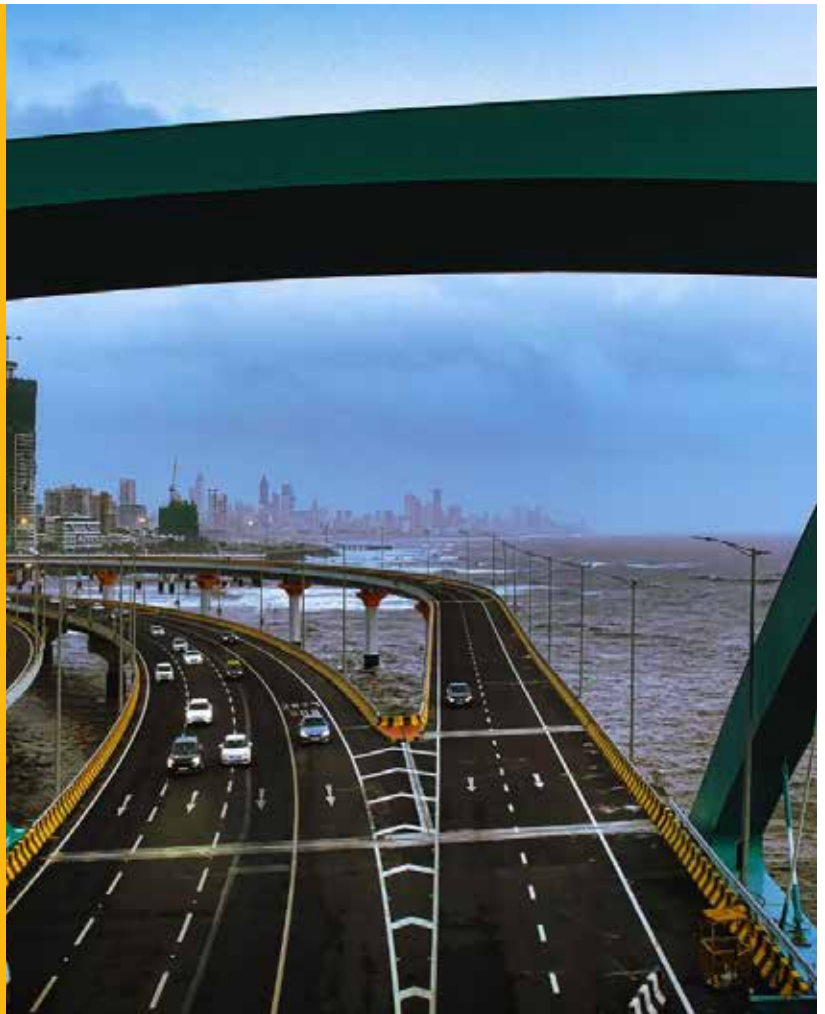




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Highlights 2024-25

- Consolidated revenue at ₹5,603.4 crore in FY25 vs ₹7,006.8 crore in FY24; standalone revenue of ₹4,801.1 in FY25 vs ₹5,042.8 crore in FY24
- EBITDA margin: 19.4% in FY25 on a standalone basis
- Order backlog of ₹11,852 crore as of March 31, 2025; secured three major contracts totalling ₹5,692.6 crore (HCC's share: ₹3,472 crore)
- Emerged as the lowest bidder in projects worth ₹3,513 crore
- Key project completions:
 - Rajasthan Atomic Power Project – Units 7 & 8
 - BARC's Integrated Nuclear Recycle Plant (INRP), Maharashtra
 - Anji Khad Cable-Stayed Bridge, Jammu & Kashmir
 - T49A Tunnel in Jammu & Kashmir
 - Delhi Metro's DC06 package
- Successfully completed a Rights Issue and a Qualified Institutional Placement in April and December 2024, raising ₹350 crore and ₹600 crore, respectively
- HCC's credit rating was upgraded to investment grade, reflecting improved debt servicing capacity and enhanced operational stability

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
- ▲ Indore Metro Package IN-05R

MAHARASHTRA

- ▲ Agardanda Creek Bridge Project
- Bandra-Worli Sea Link
- BARC - Integrated Nuclear Recycle Plant, Tarapur
- Bhama Ashked Pipeline
- Bhandup Pipeline
- Bhandup Water Treatment Complex
- ▲ Bhivpuri Pumped Storage Project
- 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,

It is with immense pride and deep gratitude that I address you as we enter the Centenary Year of our Company. Completing 100 years is more than just a passage of time – it is a celebration of a legacy built on resilience, innovation and trust. We honour the vision of our founders and the contributions of countless employees, partners, and stakeholders who shaped our journey over the past century.

Yet, this centenary is not only about reflection – it is a launchpad for the future. It urges us to reaffirm our purpose, anticipate evolving global needs, and continue leading with integrity, foresight, and impact.

Navigating a Changing World

The global economy is undergoing a structural reset. Geopolitical shifts, reconfigured supply chains, energy transitions, and rapid digital disruptions are redrawing the global order. This is not a temporary disruption but a long-term transformation.

India stands at the forefront of this change. While advanced economies wrestle with volatility, India has emerged as a beacon of resilience – powered by demographic strength, structural reforms, and growing domestic demand. The country is gaining ground as a trusted partner in infrastructure, energy, and digital services, even as global supply chains diversify.

Sustained momentum in public investment, policy clarity, and institutional stability have kept India on a strong growth trajectory. In FY2025, the Indian economy maintained its position as one of the fastest-growing major economies globally. Strategic initiatives such as the Production-Linked Incentive (PLI) schemes, the Gati Shakti programme, and expansion of digital public infrastructure are laying the foundation for inclusive, long-term growth.

India recently overtook Japan to become the world's fourth-largest economy and is poised to surpass Germany in the near future. With a projected GDP growth rate of 6.5% for FY2026, the outlook remains robust. However, to realise the ambition of becoming a developed economy by 2047, India must sustain an annual growth rate of 8% or more.

Infrastructure: India's Growth Catalyst

The past year was transformative for the Indian infrastructure sector. The Government's infrastructure-led development agenda- underscored by a record ₹11.1 lakh crore capital outlay (3.4% of GDP) – has significantly accelerated project execution across transport, urban development, energy, and logistics.

Mega projects in highways, railways, metros, and renewables advanced rapidly, aided by better inter-agency coordination and streamlined approvals. The PM Gati Shakti initiative



and the National Infrastructure Pipeline continued to drive integrated planning and execution. Private participation gained traction, particularly in pumped storage hydropower, logistics hubs, and digital infrastructure.

The regulatory environment also saw key reforms aimed at improving ease of doing business, expediting land acquisition, simplifying environmental clearances, and digitising approval systems. Amendments to financing norms – including relaxed provisioning, enhanced credit exposure for banks, and flexibility for long-gestation projects – are unlocking private investment at scale. Revisions to the Public-Private

Partnership (PPP) framework, with greater risk balance and dispute resolution mechanisms, reflect a progressive shift toward a more investor-friendly ecosystem.

HCC: Building on Strength, Creating the Future

In this evolving landscape, HCC continued to focus on its long-term strategy: executing complex infrastructure projects, enhancing financial resilience, and expanding capabilities in emerging sectors.

Our Engineering, Procurement, and Construction (EPC) expertise remains central to our operations across transportation, power, water, and urban infrastructure. While our historical strength has been government-backed projects, we are increasingly engaging with private developers – particularly in the growing Pumped Storage Hydro (PSH) space- where we leverage our deep hydro experience.

We also strengthened our financial foundation through two successful Qualified Institutional equity infusion, raising ₹950 crore. To further improve liquidity, we actively pursued out-of-court settlements for long-pending receivables. Proceeds from arbitration awards enabled us to prepay fund-based debt from three lenders – an important milestone in our deleveraging journey.

A major highlight was the upgrade in our credit rating to investment grade. This recognition of our improved debt-servicing capability and financial discipline marks a turning point, paving the way for lower borrowing costs, easier access to capital, and enhanced stakeholder confidence.

Operational Highlights

HCC recorded a turnover of ₹4,801.1 crore and a net profit of ₹84.9 crore for FY2025, driven by faster execution across multiple sites, tight cost controls, and focused project management.

During the year, HCC marked several notable milestones, underscoring its execution capabilities across diverse and complex infrastructure segments. The Company received completion certificates for five major projects: the Rajasthan Atomic Power Project – Units 7 & 8, the Integrated Nuclear Recycle Plant (INRP) of BARC at Tarapur, the Anji Khad Cable Stay Bridge and the T49A tunnel in Jammu & Kashmir, and the DC06 package of the Delhi Metro. In a significant development for urban transit, trial runs for Phase 2 of the Mumbai Metro Line 3 commenced in February 2025. In April, HCC successfully synchronized Unit 6 (250 MW) of the Tehri Pumped Storage Project in Uttarakhand, further strengthening its credentials in hydropower. Additionally, the Company contributed to a landmark moment in Mumbai's urban infrastructure with the inauguration of the Mumbai Coastal Road project by Maharashtra Chief Minister Devendra Fadnavis. The Coastal Road will improve the quality of life for Mumbai's residents by reducing travel time, easing congestion, and enhancing overall urban mobility.

Strengthening the Pipeline

Our order book strategy remains focused on high-value projects in less competitive geographies. In FY2025, we secured three contracts worth ₹5,692.6 crore (HCC's share: ₹3,472 crore). Further, we are the lowest bidder in projects worth ₹3,513 crore. In addition, bids worth ₹22,760 crore are under evaluation, with a strong pipeline of over ₹70,000 crore across railways, roads, metros, and urban infrastructure.

We continue to explore opportunities in Bhutan's robust hydropower sector, where we have a long-standing presence. Internationally, we are actively evaluating prospects in the MENA region.

A Commitment to Responsible Growth

Sustainability is integral to our growth strategy. We are embedding ESG principles into all aspects of our operations – from water stewardship and waste reduction to employee safety, digital innovation, and community development. Our active collaboration with the World Economic Forum on urban resilience and sustainability continues to guide future-ready practices.

Looking Ahead

India's infrastructure renaissance presents a once-in-a-generation opportunity – and HCC is uniquely positioned to lead it. With a century of engineering excellence, a culture of innovation, and a renewed focus on sustainability and financial strength, we are well-equipped to contribute meaningfully to national development goals.

As we celebrate this remarkable 100-year milestone, let us also embrace the road ahead – with optimism, purpose, and resolve.

Thank you for your continued trust and support.

Yours sincerely,



Ajit Gulabchand
Chairman

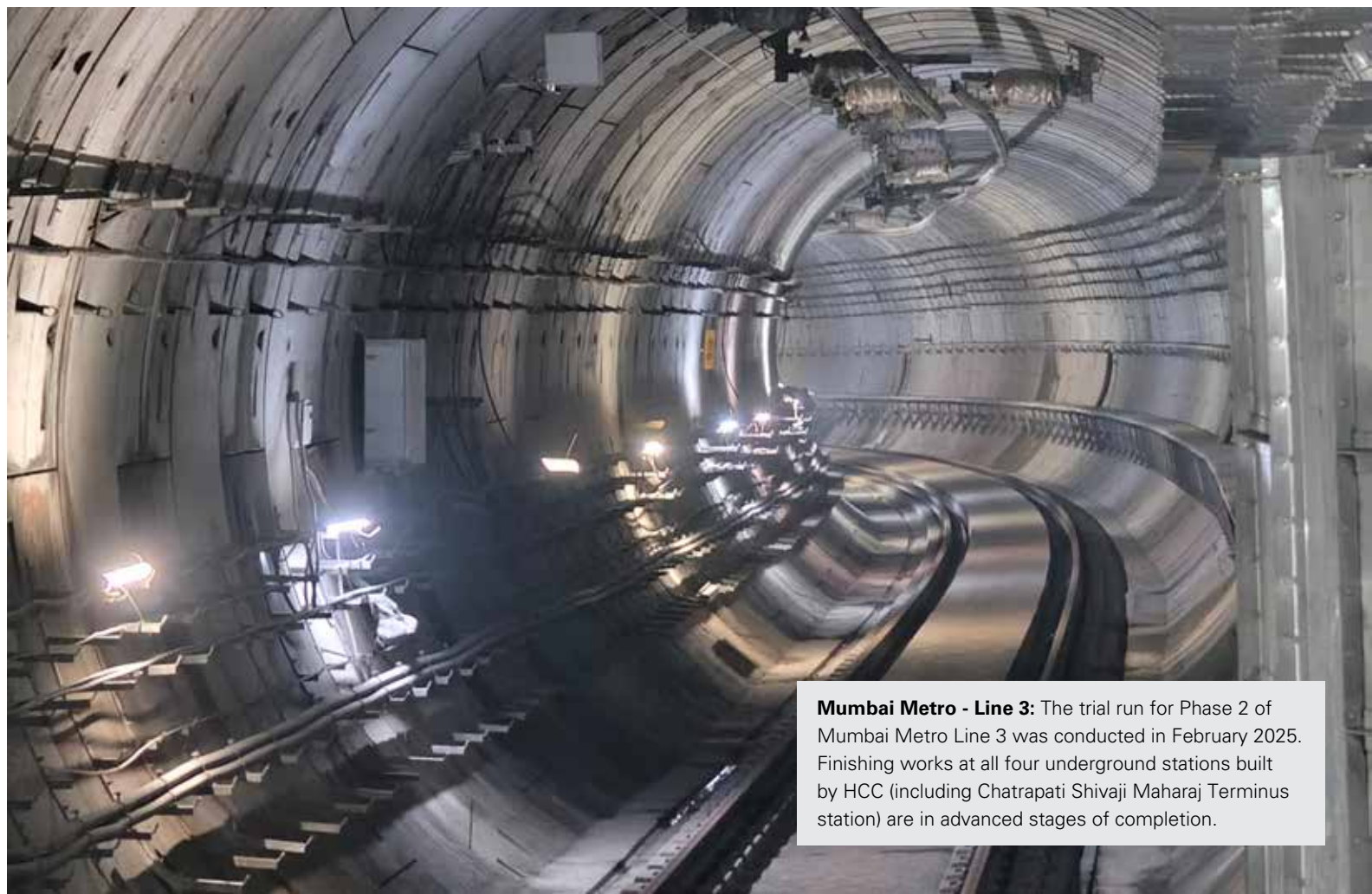
PROJECTS UPDATE

Anji Khad Bridge: Prime Minister Narendra Modi inaugurated the Anji Khad Bridge, India's first cable-stayed railway bridge, built over the Anji River in Jammu and Kashmir's Reasi district on June 6, 2025. The bridge is a major milestone under the Udhampur-Srinagar-Baramulla Rail Link (USBRL) Project, connecting Katra and Reasi, and is poised to enhance connectivity in one of the country's most challenging terrains. An engineering marvel amidst the Himalayas.






Delhi Metro Rail - Pkg DC06: Prime Minister Narendra Modi inaugurated the first section of the 112.32 km Delhi Metro Phase 4 project on January 5, 2025. This included a 2.03 km underground extension of the Magenta Line (Line-8) from Janakpuri West to Krishna Park Extension, featuring a new station constructed by HCC.



Mumbai Metro - Line 3: The trial run for Phase 2 of Mumbai Metro Line 3 was conducted in February 2025. Finishing works at all four underground stations built by HCC (including Chatrapati Shivaji Maharaj Terminus station) are in advanced stages of completion.

PROJECTS UPDATE

An aerial photograph of the Mumbai Coastal Road Project during sunset. The image shows a long, curved elevated roadway stretching from the sea towards the city. The road has multiple lanes and is supported by pillars. In the background, the Mumbai skyline is visible with several tall buildings. The sky is filled with colorful clouds in shades of orange, pink, and blue. The water in the foreground is dark and calm.

