08	22037.40	1562.96	232.96	30.00
1995-96	2002.55	—	5499.23	7120.58	9890.04	4770.48	24695.24	1050.63	304.84	17.50
1996-97	2003.04	—	5559.82	7206.41	16083.41	10493.38	31170.13	324.51	200.03	10.00
1997-98	2003.04	—	5771.45	7133.23	17112.45	10743.31	37563.57	431.97	200.03	10.00
1998-99	2003.04	—	6348.45	7059.89	27251.87	18942.28	62540.25	924.66	300.46	15.00
99-2000	2003.04	—	8043.55	6962.16	29566.64	19839.21	53077.22	2139.83	400.66	20.00
2000-01	2003.05	—	10145.17	6142.13	34454.43	23602.22	56585.93	2653.54	500.83	25.00
2001-02 (9 months)	2003.06	—	9986.63	5819.92	41916.96	28851.20	46394.16	4274.91	600.72	30.00
2002-03	2003.06	—	11948.68	7000.00	48911.08	35820.96	78923.25	2865.64	800.96	40.00
2003-04	2003.06	—	14387.18	7000.00	54821.32	36943.13	117135.67	3567.98	1001.20	50.00
2004-05	2293.61	—	33004.80	9800.00	62076.02	43804.21	157654.05	7401.96	1375.77	60.00
2005-06	2563.16	—	86418.93	8933.33	77280.60	59949.11	202814.87	12479.81	1793.75	70.00
2006-07	2563.16	—	87845.40	17966.67	110118.56	74616.08	239450.36	3675.96	1921.87	75.00
2007-08	2563.16	—	96323.45	16900.00	140970.45	95307.98	310434.07	10875.74	2050.00	80.00
2008-09	2563.16	—	96403.00	20500.00	168283.00	112819.00	351832.00	12535.00	2050.00	80.00
2009-10	3033.16	—	148683.00	18333.00	181418.00	114969.00	386297.00	8144.00	2426.00	80.00
2010-11	6066.00	—	146153.00	16667.00	198749.00	118428.00	414905.00	7100.00	2426.00	40.00
2011-12	6066.00	—	123944.00	22000.00	205622.00	112447.00	401060.00	-22225.00	—	—
2012-13	6066.00	—	110211.00	22000.00	206289.00	101039.00	383865.00	-13764.00	—	—
2013-14	6066.00	—	118673.00	22000.00	202580.00	91540.00	411349.00	8064.00	—	—
2014-15	6459.00	—	132286.00	21010.00	200646.00	78474.00	430114.00	8165.00	—	—
2015-16	7792.00	—	178491.00	18730.00	194985.00	66908.00	419090.00	8497.00	—	—
2016-17 (IND-AS)	10108.00	—	258890.00	14469.00	198988.00	59547.00	419594.00	8092.00	—	—
2017-18	10155.00	—	267339.00	11024.00	207258.00	59794.00	457508.00	6589.00	—	—
2018-19 (Restated)	15131.00	—	120232.00	10382.00	190284.00	41809.00	460349.00	-193506.00	—	—
2019-20	15131.00	—	102743.00	8259.00	185085.00	34547.00	364364.00	-18259.00	—	—
2020-21	15131.00	—	46055.00	6337.00	196138.00	48042.00	258974.00	-55956.00	—	—
2021-22	15131.00	—	31701.81	4112.00	170232.83	37232.00	466628.00	-14524.00	—	—
2022-23	15131.00	—	56961.00	78880.00	157824.00	29989.00	522201.00	25407.00	—	—
2023-24	15131.00	—	76977.00	75300.00	139653.00	22963.00	504271.00	19996.00	—	—

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Anji Khad Bridge, Jammu & Kashmir