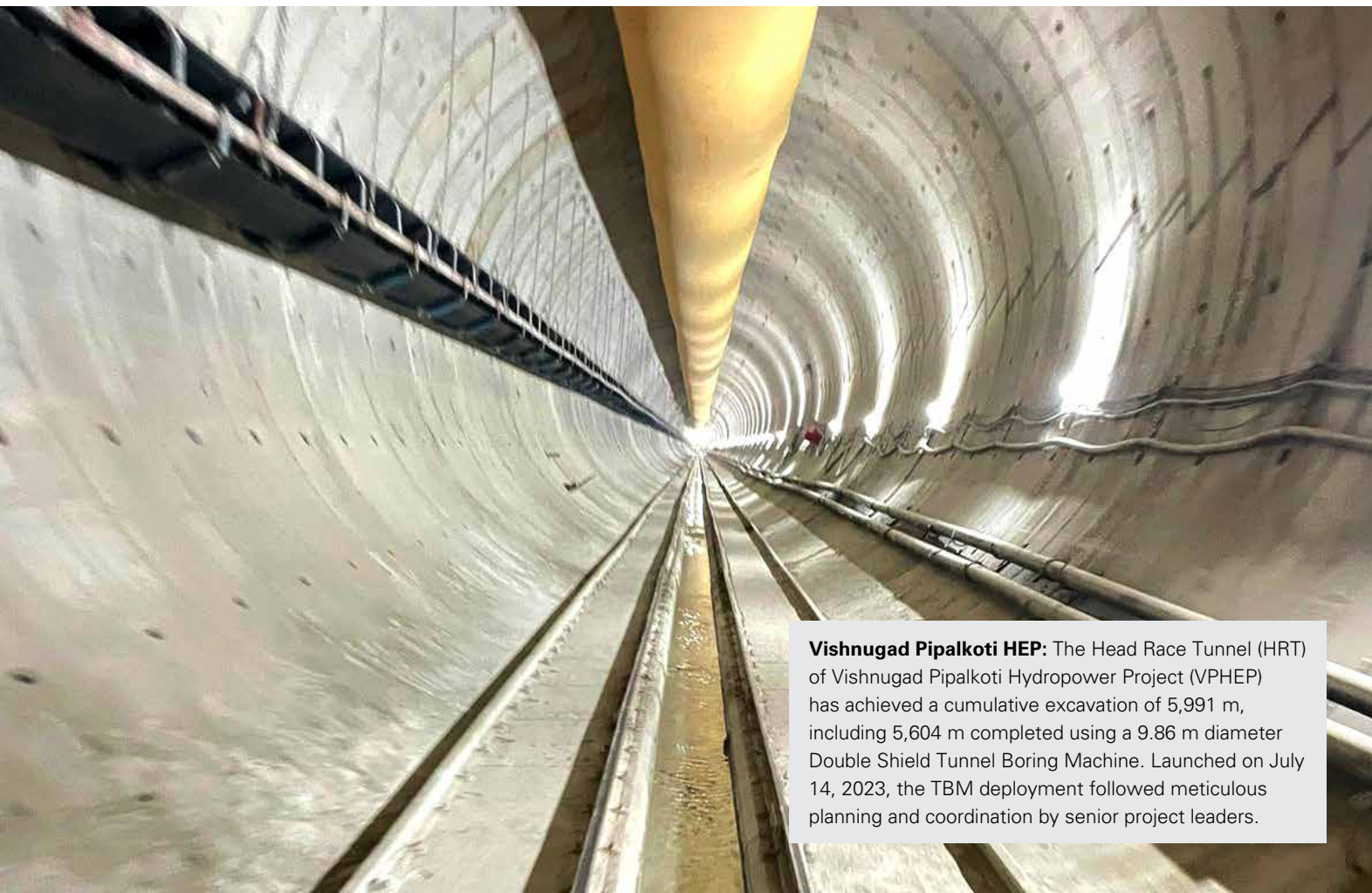
Mumbai Coastal Road Project: HCC's Coastal Road stretch nears completion, reshaping Mumbai's shoreline connectivity. The balance three interchanges were opened for traffic on January 26, 2025, improving connectivity to Worli, Prabhadevi, Lower Parel, and Lotus Junction. This development is set to not only dramatically cut travel time, but also materially reduce city center congestion and pollution.



PROJECTS UPDATE



Tehri Pumped Storage: HCC has successfully synchronized Units #5 and #6 of Tehri Pumped Storage Project (4x250 MW) in Uttarakhand with the National Grid. This marks a major milestone, as the project is India's first pumped storage facility equipped with variable speed turbines.



Vishnugad Pipalkoti HEP: The Head Race Tunnel (HRT) of Vishnugad Pipalkoti Hydropower Project (VPHEP) has achieved a cumulative excavation of 5,991 m, including 5,604 m completed using a 9.86 m diameter Double Shield Tunnel Boring Machine. Launched on July 14, 2023, the TBM deployment followed meticulous planning and coordination by senior project leaders.



Parwan Dam: The tunnel work for the Parwan Gravity Dam Project in Rajasthan has been fully completed, while the dam construction is in its final stages. This ambitious multipurpose project aims to address the severe water scarcity in southeastern Rajasthan by providing irrigation, drinking water, and industrial water supply, along with contributing to flood control measures.



Chennai Metro Line-4 Package ECV-02: HCC has successfully launched the final U-girder for Chennai Metro Line 4's Package ECV-02 on March 15, 2025, marking a major milestone in the construction of this key stretch. With this, all 624 U-girders have been launched for the 7.945 km elevated corridor that connects Poonamallee Bypass to Porur on the western end of Line-4.



COMPANY INFORMATION

BOARD OF DIRECTORS

Ajit Gulabchand | Chairman

Arjun Dhawan | Vice Chairman & Managing Director
(w.e.f. June 26, 2025)

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

Ramesh Subramanyam | Independent Director
(w.e.f. December 16, 2024)

N R Acharyulu | Independent Director
(upto September 17, 2024)

Jaspreet Bhullar | MD & CEO
(upto June 23, 2025)

KEY MANAGERIAL PERSONNEL

Rahul Shukla | Chief Financial Officer
(w.e.f. June 1, 2025)

Girish Gangal | Chief Financial Officer
(upto May 31, 2025)

Nitesh Kumar Jha | Company Secretary

STATUTORY AUDITORS

Mukund M. Chitale & Co., Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENTS

MUFG Intime India Private Limited
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 a trusted player in engineering and construction, specializing in large-scale infrastructure projects. With core expertise in the design, engineering, and execution of complex projects, HCC operates across the transportation, power, marine, water, and industrial sectors. Renowned for quality, excellence and precision, the Company has consistently delivered engineering landmarks in each of its focus areas.

HCC’s contributions to India’s infrastructure development include 25% of the country’s hydropower capacity, more than 60% of its nuclear power generation capacity, 4,036 lane km of roads and expressways, 395 bridges, and 360 km of intricate tunnelling.

The National Infrastructure Pipeline (NIP) spans multiple sub-sectors, including energy, roads, railways, and urban development. It has expanded to cover over 9,288 projects, with a cumulative investment of approximately ₹108.88 lakh crore (around \$1.5 trillion) planned through FY2025. Notably, the sectors of energy, roads, railways, and urban infrastructure together account for nearly 70% of the total projected capital expenditure.

The investment burden is expected to be shared among the central government (39%), state governments (40%) and the private sector (21%). This massive infrastructure push is poised to drive growth in allied industries, generate employment, and boost economic activity. Special emphasis is being placed on clean and renewable energy projects, along with the creation of resilient urban infrastructure – initiatives that aim to strengthen India’s global competitiveness and enhance our citizens’ quality of life.

Recognizing the urgent need for sustainable infrastructure that addresses India’s unique challenges, the focus is increasingly on solutions that mitigate global warming and support long-term decarbonization goals. Infrastructure development today must align with the needs of future generations, delivering both resilience and sustainability at scale.

With its proven expertise and longstanding leadership in the infrastructure sector, Hindustan Construction Company (HCC) is strategically positioned to capitalize on these emerging opportunities.

MACROECONOMIC REVIEW

The Indian economy is robust and remains the fastest growing large economy despite global uncertainties and strife. The second advance estimates of national accounts data, released last week by the National Statistics Office, puts the FY2025 GDP growth at 6.5% for the full year. India is likely to meet its fiscal deficit target comfortably for the year.

In the fourth quarter, Jan-March 2025 of the financial year, GDP growth was pegged at 7.4%, which was higher than the consensus estimate of analysts prior to the NSO release of the second advance estimates. The gross value added (GVA) for the fourth quarter of 2024-25 was 6.8%.

For the full year, the private final consumption expenditure (PFCE) showed a growth of 7.2% - much higher than the 5.6% growth in PFCE clocked in the previous year. Agricultural growth was 4.6% for the financial year, significantly higher than the 2.7% in the previous year. The construction sector grew by 9.4% YoY, lower than the 10.4% growth seen in the previous year.

India has surpassed Japan to become the fourth-largest economy in the world and is projected to surpass Germany in the near future, to become the third-largest economy globally.

The Indian economy is projected to grow 6.5% for the current financial year (2025-26) as well. While this a respectable growth rate for an economy of India’s size, it is lower than the GDP growth in the past three years. And though 6.5% is a good growth rate, India will need to strive for 8% plus growth, if it wants to become a developed country by 2047.

Monetary Policy and RBI annual report

With the consumer price index (CPI) moderating, the Reserve Bank of India’s Monetary Policy Committee is expected to cut repo rates by 25 basis points for the third consecutive time this week. Economists also expect the MPC to vote for keeping the policy stance as accommodative. Bar any sudden spike in inflation, economists also expect the RBI to cut repo rates in the subsequent policy review as well, after the current one.

The RBI also released its Annual Report for 2024-25. The report shows a good growth in RBI’s balance sheet by 8.21% over the previous year. In terms of assets, gold holdings grew by 52.09%. Domestic investments also rose by 14.32% though foreign investments grew much more modestly by 1.70%. While household savings have gone up, so have household liabilities.

The RBI’s total income grew by 22.77% to reach ₹3.38 lakh crore. Expenditure also grew, but slower at 7.76%. RBI transferred a record surplus of ₹2.69 lakh crore to the union government. It also added ₹44,861 crore to its contingency fund.

Challenges

While the overall macro-economic picture looks good, there are more than a few challenges ahead. The first is the uncertainty caused by US President Donald Trump’s rapidly changing tariffs for different countries. To a certain extent, this will be addressed if the US-India trade deal is finalized. However, there will still be uncertainty lurking due to US-China trade and geo-political tensions. For example, China has recently put a number of restrictions on Rare Earth exports. Rare Earth Elements (REEs) are required only in small quantities by multiple industries,

including critical sectors like defence, aerospace, clean energy and electronics but China dominates the supply chain, and its restrictions can severely impact India's manufacturing ambitions. Even otherwise, India's dependence on China for pharmaceutical APIs, electronics, and multiple other products remains on the higher side.

India needs to derisk its supply chain in areas such as EV batteries and pharmaceuticals from China shocks and this will take a few years at least.

There are other challenges as well. The sanctions on Russia by the US could pressure India's crude oil procurement. While there are enough crude oil suppliers globally willing to sell more to India, Russian oil is cheaper than its competitors.

Beyond that, there are the older challenges – labour productivity, lack of employment growth, and rising inequality in incomes. The Indian population's dependence on welfare must be weaned off while simultaneously addressing wage gaps between certain segments of the population.

There are two other serious challenges on the horizon. The first is the rise of Artificial Intelligence (AI), which while it increases productivity, is expected to have a major impact on white collar jobs in the country. AI is expected to be overall beneficial to India's growth trajectory, according to multiple studies by consultancies but it will also exacerbate unemployment issues and potentially, income inequality in the country in the short term.

The other big problem is global warming and climate change which is creating uncertainties in cropping and harvesting seasons and also causing multiple extreme weather events for most countries around the globe. The northern plains in India are particularly likely to bear the brunt of global warming and there are warnings from serious researchers about its effects on both agricultural as well as human productivity.

While India has been moving rapidly in meeting its climate goals, many other nations and notably those in the West continue to disappoint in meeting their commitments.

In conclusion, India's macro-economic indicators are stable but there are material challenges ahead due to a volatile geo-political landscape, the advent of game changing technologies such as artificial intelligence and finally, the increased threat of global warming.

INFRASTRUCTURE AND CONSTRUCTION IN INDIA

Over the past decade, India has embarked on an ambitious journey of infrastructure development to stimulate economic growth. To reinforce this momentum, the government has allocated ₹11.11 lakh crore towards capital expenditure in FY2025, representing 3.4% of GDP – a more than fivefold increase compared to 10 years ago. Notably, the majority of this surge has occurred in the past five years, with capital expenditure growing at an annual rate of 27% during this period.

The government's consistent focus on creating world-class, high-quality infrastructure assets is evident, with the share of the Centre's capex dedicated to infrastructure rising from 28% in FY2014 to approximately 60% in FY2025. Looking ahead, the government assures continued emphasis on infrastructure, supported by strong fiscal commitment alongside other development priorities.

Infrastructure development is critical to achieving India's aspiration of becoming a US\$10 trillion economy by 2032. Key initiatives such as the National Infrastructure Pipeline (NIP), Make in India, and the Production-Linked Incentive (PLI) scheme have been launched to accelerate growth in the sector. Historically, over 80% of infrastructure spending has been directed towards transportation, electricity, water, and irrigation.

Significant progress has been made over the last decade, including:

- National Highway (NH) network expansion by 1.6 times.
- 94% electrification of the rail network.
- Operationalization of 100 Vande Bharat trains.
- Modernization of 1,318 railway stations.
- Metro network expansion nearly fourfold to nearly 1000 km serving 23 cities – third largest in the world.
- Operationalization of 84 airports.
- Increase in power generation capacity by 70%.

These advancements have been catalyzed by flagship programs such as:

- National Infrastructure Pipeline (NIP) – ₹111 lakh crore
- National Monetization Pipeline (NMP) – ₹6 lakh crore
- PM Gati Shakti National Master Plan
- Sectoral initiatives like Bharatmala, Sagarmala, UDAN, Dedicated Freight Corridors, High-Speed Rail projects, BharatNet, Jal Jeevan Mission, AMRUT, and Smart Cities Mission.
- Additionally, Phase IV of the PMGSY aims to connect 25,000 rural habitations.

At the sub-national level, state governments have also expanded their capital investments significantly, reaching ₹8.7 lakh crore in 2024 – a 2.5 fold increase since 2015. Central support has been extended through interest-free loans under special assistance schemes, with allocations exceeding ₹1 lakh crore in each of the last two years, and ₹1.5 lakh crore earmarked for FY2025, particularly targeting the implementation of next-generation reforms. Special attention is being given to the development of economically weaker states such as Bihar, Jharkhand, West Bengal, Odisha, and Andhra Pradesh through investments in industrial nodes, airports, medical colleges, and sports infrastructure.

Financing the Infrastructure Push: Infrastructure development in India has largely been funded through government grants and borrowings from domestic and international markets, including Multilateral Development Banks (MDBs). Recognizing the limitations of traditional financing, the government is actively promoting innovative models such as Public-Private Partnerships (PPPs) and structured financing instruments. Recent policy initiatives aim to enhance viability gap funding (VGF) for infrastructure projects and introduce a market-based financing framework. Building a robust pipeline of investment-ready, bankable projects is key to unlocking greater private sector participation.

Economic Multiplier Effect: Capital investment in infrastructure has a substantial multiplier effect, with every rupee spent yielding a return of ₹2.5 to ₹3.5 to GDP, as per NIPFP estimates. Infrastructure creation significantly enhances the productivity of agriculture, manufacturing, services, and tourism sectors. New initiatives like the rollout of Digital Public Infrastructure (DPI) applications across agriculture, logistics, MSMEs, education, health, and urban governance are expected to further boost the economy. Development of e-commerce export hubs under PPP mode and “plug and play” industrial parks near 100 cities will also drive organized growth in manufacturing and services.

Union Budget 2025-26 Highlights

- Total infrastructure capital investment outlay: ₹11.21 lakh crore (US\$128.64 billion), 3.1% of GDP.
- Allocation for Railways: ₹2.65 lakh crore (US\$31.43 billion).
- Allocation for Ministry of Road Transport and Highways: ₹2.87 lakh crore (US\$32.94 billion), with ₹35,000 crore (US\$4.02 billion) targeted from private sector investment..

Sectoral Progress: India’s infrastructure sector is poised for robust growth, with US\$2.5 trillion (~₹8.35 lakh crore) investments planned by 2032 to support the government’s vision of a \$10 trillion economy. The PM Gati Shakti Master Plan has identified eight major projects, seven under Railways and one under MoRTH, to improve connectivity in challenging terrains.

India has the world’s second-largest road network. The National Highway length has expanded from 65,569 km in 2004 to 1,46,145 km in 2024. Flagship programs like Bharatmala Pariyojana and the Special Accelerated Road Development Programme for the North-East Region (SARDP-NE) continue to strengthen this network.

Strategic Focus Areas: The Union Budget outlines seven key priorities to reach the US\$5 trillion economy target. Emphasis is placed on enhancing private sector investment, generating rural employment, and boosting consumption, particularly through the development of roads, shipping, and railways.

India’s broader infrastructure vision for FY2024–30 envisions a cumulative investment of US\$1.723 trillion, with a strategic focus on power, roads, renewable energy, and electric vehicles.

Roads and Highways



NH-34 Highway Project, West Bengal

India’s road and highway sector delivered a mixed performance in FY2025, marked by strong progress in construction and capital spending, even as challenges persisted in project awards and asset monetization. The National Highways Authority of India (NHAI) exceeded expectations by constructing 5,614 km of national highways, surpassing the target of 5,150 km, a significant milestone in the sector’s growth story. The total road network currently stands at over 6.7 million kms which is the second-largest road network globally, after the United States. This includes ~1.5 lakh km of national highways, ~1.8 lakh km of state highways, ~4,500 km of access controlled express ways, ~6 lakh km of district roads and ~4.5 million km of rural roads.

NHAI’s capital expenditure reached a record high of over ₹2.5 lakh crore, exceeding the budgeted ₹2.4 lakh crore and registering a 21% increase over the previous year. However, despite these achievements, the pace of new project awards remained subdued. As of February 2025, only 4,874 km of highway projects were awarded, nearly identical to the 4,872 km awarded the previous year, signalling stagnation in fresh project initiation.

In the Union Budget 2024–25, the Ministry of Road Transport and Highways received an allocation of ₹2.78 trillion, a 2.8% increase over the previous year, reaffirming the government’s focus on sustained infrastructure development.

While FY2025 witnessed headwinds in project awards and monetization, the sector displayed resilience through strong construction performance and robust capital investment. The outlook remains positive, backed by continued fiscal support and strategic initiatives aimed at driving future growth and expanding India’s transport infrastructure.

Urban Infrastructure

Urban India’s infrastructure needs are projected to require US\$840 billion in investments over the next 15 years. India now boasts the third-largest metro rail network in the world, covering over 1,000 km across 11 states and 23 cities and another 919 km under construction across 26 cities. Mumbai’s monorail, at almost 20 km, ranks as the third longest globally after China and Japan.

Energy:



Vishnughad PipalKoti HEP, Uttarakhand

India has set a bold target of achieving net-zero carbon emissions by 2070 and aims to develop 500 GW of renewable energy capacity by 2030. To support this energy transition, the government has introduced several progressive policy measures, including the promotion of modular nuclear reactors, advanced thermal power plants, and energy audits for MSMEs to enhance efficiency. Urban sustainability efforts such as Transit-Oriented Development (TOD) plans in 14 major cities and large-scale urban redevelopment projects are also expected to make significant contributions toward reducing emissions and achieving climate goals.

With the Indus Waters Treaty (IWT) under abeyance, India is recalibrating its strategy to accelerate hydropower development in the western Himalayan region. The treaty had long constrained the country's hydro potential in Jammu & Kashmir and Ladakh. Now, with the IWT on uncertain footing, India is actively pushing forward pending and strategically significant hydropower projects. This hydro push not only aims to bolster energy security and meet climate goals through renewable generation but also serves as a geopolitical assertion of India's sovereign right to utilize its water resources more effectively within the treaty's framework or beyond it, should abrogation become inevitable. At the same time, India being a lower riparian state in the North-Eastern part of India, fast track development of hydro projects especially in Arunachal Pradesh is critical for Energy security, Irrigation and to counter the threat of China building large storage projects in the upstream side of the river.

India's hydropower sector demonstrated robust performance in FY2025, driven by increased generation and strategic expansion initiatives. An extra budgetary support of ₹12,461 crore has been earmarked for enabling infrastructure for upcoming hydropower projects. While hydropower development faces challenges such as complex terrains and long gestation periods, it remains vital for the socio-economic development of remote regions and for managing riparian rights with neighbouring countries to the east and west.

Between April 2024 and February 2025, hydropower generation reached 139,780 million units (MUs), a 10% growth over the

127,038 MUs generated in the same period the previous year. The installed hydropower capacity rose to approximately 46.97 GW, which includes 5.10 GW from small hydro projects and an additional 0.44 GW under development. Currently, India is constructing 15 GW of new hydropower projects, aiming to increase its overall hydro capacity from 42 GW to 67 GW by 2031–32, representing a 50%+ growth. At the same time, Pumped Storage Projects (PSPs) are gaining momentum, with 2.7 GW under construction and plans to scale up to 55 GW by 2031–32.



Tehri Pumped Storage Project, Uttarakhand

Pumped Storage Projects (PSPs) have emerged as a strategic pillar in India's energy transition, offering a reliable solution for large-scale energy storage and grid stability. As of 2025, India has approximately 4,800 MW of operational pumped storage capacity. The Central Electricity Authority (CEA) has identified over 103 GW of potential PSP capacity across the country, and more than 30,000 MW is currently in various stages of planning and construction. Private sector participation in PSPs has significantly increased, with major developers announcing large-scale projects in Maharashtra, Madhya Pradesh, Rajasthan, and Andhra Pradesh. These developments are supported by favourable policies, faster environmental clearances, and the recognition of PSPs as renewable energy storage assets by the Ministry of Power. Moreover, states are facilitating land acquisition and incentivising investments to attract developers. However, challenges such as high capital costs, complex regulatory approvals, and environmental concerns in ecologically sensitive zones persist. By 2030, India aims to commission 20-30 GW of PSP capacity, making it a global leader in hydro-based energy storage. The long-duration storage capability, flexibility, and technological maturity of PSPs position them as an essential component of India's strategy for energy security and decarbonisation.

Despite persistent challenges, the sector made notable strides in FY2025 and is positioned for accelerated growth. Hydropower is poised to play a crucial role in meeting India's renewable energy targets, strengthening energy security, and supporting a balanced and resilient energy mix for the future.

At the same time, India has unveiled a landmark plan to privatise its nuclear power sector, proposing amendments to allow

private and foreign investors to hold up to 49% equity in nuclear plants. It has launched a ₹ 20,000 crore Nuclear Energy Mission for Small Modular Reactors (SMRs) and operationalise at least five indigenous SMRs by 2033 – all aimed at expanding capacity to 100 GW by 2047.

Railways



T49A Tunnel project, Jammu & Kashmir

The National Rail Plan (NRP) 2030 is a visionary framework developed by the Ministry of Railways to build a future-ready, efficient, and sustainable railway system by 2030. The plan aims to significantly enhance capacity, modernize infrastructure, and increase the share of railways in freight transport to 45%, thereby reducing the logistics burden on roads. Key focus areas include the development of dedicated freight corridors, high-speed passenger rail, and multimodal integration with roads, ports, and logistics hubs. The NRP also prioritizes 100% electrification, a transition toward net-zero carbon emissions, and the digital transformation of railway operations to ensure greater safety and efficiency.

To support these goals, the Railway Budget for 2025–26 allocated a record ₹2.65 lakh crore in capital expenditure, the highest ever for Indian Railways, with approximately ₹1.92 lakh crore already spent by January 2025. During FY2025, Indian Railways renewed 6,450 km of track and replaced 8,550 turnouts, resulting in improved operational performance. Train speeds were increased to 130 km/h over 2,000 km, while 3,210 route kms (Rkm) of track were electrified, raising the electrification of the broad-gauge network to 97%, in line with the 100% target.

Under the PM Gati Shakti initiative, 434 railway infrastructure projects valued at ₹11.17 lakh crore have been identified across three major corridors to enhance connectivity and network efficiency. Looking ahead, the government plans to invest between ₹2.9 trillion and ₹3 trillion in FY2026 for continued railway modernization, including the rollout of 400 high-speed Vande Bharat trains by March 2027, further cementing railways' role as a key enabler of India's sustainable growth and logistics transformation.

Ports

India's ports are poised to expand their capacity by 500–550 million tonnes per annum (MTPA) each year from FY2023 to FY2028, with a focus on petroleum, oil, lubricants, coal, and containerized cargo. The Indian ports infrastructure market is anticipated to grow at a compound annual growth rate (CAGR) of 7.36%, reaching \$10.65 billion by 2030. Additionally, the World Bank forecasts India's growth at 6.3% for FY2026, which could impact port traffic and investment trends.

Water and Irrigation



Parwan Dam, Madhya Pradesh

In FY2025, India's water and irrigation sector saw significant advancements, driven by increased irrigation coverage, improved water-use efficiency, and strategic investments in sustainable practices. From FY2016 to FY2021, the area under irrigation grew from 49.3% to 55% of the Gross Cropped Area (GCA). Similarly, irrigation intensity increased from 144.2% to 154.5%, reflecting better utilization of irrigation resources. The "Per Drop More Crop" (PDMC) initiative has played a key role in promoting water-use efficiency, particularly through micro-irrigation technologies like drip and sprinkler systems. Between FY2016 and FY2024, approximately 90 lakh hectares were brought under micro-irrigation.

The Union Budget for 2024–25 further reinforced the commitment to water conservation and efficient irrigation, with a focus on reusing treated water and integrating renewable energy sources, such as solar power, into irrigation systems. Looking ahead, the government is expected to continue or increase funding for water conservation and irrigation efficiency programs, particularly targeting the expansion of micro-irrigation and the promotion of sustainable agricultural practices.

India's National River Linking Project (NRLP), conceived in 1980 under the National Perspective Plan, aims to interconnect around 30 river links across both Himalayan (14) and Peninsular (16) basins using a vast network of nearly 3,000 dams, canals, tunnels, and reservoirs. The flagship Ken–Betwa Link Project, launched in 2021 with an estimated ₹44,605 crore investment, will transfer surplus water from the Ken to the drought-prone Betwa basin, serving over 10 lakh ha of farmland, supplying drinking water to 62 lakh people, and generating ~130 MW of

clean energy. While several other links like Par–Tapi–Narmada and Damanganga–Pinjal have DPRs in place, most remain in the feasibility stage awaiting political consensus and environmental clearance. The project will enhance irrigation, boost rural livelihoods, bolster water security, mitigate floods and droughts, and open freshwater navigation corridors. The NRLP thus embodies one of India’s most ambitious and contested efforts to reshape its water landscape for climate resilience and agricultural transformation.

Overall, FY2025 marked a step forward for India’s water and irrigation sector in terms of sustainability and efficiency. While challenges persist, the ongoing emphasis on innovation, policy support, and farmer engagement is poised to drive further improvements in the years to come.

HCC: STRATEGIC DEVELOPMENTS

HCC has set its long-term strategic goals by identifying key focus areas that leverage the Company’s proven strengths in executing complex infrastructure projects. These goals are aligned with its core competencies in engineering excellence, project management, and innovation. At the same time, the Company is actively working to enhance its existing capabilities by embracing new technologies, entering high-growth sectors, and building a future-ready talent pool. Parallely, HCC is prioritizing financial resilience by optimizing operations, monetizing non-core assets, and strengthening its balance sheet to support sustained growth and long-term value creation.

Business Development – Core Business Expansion

EPC projects remain HCC’s core strength, with proven expertise in conceptualizing, designing, executing, and commissioning large, complex works across transportation, power, and water & irrigation sectors. India continues to be the Company’s primary market, with a focused approach towards leveraging its strong geographical presence to tap into emerging opportunities.

Historically, nearly 100% of HCC’s order book consisted of government clients. However, with the growing private sector investment in Pumped Storage Hydro (PSH) projects, HCC is now actively engaging with leading private developers for the construction of these projects. Recently, HCC was appointed by Tata Power to execute a PSH project in Maharashtra. Given the close similarity between PSH and conventional hydro projects, HCC’s deep expertise and proven capabilities in the hydro sector position it strongly to contribute to this emerging segment.

The recent upgrade of HCC’s credit rating to investment grade (“CARE BBB-; Stable”) marks a key milestone in its financial recovery and operational stability. This improved rating reflects enhanced debt servicing capacity and financial discipline, which is expected to reduce borrowing costs, improve access to capital, and strengthen stakeholder’s confidence. It also enhances HCC’s credibility with clients, partners, and investors, reaffirming its leadership in the infrastructure sector. The company is selectively focusing on new geographies to undertake projects in its core sectors.

HCC’s business development strategy focuses on consolidating its order book in existing geographies while targeting high-value projects in less competitive sectors. In FY2025, the Company secured three contracts totalling ₹5,692.6 crore (HCC’s share: ₹3,472 crore). It is also the lowest bidder in projects worth ₹3,513 crore, where contracts are yet to be signed. Additionally, HCC has submitted bids worth ₹22,760 crore currently under evaluation and has identified a robust project pipeline of ₹70,000 crore across railways, roads, metros, and urban infrastructure. The Company is also exploring strategic partnerships to participate in road PPP projects.

HCC continues to engage proactively with the government on policy formulation and plays an active role in shaping the infrastructure sector through its involvement in leading industry bodies. Mr. Arjun Dhawan, Vice Chairman & Managing Director of HCC, has been elected as a National Council Member of the Construction Federation of India (CFI) and contributes to the Confederation of Indian Industry’s (CII) infrastructure initiatives.

Mr. Ajit Gulabchand, Chairman of HCC and a founding member and long-serving President of CFI for over 24 years, has been honoured with the title of President Emeritus, in recognition of his enduring leadership and contribution to the Indian construction industry.

In addition to his industry roles in India, Mr. Arjun Dhawan serves as an active member of the World Economic Forum’s Engineering & Construction Industry Strategy Officers group and Global Commission on Nature-Positive Cities. This high-level platform brings together global leaders, including city mayors, business executives, international organisations, NGOs, and academic institutions, to champion nature-positive urban transformation. The Commission serves as a trusted forum for addressing real-time challenges to sustainable urbanisation, offering actionable guidance, sharing global best practices, and identifying innovative financing mechanisms for nature-based solutions. Mr. Dhawan also collaborates with various World Economic Forum communities and participates in global dialogues and platforms that foster public-private collaboration for resilient and inclusive cities.

Capital Raising and Liquidity Improvement

HCC further strengthened its financial position with the successful completion of a ₹600 crore Qualified Institutional Placement (QIP) in December 2024. The offering received an overwhelming response and was fully subscribed within hours of launch. Shares were issued at a price of ₹43.01, including a premium of ₹42.01 per share. The QIP attracted a diverse set of top-tier institutional investors, both domestic and global, reflecting strong market confidence in HCC’s strategic direction and long-term growth potential.

This marks HCC’s second successful capital raise in FY2025, following the ₹350 crore Rights Issue completed in April 2024, which was oversubscribed by 2.5 times. The proceeds from the QIP are being deployed to support business expansion, strengthen working capital, and reduce debt, in line with the Company’s strategy to enhance financial flexibility and balance sheet health.

To further improve liquidity, HCC is selectively pursuing out-of-court settlements with clients to unlock long-standing disputed receivables. The Company has also successfully prepaid the entire fund-based debt of three lenders by utilizing arbitration award proceeds deposited in court. HCC remains committed to continuing similar transactions as part of its ongoing efforts to deleverage and meet its debt obligations ahead of schedule.

Strategic Divestments and Sale of Non-Core Assets

In line with HCC's strategic focus on its core EPC business, and pursuant to a Court-approved Scheme of Arrangement, the Company has divested its stake in Steiner AG (SAG) held through its wholly owned subsidiaries, HCC Mauritius Investment Limited (HMIL) and HCC Mauritius Enterprises Limited (HMEL) to Uniresolv SA, an affiliate of m3 Immobilier Holding SA, a leading player in Geneva's real estate and financial sectors.

This transaction enables Steiner Development AG (SDAG), a key subsidiary of SAG, to begin a new chapter as a direct subsidiary of m3 Immobilier, with ambitions to prepare for a future Swiss IPO. HCC stands to benefit from SDAG's success through potential earnout liquidity of up to ₹205 crore, tied to SDAG's future performance.

At closure, HCC retained ownership of two SAG subsidiaries – H56 Immo AG (formerly Steiner Eagle AG) and Steiner India Ltd (SIL) – which collectively hold approximately ₹1,174 crore in contractual receivables and claims, and ₹43 crore in Indian land assets. These assets are expected to be monetised over the next five years. m3 will actively support HCC in realising value from SEAG's assets, with HCC agreeing to share up to ₹205 crore with m3 from any recoveries.

The partnership between HCC and the m3 Group reflects a collaborative approach to advancing each company's strategic priorities

The company has also sold a land parcel in Panvel, Maharashtra, for a total consideration of ₹95 crore, as part of its ongoing strategy to monetize non-core assets and strengthen its balance sheet by reducing debt.

Accelerated Deleveraging

The Company is actively executing an accelerated deleveraging strategy to enhance its financial strength. In addition to the scheduled debt repayment of ₹530 crore in March 2025, it has also successfully prepaid the entire outstanding Optionally Convertible Debentures (OCDs) amounting to approximately ₹134 crore, held by one of its key lenders. Since the implementation of the Resolution Plan, the Company has cumulatively repaid around ₹1,462 crore to its lenders, representing nearly 32% of the principal debt outstanding at the time the Plan was adopted.

Looking ahead, the Company is exploring further prepayments to lenders through mechanisms such as court-backed bank guarantees, claim conciliations, realization of arbitration awards, and potential capital market fundraisers. These initiatives are

aimed at further reducing debt and reinforcing the Company's balance sheet.

RISK MANAGEMENT:

HCC is committed to the highest standards of business conduct and governance, with a strong focus on risk management as a core pillar of its corporate strategy. A robust risk management framework is integral to safeguarding the company's assets, ensuring regulatory compliance, and achieving sustainable business growth.

Objectives of the Risk Management Policy:

- Timely identification and response to risks and opportunities
- Protection of the company's assets and business interests
- Support for sustainable growth and protection of shareholder value
- Compliance with applicable legal and regulatory requirements

All employees are actively engaged in managing risks within their respective functions and areas of responsibility.

Risk Management Process:

- 1. Risk Identification:** Risks are identified at all organizational levels.
- 2. Risk Prioritization:** Risks are assessed based on likelihood and potential impact.
- 3. Mitigation Planning:** Specific action plans are developed to address identified risks.
- 4. Regular Review:** Mitigation strategies and risk levels are reviewed periodically.

The overall risk assessment is based on the combination of the probability of occurrence and the magnitude of potential impact. This gross risk is managed by implementing control measures, either through new mitigation strategies or by strengthening existing controls. Operating teams are responsible for executing these mitigation plans.

Risk Management framework:

The framework operates at two distinct levels:

1. Enterprise Risk Management (ERM):

Focuses on risks at the organizational level, including overarching business processes, systems, and strategic action plans.

2. Project Level Risk Management:

Addresses risks throughout the project lifecycle from tendering and planning to execution and handover.

Risks are categorized into specific areas such as:

- Operational

- Financial
- Contractual
- Order book-related
- Project cost and schedule overruns

These are documented through activity log registers and mitigation reports, maintained and monitored by respective functional heads.

Governance and Oversight:

The Risk Management Committee oversees the framework and meets at least twice a year to review the policy, structure, and effectiveness of mitigation strategies. As of March 31, 2025, the Committee consists of 4 members. During FY2025, the Committee met on July 04, 2024, and December 16, 2024.

For information on Committee membership, please contact the Secretarial Department (Mr. Nitesh Jha). Additional details are available in the relevant section of the Annual Report.

OPERATIONS REVIEW

HCC's core business centers on providing Engineering and Construction (E&C) services for large-scale infrastructure projects across key sectors, including power (hydro, nuclear), transportation (roads, bridges, metros, and ports), water (irrigation and water supply), and industrial infrastructure. In FY2025, the Company delivered strong performance across all sectors and regions, in line with India's broader economic recovery.

HCC reported a turnover of ₹4,801.1 crore, driven by the accelerated execution of multiple projects across the country. The Company continues to leverage advanced technologies to boost productivity and operational efficiency, while maintaining a strategic focus on the timely and profitable execution of its order book, effective working capital management, and optimized fund utilization.

HIGHLIGHTS FY2025

In FY2025, the project delivery has improved with various initiatives taken during the year. Key achievements include:

HCC achieved significant milestones with the receipt of completion certificates for five major projects: Rajasthan Atomic Power Project – Units 7 & 8, the Integrated Nuclear Recycle Plant (INRP) of BARC at Tarapur, the Anji Khad Cable Stay Bridge and the T49A tunnel project in Jammu & Kashmir, and Delhi Metro's DC06 package. In February 2025, trial runs commenced for Phase 2 of the Mumbai Metro Line 3, marking another key milestone. In April 2025, the Company successfully synchronized Unit 6 (250 MW) of the Tehri Pumped Storage Project in Uttarakhand. Additionally, the Vishnugad Pipalkoti Hydropower Project has completed 5.8 km of TBM tunnelling out of a total 12.1 km. Two other marquee projects, the Mumbai Coastal Road and the Parwan Dam in Rajasthan, are nearing final completion.

BUSINESS DEVELOPMENT

HCC's business development strategy focuses on consolidating our order book in existing geographies and focusing on high value jobs in spaces of bridges, tunnels, urban infra & hydropower. The Company's order book stood at ₹11,852 crore as of March 31, 2025. The company is also the lowest bidder in projects worth ₹3,513 crore, where contracts are yet to be signed. Another ₹30,950 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 Company has demonstrated a marked improvement in project performance, driven by enhanced execution capabilities, streamlined project management processes, and the adoption of digital tools for real-time monitoring. The company achieved faster project turnaround times, reduced execution bottlenecks, and improved resource utilization across key sites. This operational efficiency has led to timely milestone achievements, better cash flow generation, and stronger client confidence. HCC's focus on disciplined execution and proactive risk management continues to strengthen its track record in delivering complex infrastructure projects on schedule and within budget.

PROJECTS UPDATE

Transportation:

The transportation sector accounts for approximately 53% of HCC's order backlog, with steady progress across several marquee projects:

On January 26, 2025, Maharashtra Chief Minister Devendra Fadnavis inaugurated the northbound 'Bow Arch String Girder' bridge, which connects the Mumbai Coastal Road to the Bandra-



Worli Sea Link. The launch, along with three major interchanges, has significantly enhanced connectivity to key areas such as Worli, Prabhadevi, Lower Parel, and Lotus Junction. This critical infrastructure is expected to reduce travel time from South Mumbai to Terminal 2 of the international airport from nearly two



Anji Khad Bridge, Jammu & Kashmir

hours to just 30 minutes.

In Jammu & Kashmir, the Anji Khad Cable Stayed Bridge, India's first cable-stayed railway bridge, has reached a major milestone. All major civil works, including track laying, approach roads, and associated activities, have been completed, along with successful trial runs. The 193-metre-high pylon is tallest in the country. A comprehensive structural health monitoring system with real-time alarms and accessible inspection platforms ensures ongoing safety and maintenance.

On January 5, 2025, Prime Minister Narendra Modi inaugurated the first section of the 112.32 km Delhi Metro Phase 4 project. This included a 2.03 km underground extension of the Magenta Line (Line-8) from Janakpuri West to Krishna Park Extension, featuring a new station constructed by HCC.

In Mumbai, the trial run for Phase 2 of Metro Line 3 was conducted in February 2025 for data collection. Finishing works at all four underground stations built by HCC are in advanced stages of completion.

The HCC-KEC Joint Venture successfully completed the launch of all 624 U-girders on 15 March 2025, for the 7.945 km elevated corridor of Chennai Metro Line 4's Package ECV-02. A total of 3,202 precast components, including U-girders, pier arms, portal beams, and pier capshave been erected, along with the launch of two OpenWeb Girders (OWGs) across the Tambaram-Maduravoyal Bypass. Package ECV-02 forms a key part of the 26.1 km Line-4 corridor from Light House to Poonamallee Bypass, under the larger 116.1 km Chennai Metro Phase 2 project.

These developments reflect HCC's execution capabilities in delivering high-impact transportation infrastructure across India.

Hydro Power:

Hydropower projects account for 29% of HCC's order backlog, with project performance showing significant improvement, supported by proactive client interventions.

At the Tehri Pumped Storage Project (4x250 MW) in Uttarakhand, HCC successfully synchronized Units #5 and #6 with the National Grid. This marks a major milestone, as the project is India's first pumped storage facility equipped with



Vishnugad Pipalkoti HEP, Uttarakhand

variable speed turbines.

At the Vishnugad Pipalkoti Hydropower Project (VPHEP), the Head Race Tunnel (HRT) has reached a cumulative excavation of 5,991 meters, with 5,604 meters completed using a Tunnel Boring Machine (TBM). The 9.86-meter diameter Double Shield TBM was launched on 14 July 2023, following extensive planning and coordination led by senior project stakeholders.

Nuclear Power:

HCC has successfully completed the civil works for the front-end blocks of the Nuclear Recycle Blocks (NRB) at Bhabha Atomic Research Centre (BARC), Tarapur. Handed over to BARC's Nuclear Recycle Board on 30 June 2024, the project represents a significant step forward in advancing India's closed nuclear fuel cycle. It stands as a testament to HCC's engineering expertise, strict adherence to global safety standards, and excellence in execution. This achievement reinforces India's commitment to sustainable energy and highlights its strategic drive toward energy self-reliance.

Construction activities at the FRFCF, a critical component of India's nuclear fuel cycle infrastructure, are progressing on schedule. Key civil works for the fuel reprocessing plant building, substation building, and associated support structures are underway. Structural works, including the casting of high-precision cell walls, beams, and columns, are in progress, adhering to stringent nuclear-grade quality standards. The project plays a vital role in supporting India's fast breeder reactor programme by enabling the closed-loop recycling of spent nuclear fuel. Upon completion, the FRFCF will significantly enhance India's capacity for sustainable and self-reliant nuclear energy production.

Water Supply and Irrigation:

The tunnel work for the Parwan Gravity Dam Project in Rajasthan has been fully completed, while the dam construction is in its final stages. This ambitious multipurpose project aims to address the severe water scarcity in southeastern Rajasthan by providing irrigation, drinking water, and industrial water supply, along with contributing to flood control measures.

MANAGEMENT SYSTEMS

HCC has implemented an Integrated Management System (IMS) that aligns with international standards- ISO 9001:2015 (Quality), ISO 14001:2015 (Environment), and ISO 45001:2018 (Occupational Health & Safety). This integrated approach ensures consistency and efficiency across all operations.

Guided by its Mission, Vision, IMS Policy, and defined objectives, HCC is committed to delivering excellence to its clients. Regular Management Review Meetings (MRMs) and a structured program of internal and external audits across project sites and the head office ensure effective implementation of the IMS.

In FY2025, HCC successfully completed an ISO surveillance audit, covering key functions at the head office and selected projects in its core sectors: Hydro, Transport, and Nuclear. The audit reaffirmed HCC's compliance with applicable ISO standards.

Throughout the year, HCC observed several National and International awareness days across all sites to reinforce its commitment to quality, safety, health, and environmental responsibility. These included:

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

Activities such as awareness campaigns, First Aid and Fire Fighting training, plantation and cleanliness drives, field games, and recognition of exemplary worker contributions helped strengthen the QHSE culture.

Industry Recognitions in FY 2024–25:

- April 2024: Certificate of Appreciation from DMRC to the DC-06 Project for achieving **7 million Safe Man-hours**.
- September 2024: **Safety & Quality Forum Award 2024** by the Institution of Engineers (India) to the DC-06 Project for innovative safety and quality management practices.
- December 2024: Certificate of Appreciation from BARC Tarapur for achieving **33.72 million Safe Man-hours**.
- March 2025: Certificates of Appreciation from the National Safety Council awarded to Vishnugad Pipalkoti HEP, Mumbai Metro Line-3, and BARC Tarapur for notable achievements in **Occupational Safety & Health** during 2024.

KEY SUBSIDIARIES

HCC INFRASTRUCTURE COMPANY LTD.

HCC Infrastructure Company Ltd. (HICL) serves as the investment and development arm of HCC for infrastructure projects implemented under the Public Private Partnership (PPP) framework. The company undertakes projects through various models such as Build-Operate-Transfer (BOT), Build-Own-Operate-Transfer (BOOT), and Hybrid Annuity Model (HAM) playing a pivotal role in shaping long-term infrastructure assets across the country.

HICL is a debt-free entity, reflecting prudent financial management and a conservative capital structure. Its revenue streams include income from overloading charges collected at operational highway assets such as Baharampore-Farakka Highways Ltd. (BFHL) and Farakka-Raiganj Highways Ltd. (FRHL). In addition, HICL anticipates further inflows from pending arbitration and claim awards related to Raiganj-Dalkhola Highways Ltd. (RDHL), enhancing its financial robustness and reinforcing its position in the infrastructure development space.

HUMAN RESOURCES (HR)

HCC, a pioneer in infrastructure development, has long been an employer of choice in the Indian construction industry. We value our people as our greatest asset and have consistently evolved our work culture, systems and policies to support their growth and well-being.

With a total workforce of more than 7500, we are committed to ensure diversity across gender, region and ability. To strengthen our talent pool, we continue to hire top talent from premier engineering and management institutes.

Our inclusive approach extends to building a friendly infrastructure at project sites and offering young professionals cross-functional exposure to prepare them for future leadership roles. We have one of the highest retention rates among campus hires.

We invest heavily in capability building through a mix of technical, functional and behavioural learning and development programs. These are delivered in collaboration with domain experts and specialised institutions. We have a robust performance management system built on SAP SuccessFactors. This helps us in ensuring an objective assessment of employees thus recognizing and retaining top performers.

Employee engagement remains central through celebrations of festivals, national days, milestones and achievements across sites. Our POSH policy promotes a respectful and gender-neutral workplace, reinforced by regular awareness sessions.

HCC's continuing focus is on building talent, fostering inclusion and preparing the organization for the future.

FINANCIAL REVIEW

Table 1: Abridged Profit and Loss account of HCC

(₹ crore)

	Standalone	
	FY 25	FY 24
Income from Operations	4,801.1	5,042.8
Other Income	98.0	125.3
Total Income	4,899.1	5,168.1
Construction Cost(incl. material)/ Other Exp.	3,551.4	4,030.3
Employees Cost	316.7	325.8
EBITDA (excluding Other Income)	933.0	686.7
EBITDA margin (%) (excluding Other Income)	19.43%	13.62%
Finance Cost	506.4	542.9
Depreciation	64.7	67.8
Exceptional items - Gain / (Loss)	-	168.6
Profit / (Loss) Before Tax and Exceptional Items	460.0	201.3
Profit / (Loss) Before Tax after Exceptional Items	460.0	369.9
Tax expense	375.1	191.3
Profit / (Loss) After Tax	84.9	178.6
Other comprehensive income / (loss)	(7.1)	21.4
Total Comprehensive Income (after Tax)	77.8	200.0

Key Financial Ratios

	Standalone		Reason for variance above than 25%
	FY 25	FY 24	
Debtors Turnover Ratio (in times)	1.74	1.95	The change is less than 25%
Inventory Turnover Ratio (in times)	24.68	24.18	The change is less than 25%
Interest Coverage Ratio (in times)	2.40	1.70	The increase in EBITDA, driven by operational efficiency and other measures, helped offset the overall decline in operating income
Current Ratio	1.31	1.11	The change is less than 25%
Debt Equity Ratio	0.79	1.92	Owing to reduction in debt and increase in net worth on account of profit for the year and capital raised during the current year
Operating Profit Margin (%)	19.43	13.62	The increase in EBITDA, driven by operational efficiency and other measures, helped offset the overall decline in operating income
Net Profit Margin [^] (%)	1.77	3.54	Though Operating EBITDA is improved, but due to onetime hit on account of adoption of new income tax regime, net profit after tax is lower
Return on Net Worth	4.47	19.71	Despite improved Operating EBITDA, net profit after tax declined due to a one-time impact from the new income tax regime. Higher capital infusion during the year increased net worth, leading to a lower return on net worth

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

CORPORATE SOCIAL RESPONSIBILITY

At HCC, excellence in business is intrinsically linked with a commitment to community welfare and sustainable development. While executing some of India's most complex infrastructure projects, HCC embraces responsible practices that enhance the well-being of communities both in the immediate vicinity of its operations and beyond.

In accordance with Section 135 of the Companies Act, 2013 and Schedule VII, HCC has formalized a Corporate Social Responsibility (CSR) Policy supported by an Integrated Management System (IMS) procedure for effective implementation. The company's CSR initiatives are structured around five key focus areas:

1. Sustainability Reporting
2. Water Stewardship
3. Disaster Relief and Response
4. HIV/AIDS Awareness
5. Community Development

Complementing his leadership role in the infrastructure sector, Mr. Arjun Dhawan, Vice Chairman and Managing Director of HCC, serves as an active member of the World Economic Forum's Engineering & Construction Industry Strategy Officers group and Global Commission on Nature-Positive Cities. This distinguished platform brings together global leaders—including city mayors, business executives, international agencies, NGOs, and academia—to drive nature-positive urban transformation. The Commission functions as a collaborative forum to address the pressing challenges of sustainable urbanisation by offering practical guidance, sharing international best practices, and exploring innovative financing for nature-based solutions. Mr. Dhawan also engages with multiple World Economic Forum communities and contributes to global conversations that promote public-private partnerships for building resilient, inclusive, and environmentally conscious cities

SUSTAINABILITY REPORTING

HCC is committed to environmental transparency and regularly reports the economic, environmental, and social impacts of its operations through sustainability reports. To date, the company has published fourteen sustainability reports, prepared in accordance with the Global Reporting Initiative (GRI) guidelines and assured by independent third-party agencies for accuracy and credibility.

HCC integrates social, economic, environmental, governance, and financial considerations into every aspect of its operations. Its long-standing collaboration with the World Economic Forum in areas such as sustainability and urban planning helps shape innovative practices for a better future. Current efforts focus on water conservation, waste reduction, occupational health and safety, and inclusive community development all of which underscore HCC's commitment to global best practices.

The company is a member of the United Nations Global Compact (UNGC) and TERI World Business Council on Sustainable Development, and a signatory to several UNGC initiatives,

including 'Caring for Climate' and 'The CEO Water Mandate'.

CEO WATER MANDATE

HCC was the first Indian company to endorse the UNGC's 'CEO Water Mandate', embedding water resource management into all aspects of its business. The company actively monitors water usage at all project sites and implements the 4R principle- Reduce, Reuse, Recycle, and Recharge to drive water conservation.

These measures have resulted in:

- Reduced freshwater consumption
- Enhanced water-use efficiency
- Safe return of treated water to natural sources

HCC also undertakes watershed management initiatives at its project sites, with systems in place to monitor and manage water usage responsibly. During periods of water scarcity, the company provides drinking water support to local communities. As a result of these sustained efforts, HCC has maintained Water Positive status for nine consecutive years..

DISASTER RELIEF AND RESPONSE

With experienced engineers, project management expertise, and access to heavy equipment, HCC is uniquely positioned to assist during natural disasters. Its project sites often serve as the first responders in emergencies, facilitating evacuations and initiating relief measures.

HCC is a founding member of the Disaster Resource Partnership, a World Economic Forum initiative that coordinates private-sector support during natural disasters. Since 2004, the company has participated in several critical rescue and relief missions across India and abroad.

HIV/AIDS EDUCATION AND AWARENESS

Acknowledging the high vulnerability of migrant workers to HIV/AIDS, HCC has implemented a workplace HIV/AIDS policy and awareness program at its project sites. The initiative includes:

- Educational sessions integrated into safety week tool-box talks
- Awareness campaigns tailored for migrant worker communities

These efforts aim to destigmatize the issue, provide accurate information, and promote preventive healthcare.

COMMUNITY DEVELOPMENT

HCC has a longstanding tradition of supporting community development in areas surrounding its project sites. Its initiatives focus on improving the quality of life through interventions in

education, healthcare, infrastructure support, and livelihood enhancement, fostering inclusive growth and social well-being.

INTERNAL CONTROLS AND THEIR ADEQUACY

HCC has established a comprehensive system of internal controls designed to ensure:

- Efficient and effective use of resources
- Protection of assets from unauthorized use or loss
- Proper authorization, recording, and reporting of all significant transactions
- Reliability of financial and operational data for decision-making
- Maintenance of accountability over assets

This system is reinforced by a structured internal audit program, regular management reviews, and detailed policies, procedures, and guidelines.

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 provide 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 the 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, 2025

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 6 times during the financial year 2024-25 on April 18, 2024, May 24, 2024, August 5, 2024, October 29, 2024, December 4, 2024 and February 13, 2025. 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, 2025

Name of the Director(s)	Category	No. of Board Meetings held during FY 2024-25	No. of Board Meetings attended during FY 2024-25	Whether attended last AGM held on September 17, 2024	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	6	5	Yes	3	-	2	None
Arjun Dhawan*	Executive Vice Chairman**	6	6	Yes	1	-	1	None
N. R. Acharyulu	Independent Director [^]	6	3	Yes	-	-	-	None
Santosh Janakiram	Independent Director	6	6	Yes	1	1	-	None
Mahendra Singh Mehta	Independent Director	6	6	Yes	1	1	2	None
Mukul Sarkar	Nominee Director (Exim Bank) (Lender)	6	6	No	2	-	-	None
Dr. Mita Dixit	Woman Independent Director	6	6	Yes	3	1	4	None
Arun Karambelkar	Independent Director	6	6	Yes	1	1	1	None
Aditya Jain	Non-Executive Director	6	6	Yes	-	-	1	None
Ramesh Subramanyam	Independent Director ^{^^}	6	1	NA	1	-	-	None
Jaspreet Bhullar	MD & CEO ^{^^^}	6	6	Yes	1	-	-	None

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

**Appointed as Vice Chairman & Managing Director of the Company with effect from June 26, 2025.

[^]Ceased to be Director with effect from September 17, 2024.

^{^^}Appointed as an Independent Director with effect from December 16, 2024.

^{^^^}Ceased to be MD & CEO with effect from June 23, 2025.

[#]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.

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.

The Annual Financial Statements of the Unlisted Subsidiary Companies are reviewed by the Audit Committee. 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 reviewed by the Board.

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

During the financial year 2024-25, Directors were not having any pecuniary relationship or business transaction with the Company except receipt of salary, perquisites, allowances and sitting fees.

Additional Information related to Directorship in other listed entities as on March 31, 2025 as per the SEBI Listing Regulations

Name of the Director(s)	Name of other Listed entities	Category of Directorship
Ajit Gulabchand	-	-
Arjun Dhawan	-	-
Santosh Janakiram	Ador Welding 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
Aditya Jain	-	-
Ramesh Subramanyam	-	-
Jaspreet Bhullar	-	-

f) Remuneration to Directors

Table 2 gives the details of remuneration paid to Directors for the financial year ended March 31, 2025.

The Company did not advance loans to any of its Directors during the financial year 2024-25.

Table 2: Remuneration paid to Directors during the financial year ended March 31, 2025

Name of the Director(s)	Salaries, Perquisites & Allowances* (₹)	Sitting fees** (₹)	Total (₹)
Ajit Gulabchand (Chairman)	3,00,00,000	18,00,000	3,18,00,000
Arjun Dhawan (Executive Vice Chairman) #	6,00,00,000	-	6,00,00,000
N.R. Acharyulu (Independent Director)**	-	9,00,000	9,00,000
Santosh Janakiram (Independent Director)	-	15,00,000	15,00,000
Mahendra Singh Mehta (Independent Director)	-	19,00,000	19,00,000
Mukul Sarkar (Nominee Director)^	-	6,00,000	6,00,000
Dr. Mita Dixit (Woman Independent Director)	-	13,00,000	13,00,000
Arun Karambelkar (Independent Director)	-	6,00,000	6,00,000
Aditya Jain (Non-Executive Director)	-	10,00,000	10,00,000
Ramesh Subramanyam (Independent Director)^	-	1,00,000	1,00,000
Jaspreet Bhullar (MD & CEO)^	4,10,00,000	-	4,10,00,000
Total	13,10,00,000	97,00,000	14,07,00,000

*Appointed as Vice Chairman & Managing Director of the Company with effect from June 26, 2025

**Ceased to be Independent Director with effect from September 17, 2024

^ In case of Mr. Mukul Sarkar, the sitting fees for attending Board Meetings were paid to EXIM Bank.

^^Appointed as Independent Director with effect from December 16, 2024

^^^Ceased to be MD & CEO of the Company with effect from June 23, 2025

* 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.

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, 2025, are given in Table 3 below.

Table 3: Details of Equity Shares/Stock Options held by Non-Executive Directors as on March 31, 2025

Name of the Director(s)	No. of Equity Shares	No. of Stock Options
Ajit Gulabchand	21,17,294	Nil
Santosh Janakiram	Nil	Nil
Mahendra Singh Mehta	Nil	Nil
Mukul Sarkar	Nil	Nil
Dr. Mita Dixit	Nil	Nil
Arun Karambelkar	Nil	Nil
Aditya Jain	Nil	Nil
Ramesh Subramanyam	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 Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the financial year ended March 31, 2025, has been signed by Mr. Arjun Dhawan, Vice Chairman & Managing Director 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) Criteria for making payment to Non-Executive Directors

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 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 13, 2025, inter-alia, for

- reviewing the performance of Non-Independent Directors and the Board as a whole.
- reviewing the performance of the Chairperson of the Company, taking into account the views of executive and Non-Executive Directors.
- assessing the quality, quantity and timelines of flow of information between the company 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, 2025, the Audit Committee comprised of three Directors. 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 were invited for the Meetings of the Audit Committee. The Company Secretary is the Secretary to the Committee.

The Audit Committee met 6 times during the year, i.e., on April 18, 2024, May 24, 2024, August 5, 2024, October 29, 2024, December 4, 2024 and February 13, 2025. 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 2024-25

Name of the Director(s)	Category	Position	No. of Meetings attended
Mahendra Singh Mehta	Independent Director	Chairman	6
N. R. Acharyulu	Independent Director*	Member	3
Dr. Mita Dixit	Woman Independent Director	Member	6
Mr. Aditya Jain	Non Independent Director**	Member	3

*Ceased to be Member with effect from September 17, 2024

**Appointed as a Member with effect from September 18, 2024

Mr. Mahendra Singh Mehta, Chairman of Audit Committee was present in the Annual General Meeting of the Company held on September 17, 2024, 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, qualified institutions placement 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.
- Quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

b) Nomination and Remuneration Committee

As of March 31, 2025, the Nomination and Remuneration Committee comprised of 3 (three) Directors. 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 four times during the financial year i.e., on April 18, 2024, August 5, 2024, November 5, 2024, and February 13, 2025. 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 2024-25

Name of the Director(s)	Category	Position	No. of Meetings attended
Mahendra Singh Mehta	Independent Director	Chairman	4
Ajit Gulabchand	Chairman	Member	4
Santosh Janakiram	Independent Director	Member	4

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 Directors.
- 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 13, 2025. 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 8, 2025.

c) Stakeholders Relationship Committee

As of March 31, 2025, the Stakeholders Relationship Committee comprised of 3 (three) Directors. 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 13, 2025. 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 2024-25

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

*Appointed as Vice Chairman & Managing Director of the Company with effect from June 26, 2025.

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 2024-25

Sr. No.	Nature of Query/Complaint	Pending as on April 1, 2024	Received during the above period	Redressed during the above period	Pending as on March 31, 2025*
1.	Transfer/Transmission/Duplicate	5	141	142	4
2.	Non-receipt of warrants	0	0	0	0
3.	Dematerialisation/ Rematerialisation of Securities	2	16	18	0
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	26	26	0
e.	Stock Exchanges	0	0	0	0
f.	NSDL, CDSL, MCA	0	0	0	0
g.	Any Other Governing Body	0	1	1	0
5.	Other Queries	0	42	42	0
TOTAL		7	226	229	4

*Received in the last week of March 2025 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, 2025, the CSR Committee comprised of 2 (two) Directors.

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 13, 2025. The Minutes of the Meeting of the CSR Committee are noted by the Board.

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

Table 8: Details of the composition of the Corporate Social Responsibility (CSR) Committee and attendance at the Meeting during the financial year 2024-25

Name of the Director(s)	Category	Position	No. of Meeting attended
Ajit Gulabchand	Chairman	Chairman	1
Mahendra Singh Mehta	Independent Director*	Member	1
N. R. Acharyulu	Independent Director#	Member	NA
Arjun Dhawan^	Executive Vice Chairman\$	Member	NA
Ramesh Subramanyam	Independent Director\$	Member	NA

*Ceased to be Member with effect from May 8, 2025.

#Ceased to be Member with effect from September 17, 2024.

\$Appointed as Member with effect from May 8, 2025.

^Appointed as Vice Chairman & Managing Director of the Company with effect from June 26, 2025.

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, 2025, the Risk Management Committee comprised of 4 (four) Members. The Risk Management Committee met twice during the year i.e., on July 4, 2024 and December 16, 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 9 below:

Table 9: Details of the composition of the Risk Management Committee and attendance at the Meetings during the financial year 2024-25

Name of the Director(s)	Category	Position	No. of Meetings attended
Mahendra Singh Mehta	Independent Director	Chairman	2
Arjun Dhawan	Executive Vice Chairman*	Member	2
N. R. Acharyulu	Independent Director**	Member	1
Aditya Jain	Non Independent Director^	Member	NA
Santosh Rai	Operations Director and Chief Business Officer^	Member	NA
Jaspreet Bhullar	MD & CEO^^	Member	2
Girish Gangal	Chief Financial Officer\$	Member	2
Rahul Shukla	Chief Financial Officer\$\$	Member	NA
Rahul Rao	Chief Financial Officer^^^	Member	NA

*Appointed as Vice Chairman & Managing Director of the Company with effect from June 26, 2025.

**Ceased to be Member of the Committee with effect from September 17, 2024.

^Appointed as Member of the Committee with effect from May 8, 2025.

^^Ceased to be Member of the Committee with effect from June 23, 2025.

^^^Ceased to be Member of the Committee with effect from April 18, 2024.

\$Ceased to be Member of the Committee with effect from May 31, 2025.

\$\$Appointed as Member of the Committee with effect from June 1, 2025.

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 & Retired with effect from May 31, 2025 and appointed as Senior Advisor
2.	Rahul Shukla	Chief Financial Officer	Appointed w.e.f. June 1, 2025
3.	Rahul Rao	Chief Financial Officer	Resigned w.e.f. April 18, 2024
4.	Nitesh Kumar Jha	Company Secretary and Compliance Officer	NA
5.	Santosh Rai	Operations Director and Chief Business Officer	NA
6.	Aniruddha Singh	Chief Human Resources Officer	Resigned w.e.f. February 13, 2025
7.	Jyotirmoy Banerjee	Chief Human Resources Officer	Appointed w.e.f. February 13, 2025
8.	Gurudas Naik	Executive Vice President – Contracts and Claims	NA
9.	Sanjay Dave	Senior Vice President – Hydro Electric Projects	NA
10.	Vivek Shenoy	Vice President – Project Monitoring and Controls	NA
11.	Suresh Karki	Vice President – Operations	Resigned w.e.f. November 6, 2024
12.	Mohammad Azharuddin	Head – Procurement and Sub-Contracts	NA
13.	Praveen Shettigar	Chief Technology Officer and Head-Tendering	NA
14.	Dayanand Samuel	Vice President – Nuclear Thermal and Special Projects	NA
15.	Arup Dutta	Vice President – Equipment	NA
16.	Manmeet Basson	Operations Director - Hydro	NA
17.	Siddhesh Redkar	Vice President - Legal & General Counsel	Appointed w.e.f. August 20, 2024

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, following Companies were falling under the category of unlisted material subsidiary of the Company for the financial year 2024-25.

- HCC Infrastructure Company Limited** was incorporated on December 13, 2010. Vinodchandra R Shah & Co. Chartered Accountants was appointed as a Statutory Auditor of HCC Infrastructure Company Limited on September 27, 2024.
- Steiner AG** was incorporated on March 18, 1980 in Zurich, Switzerland, Deloitte AG was appointed as a Statutory Auditor of Steiner AG on September 9, 2020. Mr. Santosh Janakiram, Independent Director of the Company was also Director on the Board of the Steiner AG, Switzerland.
The entire equity shareholding of HCC Mauritius Investment Limited and HCC Mauritius Enterprises Limited, (collectively, "HMILEL"), the wholly owned subsidiaries of Hindustan Construction Company Limited ("HCC") in Steiner AG has been sold on December 20, 2024 as per the Court Order to Uniresolv SA, Geneva. Accordingly, Steiner AG, Switzerland along with its subsidiaries ceased to be subsidiaries of HMILEL and the Company with effect from December 20, 2024.

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>

The details of the operations of the subsidiaries has been provided in the Board Report forming part of this Annual Report.

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

"Code of Conduct for Prevention of Insider Trading (revised on August 5, 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, 2025, as required under the SEBI Listing Regulations, is signed by MD & 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, 2025, was 30,41,20,351 equity shares of ₹1/- each representing 16.72% 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 13.19% of the paid-up equity share capital of the Company as on March 31, 2025.

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

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.

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Nil

Number of complaints pending as on end of the financial year: Nil

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.

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, Non-Convertible Debentures and Optionally Fully Convertible Debentures from CARE BB; Stable (Double B; Outlook: Stable) to CARE BB+; Positive. Further, ICRA Limited (the Credit Rating Agency) has reaffirmed the ratings of debt securities to ICRA BB; Stable (Double B; Outlook: Stable) and Infomerics Valuation and Rating Private Ltd. (the Credit Rating Agency) assigned the rating of IVR BBB-/Stable (Triple B Minus; Outlook: Stable) to bank facilities, Non-Convertible Debentures and Optionally Fully Convertible Debentures. 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+; Positive ICRA BB; Stable IVR BBB- Stable
2.	Bank Facilities	CARE BB+; Positive / CARE A4 IVR BBB- Stable / IVR A3
3.	Optionally Fully Convertible Debentures	CARE BB+; Positive IVR BBB- Stable

Post March 31, 2025, CARE Ratings Ltd. has revised the ratings of bank facilities, Non-Convertible Debentures and Optionally Fully Convertible Debentures from CARE BB+; Positive to CARE BBB-; Stable. Further, Infomerics Valuation and Rating Private Ltd. has reaffirmed the ratings of bank facilities, Non-Convertible Debentures and Optionally Fully Convertible Debentures.

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 disclosures have been made in the Notes of Financial Statements for the financial year ended March 31, 2025.

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 appointment / 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 Members' correspondence viz., secretarial@hccindia.com.

c) General Body Meetings

During the financial year 2024-25, Annual General Meeting and Extra Ordinary General Meeting were held on September 17, 2024 and March 13, 2025 respectively.

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:	August 12, 2025
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:

1 st Quarter Results	:	August 5, 2024
2 nd Quarter Results	:	October 29, 2024
3 rd Quarter Results	:	February 13, 2025
4 th Quarter & Annual Results	:	May 8, 2025

The tentative dates of the Board Meetings for consideration of financial results for the financial year ending March 31, 2026, are as follows:

1 st Quarter Results	:	August 7, 2025
2 nd Quarter Results	:	November 6, 2025
3 rd Quarter Results	:	February 12, 2026
4 th Quarter & Annual Results	:	May 7, 2026

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 2025-26 to BSE and NSE.

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 29, 2022, at 11.00 a.m. through Video Conferencing	<ol style="list-style-type: none"> 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 & Managing Director of the Company for the period April 1, 2022 to March 31, 2023 4. Payment of Remuneration to Mr. Arjun Dhawan, Vice Chairman & Whole-time Director of the Company for the period April 1, 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 1, 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 1, 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	<ol style="list-style-type: none"> 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 1, 2023, upon expiry of his present tenure as Chairman & Managing Director of the Company on March 31, 2023 and payment of remuneration for a period of 3 years commencing from April 1, 2023 3. Appointment of Mr. Jaspreet Bhullar (DIN: 03644691), Chief Executive Officer as Director, liable to retire by rotation and Managing Director & Chief Executive Officer (MD & CEO) of the Company, for a period of 5 years with effect from April 1, 2023, and payment of remuneration for a period of 3 years commencing from April 1, 2023
Annual General Meeting Wednesday, August 30, 2023, at 11.00 a.m. through Video Conferencing	<ol style="list-style-type: none"> 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
Annual General Meeting Tuesday, September 17, 2024, at 11.00 a.m. through Video Conferencing	<ol style="list-style-type: none"> 1. Re-appointment of Mr. N. R. Acharyulu (DIN: 02010249) as an Independent Director of the Company 2. Payment of Remuneration to Mr. Ajit Gulabchand (DIN: 00010827), Non-Executive Chairman of the Company 3. Issue of Securities of the Company
Extra Ordinary General Meeting Tuesday, March 13, 2025, at 11.00 a.m. through Video Conferencing	<ol style="list-style-type: none"> 1. Appointment of Mr. Ramesh Subramanyam (DIN:02421481) as an Independent Director of the Company 2. Transfer of economic and beneficial interest in Arbitration Awards to a wholly owned subsidiary of the Company 3. Advancing a sum up to ₹400 crore by way of Inter-Corporate Deposit(s) to Prolific Resolution Private Ltd., an Associate Company

Distribution of shareholding as on March 31, 2025

Distribution range of Shares	No. of Shares	Percentage	No. of Shareholders	Percentage
1 to 500	7,58,32,233	4.17	5,32,072	70.88
501 to 1000	7,08,47,066	3.89	87,009	11.59
1001 to 2000	8,76,24,059	4.82	57,513	7.66
2001 to 3000	5,83,85,584	3.21	22,720	3.03
3001 to 4000	3,83,69,660	2.11	10,633	1.42
4001 to 5000	4,56,54,078	2.51	9,615	1.28
5001 to 10000	11,74,87,726	6.46	15,836	2.11
Greater than 10000	1,32,51,82,819	72.83	15,215	2.03
Total	1,81,93,83,225	100.00	7,50,613	100.00

Shareholding Pattern

Categories	As on March 31, 2025	
	No. of Shares	Percentage
Promoter and Promoter Group	30,41,20,351	16.72
Foreign Institutional Investors/FPIs –Corporation	19,23,16,700	10.57
Central Government /State Government	21,020	0.00
NBFCs registered with RBI / Insurance Companies / Other Financial Institutions	1,89,14,827	1.04
Mutual Funds / Alternate Investment Funds	2,34,94,163	1.29
Nationalised and other Banks	8,22,81,617	4.52
NRI/Foreign Nationals	2,25,11,058	1.24
Investor Education and Protection Fund Authority Ministry of Corporate Affairs	33,84,220	0.19
Others- Public	1,17,23,39,269	64.44
Total	1,81,93,83,225	100.00

List of Top 20 Shareholders of the Company as on March 31, 2025

Sr. No.	Name of the Shareholder	Category	No. of Shares	Percentage
1	Hincon Holdings Ltd	Promoter Company	21,60,23,600	11.87
2	Hincon Finance Limited	Promoter Company	6,22,61,186	3.42
3	Canara Bank-Mumbai	Nationalised Banks	2,92,97,546	1.61
4	Export- Import Bank Of India	Non Nationalised Banks	2,42,51,091	1.33
5	India Insight Value Fund	FPI (Corporate)- I	2,26,80,000	1.25
6	Maharani Holdings Private Limited	Promoter Group Company	2,26,04,814	1.24
7	Vanguard Total International Stock Index Fund	FPI (Corporate)- I	2,09,77,472	1.15
8	Government Pension Fund Global	FPI (Corporate)- I	1,77,35,904	0.97
9	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	FPI (Corporate)- I	1,77,14,010	0.97
10	SBI General Insurance Company Limited	Insurance Companies	1,74,37,805	0.96
11	ICICI Bank Ltd	Non Nationalised Banks	1,38,18,139	0.76
12	iShares Core MSCI Emerging Markets ETF	FPI (Corporate)- I	1,16,62,847	0.64
13	Bank Of Baroda	Nationalised Banks	1,12,24,651	0.62
14	Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	FPI (Corporate)- I	1,06,11,562	0.58
15	Chetan Jayantilal Shah	Public	1,00,00,000	0.55
16	Jaideep Narendra Sampat	Public	85,61,408	0.47
17	Neomile Growth Fund- Series I	Alternate Invst Funds- III	85,25,000	0.47
18	HDFC Mutual Fund- HDFC Multi Cap Fund	Mutual Funds	70,00,000	0.38
19	SPDR Portfolio Emerging Markets ETF	FPI (Corporate)- I	67,62,700	0.37
20	Abu Dhabi Investment Authority- Monsoon	FPI (Corporate)- I	64,37,962	0.35

Dematerialization of Shares and Liquidity

As on March 31, 2025, 1,81,56,98,277 equity shares representing 99.80 % 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, 2025 is given below:

Particulars	No. of Equity Shares	Percentage
Physical Segment	36,84,948	0.20
Demat Segment:		
NSDL	1,16,92,59,801	64.27
CDSL	64,64,38,476	35.53
Total	1,81,93,83,225	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)

3,71,748 stock options were granted to an eligible employee under the HCC Employee Stock Option Scheme 2008 ("HCC ESOP Scheme") on March 16, 2023. Each option, when exercised, would entitle the holder to subscribe for one equity share of the Company of face value ₹1/- each.

1,85,874 Equity Shares having face value of Re. 1/- each for cash were allotted at an issue price of ₹13.45 (including a share premium of ₹12.45) per Equity Share upon exercise of the vested stock options on April 13, 2024. Also, 82,71,402 stock options were available for grant to the eligible employees as on March 31, 2025.

Disclosures pursuant to provisions of the Companies (Share Capital and Debentures) Rules, 2014 read with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are set out at Annexure I to the Board 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.

Details regarding Listing and redemption of Debt Securities

During the year, the Company has not issued any debenture. Further, the Company has redeemed 525 Non-Convertible Debentures (NCDs) of ₹10,00,000/- each, aggregating to ₹52.5 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 1, 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

MUFG Intime India Private Limited
(Formerly 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: +91-22-810 811 8484
Email: csg-unit@in.mpms.mufg.com
Website: <https://in.mpms.mufg.com>

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 i.e. 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 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 MUFG Intime India Private Limited, RTA 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. 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.
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. 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.
- None of the personnel has been denied access to the Audit Committee.
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 Qualified Institutions Placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations as follow:

(₹ in Crore)

Sr.	Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/ Variation according to applicable object
1	Repayment of loans to lenders	NA	390.00	0.00	190.00	0.00
2	Augmenting working capital requirements	NA	150.00	0.00	150.00	0.00
3	Payment of issue expenses	NA	37.14	0.00	33.12	0.00
4	Payment towards general corporate purposes	NA	22.86	0.00	22.81	0.00

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, 2025 and hence, the details of the same are not provided.
12. Details relating to fees paid to the Statutory Auditors are given in Note 28.1, 28.2 and 28.3 to the Standalone Financial Statements for the year ending March 31, 2025.

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, 2025 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 8, 2025

DECLARATION UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Hindustan Construction Company Ltd.

I hereby declare that the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the financial year ended March 31, 2025.

For Hindustan Construction Company Ltd.

Arjun Dhawan
Vice Chairman & Managing Director

Place: Mumbai
Date: June 26, 2025

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 Limited
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, 2025.

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 1, 2017
3	06801226	Mr. Santosh Janakiram Iyer	Independent Director	June 17, 2019
4	00019566	Mr. Mahendra Singh Mehta	Independent Director	June 17, 2019
5	00893700	Mr. Mukul Sarkar	Nominee Director	February 6, 2020
6	08198165	Mrs. Mita Dixit	Independent Director	February 6, 2020
7	02151606	Mr. Arun Vishnu Karambelkar	Independent Director	June 23, 2021
8	08115375	Mr. Aditya Pratap Jain	Non-Executive Non-Independent Director	June 7, 2023
9	02421481	Mr. Ramesh Narayanaswam Subramanyam	Independent Director	December 16, 2024
10	03644691	Mr. Jaspreet Singh Bhullar	MD & CEO	April 1, 2023

*Dates of appointment of Directors, incorporated above, as are 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. 6316/2024

Venkataraman Krishnan
Partner
ACS No.: A8897 / COP No.: 12459
UDIN: A008897G000683197

Place: Mumbai
Date: June 26, 2025

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 26th September 2024 with **Hindustan Construction Company Limited** (hereafter referred as "Company")
2. We have examined the compliance of conditions of corporate governance by Hindustan Construction Company Limited for the year ended on 31st March 2025 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C and D 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 2025.
8. 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:

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

For **Mukund M Chitale & Co.**

Chartered Accountants

Firm's Registration No: 106555W

(Saurabh Chitale)

Partner

M.NO: 111383

UDIN: 25111383BMKWRF2182

Place: Mumbai

Date: June 26, 2025

BOARD'S REPORT

To,
The Members of Hindustan Construction Company Ltd.

1. Report

The Board of Directors ("The Board") is pleased to present the 99th Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2025.

2. Financial Highlights (As per IND AS)

	Standalone (₹ in crore)	
	Year ended March 31, 2025	Year ended March 31, 2024
Income from Operations	4801.05	5042.78
Profit before Finance cost, Depreciation and Amortisation, Exceptional Items, Other Income and Tax	932.98	686.66
Less: Finance Costs	506.36	542.89
Depreciation and amortisation	64.65	67.77
Exceptional Items – gain	- (571.01)	168.56 (442.10)
Add: Other Income	98.03	125.30
Profit /(Loss) before Tax	460	369.86
Less: Tax Expense	375.08	191.29
Profit/(Loss) after Tax	84.92	178.57
Add: Other Comprehensive Income	(1.64)	1.94
Total Comprehensive Income / (Loss) carried to Other Equity	83.28	180.51

3. Dividend

In order to conserve the resources, the Board has not recommended any dividend for the financial year ended March 31, 2025.

4. Transfer to Reserves

During the year under review, an amount of ₹54.99 crore lying in Debenture Redemption Reserve has been transferred to General Reserve.

5. Strategic Developments

HCC has set its long-term strategic goals by identifying key focus areas that leverage the Company's proven strengths in executing complex infrastructure projects. These goals are aligned with its core competencies in engineering excellence, project management, and innovation. At the same time, the Company is actively working to enhance its existing capabilities by embracing new technologies, entering high-growth sectors, and building a future-ready talent pool. Parallely, HCC is prioritizing financial resilience by optimizing operations, monetizing non-core assets, and strengthening its balance sheet to support sustained growth and long-term value creation.

Business Development – Core Business Expansion

EPC projects remain HCC's core strength, with proven expertise in conceptualizing, designing, executing, and commissioning large, complex works across transportation, power, and water and irrigation sectors. India continues to

be the Company's primary market, with a focused approach towards leveraging its strong geographical presence to tap into emerging opportunities.

Historically, nearly 100% of HCC's order book consisted of government clients. However, with the growing private sector investment in Pumped Storage Hydro (PSH) projects, HCC is now actively engaging with leading private developers for the construction of these projects. Recently, HCC was appointed by Tata Power to execute a PSH project in Maharashtra. Given the close similarity between PSH and conventional hydro projects, HCC's deep expertise and proven capabilities in the hydro sector position it strongly to contribute to this emerging segment.

The recent upgrade of HCC's credit rating to investment grade ("CARE BBB-; Stable") marks a key milestone in its financial recovery and operational stability. This improved rating reflects enhanced debt servicing capacity and financial discipline, which is expected to reduce borrowing costs, improve access to capital, and strengthen stakeholder's confidence. It also enhances HCC's credibility with clients, partners, and investors, reaffirming its leadership in the infrastructure sector. The Company is selectively focusing on new geographies to undertake projects in its core sectors.

HCC's business development strategy focuses on consolidating its order book in existing geographies while targeting high-value projects in less competitive sectors. In FY2025, the Company secured three contracts

totalling ₹5,692.6 crore (HCC's share: ₹3,472 crore). It is also the lowest bidder in projects worth ₹3,513 crore, where contracts are yet to be signed. Additionally, HCC has submitted bids worth ₹22,760 crore currently under evaluation and has identified a robust project pipeline of ₹70,000 crore across railways, roads, metros, and urban infrastructure. The Company is also exploring strategic partnerships to participate in road PPP projects.

HCC continues to engage proactively with the government on policy formulation and plays an active role in shaping the infrastructure sector through its involvement in leading industry bodies.

Mr. Ajit Gulabchand, Chairman of HCC and a founding member and long-serving President of CFI for over 24 years, has been honoured with the title of President Emeritus, in recognition of his enduring leadership and contribution to the Indian construction industry.

Mr. Arjun Dhawan, Vice Chairman & Managing Director of HCC, has been elected as a National Council Member of the Construction Federation of India (CFI) and contributes to the Confederation of Indian Industry's (CII) infrastructure initiatives.

In addition to his industry roles in India, Mr. Dhawan serves as an active member of the World Economic Forum's Engineering and Construction Industry Strategy Officers group and Global Commission on Nature-Positive Cities. This high-level platform brings together global leaders, including city mayors, business executives, international organisations, NGOs, and academic institutions, to champion nature-positive urban transformation. The Commission serves as a trusted forum for addressing real-time challenges to sustainable urbanisation, offering actionable guidance, sharing global best practices, and identifying innovative financing mechanisms for nature-based solutions. Mr. Dhawan also collaborates with various World Economic Forum communities and participates in global dialogues and platforms that foster public-private collaboration for resilient and inclusive cities.

Capital Raising and Liquidity Improvement

HCC further strengthened its financial position with the successful completion of a ₹600 crore Qualified Institutional Placement (QIP) in December 2024. Shares were issued at a price of ₹43.01, including a premium of ₹42.01 per share. The QIP attracted a diverse set of top-tier institutional investors, both domestic and global, reflecting strong market confidence in HCC's strategic direction and long-term growth potential.

This marks HCC's second successful capital raise in FY2025, following the ₹350 crore Rights Issue completed in April 2024, which was oversubscribed by 2.5 times.

The proceeds from the QIP are being deployed to support business expansion, strengthen working capital, and reduce debt, in line with the Company's strategy to enhance financial flexibility and balance sheet health.

To further improve liquidity, HCC is selectively pursuing out-of-court settlements with clients to unlock long-standing disputed receivables. The Company has also successfully prepaid the entire fund-based debt of three lenders by utilizing arbitration award proceeds deposited in court. HCC remains committed to continuing similar transactions as part of its ongoing efforts to deleverage and meet its debt obligations ahead of schedule.

Strategic Divestments and Sale of Non-Core Assets

In line with HCC's strategic focus on its core EPC business, and pursuant to a Court-approved Scheme of Arrangement, the Company has divested its stake in Steiner AG (SAG) held through its wholly owned subsidiaries, HCC Mauritius Investment Limited (HMIL) and HCC Mauritius Enterprises Limited (H MEL) to Uniresolv SA, an affiliate of m3 Immobilier Holding SA, a leading player in Geneva's real estate and financial sectors.

This transaction enables Steiner Development AG (SDAG), a key subsidiary of SAG, to begin a new chapter as a direct subsidiary of m3 Immobilier, with ambitions to prepare for a future Swiss IPO. HCC stands to benefit from SDAG's success through potential earnout liquidity of up to ₹205 crore, tied to SDAG's future performance.

At closure, HCC retained ownership of two SAG subsidiaries – H56 Immo AG (formerly Steiner Eagle AG) and Steiner India Ltd (SIL) – which collectively hold approximately ₹1,174 crore in contractual receivables and claims, and ₹43 crore in Indian land assets. These assets are expected to be monetised over the next five years. m3 will actively support HCC in realising value from SEAG's assets, with HCC agreeing to share up to ₹205 crore with m3 from any recoveries. The partnership between HCC and the m3 Group reflects a collaborative approach to advancing each company's strategic priorities.

The company has also sold a land parcel in Panvel, Maharashtra, for a total consideration of ₹95 crore, as part of its ongoing strategy to monetize non-core assets and strengthen its balance sheet by reducing debt.

Accelerated Deleveraging

The Company is actively executing an accelerated deleveraging strategy to enhance its financial strength. In addition to the scheduled debt repayment of ₹530 crore in March 2025, it has also successfully prepaid the entire outstanding Optionally Convertible Debentures (OCDs) amounting to approximately ₹134 crore, held by one of its key lenders. Since the implementation of the Resolution Plan, the Company has cumulatively repaid around ₹1,462 crore to its lenders, representing nearly 32% of the principal debt outstanding at the time the Plan was adopted.

Looking ahead, the Company is exploring further prepayments to lenders through mechanisms such as court-backed bank guarantees, claim conciliations, realization of arbitration awards, and potential capital market fundraisers. These initiatives are aimed at further reducing debt and reinforcing the Company's balance sheet.

6. Share Capital of the Company

As on March 31, 2025, the paid-up Equity Share Capital of the Company was ₹1,81,93,83,225/- comprising of 1,81,93,83,225 Equity Shares having face value of ₹1/- each.

During the year under review, following Equity Shares were allotted by the Company :

Type of Issue	Date of Allotment	Number of Equity Shares of fv of ₹1/- each	Issue Price (₹)	Amount raised (₹ in crore)
Rights Issue	April 13, 2024	16,66,66,666	21.00	350.00
ESOP	August 5, 2024	1,85,874	13.45	0.25
QIP	December 19, 2024	13,95,02,441	43.01	600.00
Total		30,63,54,981		950.25

7. Operations

The Company achieved turnover of ₹4,801.05 crore during financial year 2024-25 as compared to ₹5,042.78 crore during financial year 2023-24 and secured 3 contracts aggregating to ₹5,692.6 crore (The Company's Share ₹3,471.6 crore) in joint venture.

The total balance value of works on hand as on March 31, 2025 is ₹11,852 crore.

8. Subsidiaries and Associate Companies

a. HCC Infrastructure Company Ltd. (HICL)

HICL serves as the investment and development arm of HCC for infrastructure projects implemented under the Public Private Partnership (PPP) framework. HICL undertakes projects through various models such as Build-Operate-Transfer (BOT), Build-Own-Operate-Transfer (BOOT), and Hybrid Annuity Model (HAM) playing a pivotal role in shaping long-term infrastructure assets across the country.

HICL is a debt-free entity, reflecting prudent financial management and a conservative capital structure. Its revenue streams include income from overloading charges collected at operational highway assets such as Baharampore-Farakka Highways Ltd. (BFHL) and Farakka-Raiganj Highways Ltd. (FRHL). In addition, HICL anticipates further inflows from pending arbitration and claim awards related to Raiganj-Dalkhola Highways Ltd. (RDHL), enhancing its financial robustness and reinforcing its position in the infrastructure development space.

During the year under review, Raiganj-Dalkhola Highways Limited (Step-Down Subsidiary) was amalgamated into HCC Infrastructure Company Limited (Wholly Owned Subsidiary) pursuant to Order passed by Hon'ble NCLT Mumbai and filed with Ministry of Corporate Affairs on February 14, 2025.

b. H56 Immo AG (formerly Steiner Eagle AG)

Pursuant to the Order passed by Zurich District Court on December 19, 2024, HCC Mauritius Investment Limited and HCC Mauritius Enterprises Limited, (collectively, "HMILEL"), the wholly owned subsidiaries

of Hindustan Construction Company Limited ("HCC"), have signed an Agreement with Uniresolv SA, Geneva on December 20, 2024 to acquire the entire equity shareholding in Steiner AG ("SAG's") wholly owned subsidiaries, H56 Immo AG (formerly Steiner Eagle AG and Steiner India Limited ("SIL"), against swap of shares of SAG and deferred payment of ₹43 crore over 9 months. The Company through HMILEL has completed all the required conditions for acquisition of H56 Immo AG (formerly Steiner Eagle AG. Accordingly, H56 Immo AG (formerly Steiner Eagle AG has become wholly owned, step down subsidiary of the Company with effect from December 20, 2024.

c. Cessation of Steiner AG ("SAG") as subsidiary

The entire equity shareholding of HMILEL in SAG has been divested on December 20, 2024 per the Court Order to Uniresolv SA, Geneva. Accordingly, Steiner AG, Switzerland along with its subsidiaries ceased to be a subsidiary of HMILEL and the Company with effect from December 20, 2024.

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, 2025.

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

9. 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 2024-25.

10. Particulars of Loans, Guarantees and 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.

11. Employee Stock Option Scheme (ESOP)

3,71,748 stock options were granted to an eligible employee under the HCC Employee Stock Option Scheme 2008 ("HCC ESOP Scheme") on March 16, 2023. Each option, when exercised, would entitle the holder to subscribe for one equity share of the Company of face value ₹1/- each.

1,85,874 Equity Shares having face value of ₹1/- each for cash were allotted at an issue price of ₹13.45 (including a share premium of ₹12.45) per Equity Share upon exercise of the vested stock options on April 13, 2024. Also, 82,71,402 stock options were available for grant to the eligible employees as on March 31, 2025.

Disclosures pursuant to provisions of the Companies (Share Capital and Debentures) Rules, 2014 read with the 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.

12. 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>.

13. 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 Vice Chairman & Managing Director 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.

14. Directors

Mr. Arjun Dhawan, Executive Vice Chairman was appointed as the Vice Chairman & Managing Director of the Company, for a period of 5 (five) consecutive years with effect from June 26, 2025, not liable to retire by rotation, subject to approval of the Members of the Company.

Mr. Jaspreet Bhullar has ceased to be MD & CEO of the Company with effect from June 23, 2025.

Mr. Ramesh Subramanyam was appointed by the Board as an Additional (Non-Executive Independent) Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years with effect from December 16, 2024, and the said appointment was approved by the Members in their Extra Ordinary General Meeting held on March 13, 2025.

Mr. N. R. Acharyulu has ceased to be an Independent Director of the Company with effect from September 17, 2024.

Mr. Aditya Pratap Jain, Non-Executive & Non-Independent Director of the Company is liable to retire by rotation at the ensuing 99th Annual General Meeting and, being eligible, has offered himself for re-appointment.

Brief profiles of the Directors seeking appointment/re-appointment have been given as an annexure to the Notice of the ensuing 99th AGM.

The Independent Directors of the Company viz. Mr. Santosh Janakiram, Mr. Mahendra Singh Mehta, Dr. Mita Dixit, Mr. Arun Karambelkar and Mr. Ramesh Subramanyam 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.

15. Key Managerial Personnel

Mr. Rahul Rao resigned from the position of Chief Financial Officer with effect from April 18, 2024, and Mr. Girish Gangal was appointed as Chief Financial Officer in his place.

As on March 31, 2025, 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, MD & CEO**.
- iii. Mr. Girish Gangal, Chief Financial Officer***.
- iv. Mr. Nitesh Kumar Jha, Company Secretary & Compliance Officer.

Notes

* Appointed as Vice Chairman & Managing Director w.e.f. June 26, 2025.

** Resigned w.e.f. June 23, 2025.

*** Retired with effect from May 31, 2025 and Mr. Rahul Shukla was appointed as CFO of the Company w.e.f. June 1, 2025.

16. Board Committees

The Board had constituted / re-constituted various Committees in compliance with the provisions of the Act and the SEBI Listing Regulations. 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.

17. 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 6 times during the financial year 2024-25 on April 18, 2024, May 24, 2024, August 5, 2024, October 29, 2024, December 4, 2024 and February 13, 2025. The maximum time gap between any two consecutive Meetings did not exceed one hundred and twenty days.

18. 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>

19. 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.

20. 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 13, 2025, *inter-alia*, for

- reviewing the performance of Non-Independent Directors and the Board as a whole.
- reviewing the performance of the Chairperson of the Company, taking into account the views of executive and Non-Executive Directors.
- assessing the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

21. 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 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.

22. 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>

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

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 and Senior Management and 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>

24. 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, 2025.

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

25. 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 2024-2025.

The Related Party Transaction Policy is available on the Company website and can be accessed by weblink <https://hccindia.com/uploads/Investors/Policy%20for%20Related%20Party%20Transactions.pdf>

26. 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 2024-25 in the format prescribed by the SEBI is furnished as **Annexure III** of this Report.

27. 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, 2025 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.

28. Industrial Relations

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

29. 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.

30. 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.

31. 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 as **Annexure V** forming part of this Annual Report.

32. 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.

33. Statutory Auditors

The Members of the Company, at their 98th Annual General Meeting ('AGM') held on September 17, 2024, had approved the appointment of M/s. Mukund M Chitale and Co., Chartered Accountants, Mumbai, bearing Firm Registration No. 106655VV, for 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 103rd AGM to be held in the year 2029.

34. Board's Comments on Statutory Auditor's 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.

35. Secretarial Audit

Secretarial Audit for the financial year 2024-25 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 attached to this Annual Report as **Annexure VI**.

The Secretarial Auditor's observations are self-explanatory.

36. 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 5, 2024, appointed M/s. Joshi Apte and Associates, Cost Accountants as Cost Auditors of the Company for the financial year 2024-25.

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 99th Annual General Meeting for ratification of the remuneration payable to the Cost Auditors for financial year 2024-25.

37. 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 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. Further, the Risk Management Committee has been assigned the roles and responsibilities as specified in Schedule II of the SEBI Listing Regulations.

38. 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.

39. 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, 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.

40. 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

41. 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.

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Nil

Number of complaints pending as on end of the financial year: Nil

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.

42. 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.

43. 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.

44. 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.

45. 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>.

46. Green Initiatives

In line with the Green Initiatives, the Notice of 99th 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, MUFG Intime India Pvt Ltd.

47. 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**.

48. Compliance with the provisions relating to the Maternity Benefits Act, 1961

The Company has complied with the provisions relating to the Maternity Benefits Act, 1961.

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: June 26, 2025

ANNEXURE I TO THE BOARD'S REPORT

DISCLOSURE PURSUANT TO THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 AND SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS AT MARCH 31, 2025

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	92,937 (Ninety Two Thousand Nine Hundred and Thirty Seven)
g)	No. of Options exercised	1,85,874 (One Lac Eighty-Five Thousand Eight Hundred Seventy-Four)
h)	No. of shares arising as a result of exercise of Options	1,85,874 (One Lac Eighty-Five Thousand Eight Hundred Seventy-Four)
i)	Money realized by exercise of Options	₹25,00,005.3 (Rupees Twenty Five Lakhs and Five and Thirty Paise)
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	1,85,874 (One Lac Eighty-Five Thousand Eight Hundred Seventy-Four)
m)	No. of Options exercisable (in the hands of employee) at the end of the year	92,937 (Ninety Two Thousand Nine Hundred and Thirty Seven)
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, 2025, 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: June 26, 2025

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	Mahendra Singh Mehta (Independent Director)	Member	1	1

* Mr. N.R. Acharyulu ceased to be Member w.e.f. September 17, 2024.

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:

<https://www.hccindia.com/investors/board-committees>

CSR Policy:

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

CSR Projects:

<https://www.hccindia.com/our-commitment/sustainability>

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 ₹)
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----- 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:

(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								

9. 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(s) – 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(s) created or acquired (including complete address and location of the capital asset). – Not Applicable

10. 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

Ajit Gulabchand

Chairman
& Chairman of CSR Committee

Arjun Dhawan

Vice Chairman
& Managing Director

Registered Office:

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

Place: Mumbai

Date: June 26, 2025

ANNEXURE III TO THE BOARD'S REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

1) Details of the Listed Entity

- Corporate Identity Number (CIN) of the Listed Entity: L45200MH1926PLC001228
- Name of the Listed Entity: Hindustan Construction Company Ltd. (HCC)
- Year of Incorporation: 1926
- Registered Office Address: Hincan House, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai- 400083
- Corporate Address: Hincan House, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai- 400083
- E-mail: contactus@hccindia.com
- Telephone: +91 22 25751000
- Website: www.hccindia.com
- Financial year for which Report is prepared: 2024-25
- Name of the Stock Exchange(s) where shares are listed:
 - National Stock Exchange of India Limited (NSE)
 - BSE Limited (BSE)
- Paid-up Capital: ₹181.94 crore
- 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

- 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.

- Name of assurance provider
None
- Type of assurance obtained
N/A

2) Products/Services

- 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	1	0	1

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 actively involved in the engineering and construction of large-scale infrastructure projects, many of which hold significant national importance. The Company specializes in executing technically challenging, high-value projects across a wide range of sectors, including transportation, power, marine works, irrigation and water supply, special-purpose buildings, and industrial facilities.

A substantial portion of HCC's clientele comprises State and Central Government departments, various 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)	883	827	93.7%	56	6.3%
Other than permanent (E)	27	26	96.3%	1	3.7%
Total Employees (D+E)	910	853	93.7%	57	6.3%
Workers					
Permanent (F)	2148	2148	100%	-	-
Other than permanent (G)	4716	4716	100%	-	-
Total Workers (F+G)	6864	6864	100%	-	-

b. Differently abled Employees and Workers:

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent (D)	1	1	-	-	-
Other than permanent (E)	-	-	-	-	-
Total Employees (D+E)	1	1	-	-	-
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

	FY 24-25 (Turnover rate in current FY in %)			FY 23-24 (Turnover rate in previous FY in %)		
	Male	Female	Total	Male	Female	Total
Permanent Employees	23.41 %	1.48%	24.89%	25%	1 %	26%
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	HCC Contract Solutions Limited	Subsidiary	100.00	No
2	HCC Infrastructure Company Limited	Subsidiary	100.00	Yes
3	Highbar Technologies Limited	Subsidiary	100.00	No
4	HRL (Thane) Real Estate Limited	Subsidiary	100.00	No
5	HRL Township Developers Limited	Subsidiary	100.00	No
6	Maan Township Developers Limited	Subsidiary	100.00	No
7	Panchkutir Developers Limited	Subsidiary	100.00	No
8	HCC Operations and Maintenance Limited	Subsidiary	100.00	No
9	Badarpur Faridabad Tollway Limited	Subsidiary	100.00	No
10	Narmada Bridge Tollway Limited	Subsidiary	100.00	No
11	HCC Mauritius Enterprises Limited	Subsidiary	100.00	No
12	HCC Mauritius Investment Limited	Subsidiary	100.00	No
13	H56 Immo AG (formerly Steiner Eagle AG w.e.f. December 20, 2024)	Subsidiary	100.00	No
14	Prolific Resolution Private Limited	Joint Venture	49	No

6) CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- ii. Turnover (in ₹): 4,801.05 Cr
- iii. Net worth (in ₹): 1,916 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) (If Yes, then provide weblink for grievance redress policy)#	FY 25 Current Financial Year			FY 24 Previous Financial Year		
		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	226	4	Resolved	163	7	Resolved
Employees and workers	Yes	-	-	-	Yes	-	-
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 90.4 % in FY24-25.

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 and 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 and workforce engagement, welfare	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)
5	Health and 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 and 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 Report section.	Positive/ Negative
10	Climate action	O	-	-	Positive
11	Diversity, inclusion and 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 Report section.	Positive
14	Brand management	O	-	-	Positive
15	Water, waste and hazardous material management	O/R	-	For details, refer to Principle 6.	Positive/ Negative
16	Social engagement and 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 and 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 Obligations and Disclosure Requirements) Regulations, 2015	ISO14001 and ISO45001	ISO45001	IIRC IR Principle	Indian labour codes	ISO14001	-	IIRC IR Principle	IIRC IR Principle	-
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 is committed to environmental transparency and regularly discloses the economic, environmental, and social impacts of its operations through comprehensive sustainability reports. To date, the company has published thirteen sustainability reports aligned with the Global Reporting Initiative (GRI) guidelines. These reports are independently verified by third-party assurance providers to ensure accuracy and credibility.

A key pillar of HCC's sustainability strategy is the design and construction of infrastructure in an environmentally responsible manner. This commitment is embedded in its Integrated Management System, which drives continuous improvement in environmental, safety, and quality performance- often exceeding regulatory requirements. The company is also mindful of material usage and its water footprint and actively promotes energy-efficient practices across its operations.

HCC is a signatory to several United Nations Global Compact (UNGC) initiatives, including 'Caring for Climate' and 'The CEO Water Mandate', reinforcing its dedication to global sustainability goals.

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

Name of Director	Mr. Arjun Dhawan
Designation	Vice Chairman & Managing Director
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	-	Business, strategy, risk, and update of laws	-
Key Managerial Personnel	-	Business, strategy, risk, and update of laws	-
Employees other than BOD and KMPs	1 no of program	Business principles for Responsible Organisation Code of Conduct, Principles of Corporate Governance and POSH	100%
Workers	1 no of program	EHS training	5.96%

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:

No monetary and non-monetary fines / penalties /punishment/ award/ compounding fees/ settlement amount has been paid by the Company in proceedings (by the Entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year FY2024-25 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 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

	FY 24-25 (Current Financial Year)		FY 23-24 (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 24-25 (Current Financial Year)	FY 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Number of days of accounts payables	240.26	162.92	160.5

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 and investments, with related parties, in the following format:

Parameter	Metrics	FY 24-25 (Current Financial Year)	FY 23-24 (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 and advances (Loans and advances given to related parties / Total loans and advances)	100%	100%
	d. Investments (Investments in related parties/ total investment made)	97.91%	97.68%

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
63,551 participants	Health, safety and environment trainings and awareness	100 % of training achieved vs target training.

*% given against of total manpower trained vs target training for FY2024-25. 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 “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 24-25 Current Financial Year	FY 23-24 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

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?

Yes, the Company has established a structured process to ensure sustainable sourcing practices. All new and existing supply chain partners are required to undergo a mandatory evaluation that measures their performance across key parameters, including environmental impact, health and safety practices, and overall sustainability, prior to onboarding.

Furthermore, every value chain partner must comply with the Supplier/Vendor Code of Conduct, which outlines essential Health, Safety, and Environmental (HSE) standards. Signing this Code is a contractual obligation. To ensure continued compliance and accountability, the Company has also implemented a vendor evaluation framework for regular monitoring and assessment.

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

Prior to onboarding, all value chain partners must complete a comprehensive evaluation questionnaire covering critical Health, Safety, Environmental (HSE), and sustainability criteria. This ensures that 100% of inputs are rigorously assessed for alignment with the Company's sustainable sourcing standards.

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.

Construction activities produce distinct categories of waste as by-products. The Company has implemented defined procedures to manage these wastes in full compliance with applicable regulatory requirements, ensuring their safe handling and disposal throughout both the construction and operational 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.

Extended Producer Responsibility (EPR) is not applicable to the Company, as its core operations are focused on construction and related services, with no involvement in the manufacturing of consumer products.

Leadership Indicators

- 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 has not undertaken a formal Life Cycle Assessment (LCA). However, a life cycle perspective is considered for major products during the procurement process, and the evaluation is documented accordingly.

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.
-	-	-	-	-	-

- 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
-	-	-

- 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 24-25	FY 23-24
Fly ash and Ground Granulated Blast-furnace Slag in place of Cement	8.82%	10.43%
Crushed sand in place of Natural Sand	99.47%	92.15%

- 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 offer any specific consumer products and there is no product reclamation at the end of product life. However, waste materials generated at operational and project sites are safely disposed of in accordance with applicable regulatory requirements.

	FY 24-25 (Current Financial Year)			FY 23-24 (Previous Financial Year)		
	Re-used	Re-cycled	Safely Disposed	Re-used	Re-cycled	Safely Disposed
Plastics (including packaging) (MT)	-	-	240	-	-	5.06
E-waste (Nos.)	-	-	309.00	-	-	366.00
Hazardous Waste						
a) Used Oil (KL)			25.40			11.12
b) MS Empty Drums (Nos.)	-	-	1328.00	-	-	140.00
Other Waste						
a) Cement bags (MT)			550.00			171.85
b) Steel Scrap (MT)	-	-	11473.00	-	-	7,462.00

- 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	827	827	100%	827	100%	-	-	-	-	-	-
Female	56	56	100%	56	100%	56	100%	-	-	-	-
Total	883	883	100%	883	100%	56	100%	-	-	-	-
Other than Permanent employees											
Male	26	26	100%	26	100%	-	-	-	-	-	-
Female	1	1	100%	1	100%	1	100%	-	-	-	-
Total	27	27	100%	27	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	2148	2148	100%	2148	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	2148	2148	100%	2148	100%						
Other than Permanent workers											
Male	4716	4716	100%	4716	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	4716	4716	100%	4716	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 24-25 (Current Financial Year)	FY 23-24 (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 24-25 Current Financial Year			FY 23-24 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%	0%	N	0%	100%	Y

* The ESI circular dated 31.7.2015 implementing the ESIC on construction workers has been stayed by Hon'ble Supreme Court vide interim order dated 06.07.2018

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 FY 2025.

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, we have 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 24-25 (Current Financial Year)			FY 23-24 (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	2,148	2,148	100%	2,996	2,996	100%
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 24-25					FY 23-24			
	Current Financial Year					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	853	59	7%	-	915	-	-	157	17%
Female	57	-	-	-	58*	-	-	26	45%
Total	910	59	6%	-	973	-	-	183	19%
Workers									
Male	6,864	409	5.96%	-	11,177	11,011	98.51%	-	-
Female	-	-	-	-	-	-	-	-	-
Total	6,864	409	5.96%	-	11,177	11,011	98.51%	-	-

* Includes 4 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 24-25 Current Financial Year			FY 23-24 Previous Financial Year		
	Total (A)	Total (B)	% (B / A)	Total (C)	Total (D)	% (D/C)
Employees						
Male	853	726	85%	915	857	93%
Female	57	55	96%	58*	47	81%
Workers (Permanent)						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

* Includes 3 consultants

10. Health and safety management system:

- 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 has implemented an Integrated Management System that aligns with international standards, including Occupational Health and Safety (ISO 45001), Quality Management (ISO 9001), and Environmental Management (ISO 14001). The HSE Management System defines the essential requirements for systematic implementation, monitoring, and governance across the organization.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the Entity?

The Company conducts comprehensive risk assessments for both routine and non-routine project activities during the planning stage, utilizing HIRAC (Hazard Identification, Risk Assessment, and Control) and EAI (Environmental Aspects and Impacts) methodologies. These assessments help establish control measures to effectively manage potential risks during project execution. Additionally, the Proactive Safety Observation Programme (PSOP) is implemented to identify and analyse the root causes of potential incidents, near-misses, unsafe acts, and hazardous conditions, facilitating timely preventive action. Daily reporting of unsafe conditions and behaviours further reinforces the ongoing identification and mitigation of workplace hazards.
- Whether you have processes for Workers to report work related hazards and to remove themselves from such risks.

Yes, the Company has established procedures that allow workers to report work-related hazards and remove themselves from hazardous situations.
- 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 24-25	FY 23-24
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	0.72	0.32
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	3	2
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.

The Company ensures a safe and healthy work environment through a strong HSE management system that includes project-specific safety plans, detailed risk assessments, and well-defined control measures. Key initiatives comprise mandatory safety inductions, toolbox talks, PPE demonstrations, and regular internal and external audits.

To further strengthen on-site safety culture and performance, the Company implements proactive initiatives such as the Safety Observation Programme (PSOP) and Behaviour-Based Safety (BBS), fostering continuous awareness and improvement in safe work practices.

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

Benefits	FY 24-25			FY 23-24		
	Current Financial Year			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 and 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 and safety practices and working conditions.

Corrective actions are implemented based on detailed investigations carried out by internal experts to identify the root causes of incidents. Following this, associated risks are reassessed, and the effectiveness of the corrective measures is reviewed and validated by senior management. Lessons learned are systematically communicated across the organization to enhance awareness and prevent recurrence of similar incidents.

Leadership Indicators

- 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.

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

Compliance with all applicable statutory provisions, including the payment and deduction of statutory dues, is embedded in the contract agreements with value chain partners. The Company ensures that all relevant clauses related to statutory compliance are thoroughly reviewed and adhered to by both parties.

- 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	
	FY24-25 (Current FY)	FY23-24 (Previous FY)	FY24-25 (Current FY)	FY23-24 (Previous FY)
Employees	-	-	-	-
Workers	-	-	-	-

- 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.

- 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.

- 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 Company's internal EHS audit procedures and assessments, all observations and non-conformances are meticulously documented and communicated to ensure timely resolution. Upon closure, detailed records of corrective actions are maintained and are readily accessible at the respective project sites, manufacturing units, and operational locations.

Prior to awarding contracts, all suppliers and contractors undergo a rigorous evaluation of their safety infrastructure, processes, and capabilities. Their performance is continuously monitored and measured to uphold a safe working environment. This commitment is reinforced through regular refresher training sessions and capacity-building programs. Periodic site visits by senior management, along with comprehensive site audits, further drive continuous improvement in 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 and workforce:	Construction is a labour-intensive activity, and HCC employs over 25,000 workers in addition to >900 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 and 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.
Employees and 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.

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
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 multiple committees to oversee and manage Environmental, Social, and Governance (ESG) matters. Key among these are the Corporate Social Responsibility (CSR) Committee, the Risk Management Committee, and the Stakeholders Relationship Committee. Each committee, operating within its defined terms of reference, meets regularly to review and assess the Company's performance in their respective focus 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 the entity.

Yes, stakeholder consultation plays an active role in identifying and managing environmental and social issues. Structured consultation and participation processes are established for both employees and workers. Worker representatives regularly attend monthly committee meetings to raise concerns for discussion, which management addresses directly to ensure their voices are heard and acted upon. Additionally, suggestion boxes placed at various project sites offer workers a convenient way to share their feedback. These suggestions are carefully reviewed during project meetings, with appropriate actions taken to resolve any issues raised.

Similarly, regular meetings with employees are held to gather input on environmental and social matters. This feedback is systematically documented and reviewed by the project management team, which implements relevant measures in response. This ongoing dialogue ensures that the Company's policies and activities remain responsive to 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 24-25 (Current Financial Year)			FY 23-24 (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	883	80	9%	929	-	-
Other than permanent	27			44	-	-
Total Employees	910	80	9%	973	-	-
Workers						
Permanent	2,148	-	-	2,996	-	-
Other than permanent	4,716	-	-	8,181	-	-
Total Workers	6,864	-	-	11,177	-	-

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 24-25 Current Financial Year					FY 23-24 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	2,148	-	-	2,148	100%	2,996	-	-	2,996	100%
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	4,716	4,716	100%	-	-	8,181	8,181	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	5,05,00,008	-	-
Key Managerial Personnel	2	1,63,56,652	-	-
Employees other than BOD and KMP	849	14,07,380	57	12,25,795.2
Workers	2,148	-	-	-

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

	FY 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	4.69%	4.27%

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 24-25 Current Financial Year			FY 23-24 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 24-25 (Current Financial Year)	FY 23-24 (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.

We have 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 FY2025 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 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) (GJ)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D) (GJ)	1,26,670.27	1,37,750.52
Total fuel consumption (E) (GJ)	2,97,590.13	3,91,178.83
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	4,24,260.40	5,28,929.35
Total energy consumed (A+B+C+D+E+F)	4,24,260.40	5,28,929.35
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	8.84	10.48
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	178.50	212.09
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 BOD 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[#]	FY 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,27,945	2,07,232
(ii) Groundwater	8,263	16,624
(iii) Third party water	2,03,592	-
(iv) Seawater / desalinated water	2,929	-
(v) Others	12,742	2,08,035
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,55,048	4,31,890
Total volume of water consumption (in kilolitres)	3,17,125	4,10,024
Water intensity per rupee of turnover (Water consumed / turnover)	0.007	0.008
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	3.4	3.9
(Total water consumption / Revenue from operations adjusted for PPP)	3.4	3.9
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	FY 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	40,416	39,079
- With treatment – please specify level of Treatment	4,199	2,62,100
(ii) To Groundwater		
- No treatment	10,429	-
- With treatment – please specify level of Treatment	18,430	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of Treatment	21,561	-
(iv) Sent to third-parties		
- No treatment	70,057	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	58,555	-
- With treatment – please specify level of Treatment	-	-
Total water discharged (in kilolitres)	2,23,648	2,97,736

All the plants under our scope have treatment facilities

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	FY 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
NOx	Tonnes	4.50	5.37
SOx	Tonnes	4.69	5.15
Particulate matter (PM)	Tonnes	0.09	0.10
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) and its intensity in the following format:

Parameter#	Unit	FY 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ Equivalent	22,051.43	28,986.35
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ Equivalent	25,580.36	31,185.19
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ Equivalent Per R Bn	8.84	10.48
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)		178.50	212.09
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	FY 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Total Waste generated		
Plastic waste (A) (in metric tonnes)	240	5.07
E-waste (B)	12.36	14.64
Bio-medical waste (C)	0.10	0.06
Construction and demolition waste (D)	2,000.0	5,708.91
Battery waste (E)s	3.06	5.96
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)		
a) Used Oil	25.40	11.13
b) MS Drums	11.28	1.19
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	11,473.2	7,462.00
b) Cement bags	550.0	57.33
Total (A + B + C + D + E + F + G + H)	14,315.40	13,266.29

Parameter	FY 24-25 (Current Financial Year)	FY 23-24 (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)	0.30	0.26
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	6.02	5.32
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)	14,315.41	13,266.29

*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 holds ISO14001:2015 certification, which applies to all its operations, including offices, headquarters, construction sites, and temporary facilities. Under its Environmental Management System, the Company has developed comprehensive waste management guidelines covering the identification, segregation, collection, recycling, and safe disposal of waste. Additionally, HCC actively works to minimize the use of hazardous and toxic chemicals in its processes and implements strict protocols for their safe handling and 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 did not conduct any Environmental Impact Assessments (EIA) for projects or industrial facilities during FY25. For construction projects, the responsibility for carrying out EIAs lies with the project proponents. The Company ensures that all required regulatory approvals and permits, including EIA clearances where applicable, are secured by the proponents before construction activities begin.

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
None	-	-	-	-	-

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).

Yes, all Company projects and facilities comply with applicable environmental laws, regulations, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, the Environment Protection Act, and associated rules.

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	FY 24-25 (Current Financial Year) GJ	FY 23-24 (Previous Financial Year) GJ
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D) {purchased electricity}	1,26,670.27	1,37,750.52
Total fuel consumption (E)	2,97,590.13	3,91,178.83
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	4,24,260.40	5,28,929.35

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	FY 24-25 (Current Financial Year)	FY 23-24 (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	FY 24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- 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 FY2026.

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 and its intensity, in the following format:

Parameter	Unit	FY24-25 (Current Financial Year)	FY23-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , 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			

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 and indirect impact of the Entity on biodiversity in such areas along-with prevention and remediation activities.

At present, only one HCC project is subject to the Coastal Regulation Zone (CRZ) Notification, 2011, as identified through the relevant Environmental Impact Assessment (EIA) studies. All required Environmental Clearances (EC), approvals, and permits have been secured. The Company ensures full compliance with the EC conditions by regularly submitting regulatory compliance reports. Furthermore, valid Consent to Establish (CTE) and Consent to Operate (CTO) have been obtained for the Batching Plants, Precast Yards, Fabrication Yards, and other applicable industrial facilities associated with the project.

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	Promoting sustainable construction	Reduction in CO2 impact by Using supplementary cementitious materials in concrete	GHG emission of 7015.54 Ton CO2eq saved due to usage of fly ash and GGBS instead of cement.

5. Does the Entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has established comprehensive emergency preparedness plans at each project site to ensure an effective response to emergency situations. These plans outline detailed procedures for hazard prevention, risk mitigation, environmental protection, and the provision of first aid.

As a founding member of the Disaster Resource Partnership (DRP), launched at the World Economic Forum in 2004, HCC actively leverages the strengths and capabilities of the Infrastructure and Urban Development sector to respond swiftly during and after crises, helping to alleviate suffering and save lives. Earlier, in November 2002, HCC also became a co-founder and regional coordinator of the Disaster Resource Network India (DRN India), which focuses on training personnel from private enterprises in disaster response and preparing response structures for rapid activation during emergencies.

In the event of a disaster, HCC serves as a first responder, deploying heavy machinery and satellite communication systems. The Company conducts rapid assessments of damaged infrastructure, identifies repair needs, and coordinates recovery efforts before external aid arrives. With a team of trained disaster response personnel, HCC works closely with local authorities to support rescue and relief operations, delivering vital assistance when it is needed most.

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 impacts have been reported from any value chain partners. A dedicated Code of Conduct (CoC) has been issued to vendors and service providers, outlining requirements for compliance with environmental regulations, health and safety standards, labor practices, and minimum wage laws.

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
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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
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 the Chairman, Mr. Ajit Gulabchand and Vice Chairman & Managing Director, Mr. Arjun Dhawan 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 PAFs covered by R&R	Amount paid to PAFs in the FY (in ₹)
-	-	-	-	-	-	-
-	-	-	-	-	-	-

3. Describe the mechanisms to receive and redress grievances of the community.

At the Company's construction sites, public complaints are gathered through suggestion boxes and email. Site management, in coordination with the industrial and administration departments and, where applicable, the clients, addresses all community complaints and grievances. Any unresolved issues or those requiring higher-level intervention are escalated to the respective business heads for prompt resolution.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 24-25 Current Financial Year	FY 23-24 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 24-25 Current Financial Year	FY 23-24 Previous Financial Year
Rural	85.98%	70.54%
Semi-urban	-	-
Urban	-	-
Metropolitan	14.02%	29.46%

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	Not applicable as the Company does not have specific consumer product or product range.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 24-25 (Current Financial Year)		Remarks	FY 23-24 (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:

- Number of instances of data breaches along-with impact
There were no data breaches during the year.
- Percentage of data breaches involving personally identifiable information of customers-
NIL
- Impact, if any, of the data breaches
NIL

Leadership Indicators

- 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/>.
- Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
The Company does not operate on a B2C model. For its projects, regular interactions with clients are conducted throughout the execution phase. These engagements provide an opportunity to showcase innovations, new technologies, and techniques implemented to improve product quality and work methodologies.
- 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.
- 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 FY24-25 was 90.4%.

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	1:21
Mr. Arjun Dhawan, Executive Vice Chairman*	1:43
Mr. Jaspreet Bhullar, MD & CEO**	1:29

- 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	Nil
Mr. Arjun Dhawan, Executive Vice Chairman*	9.09%
Mr. Jaspreet Bhullar, MD & CEO**	6.49%

Key Managerial Personnel:	%
Mr. Girish Gangal, Chief Financial Officer#	Nil
Mr. Nitesh Kumar Jha	30.43%

* Appointed as Vice Chairman & Managing Director w.e.f. June 26, 2025

** Resigned as MD & CEO w.e.f. June 23, 2025

Appointed as CFO w.e.f. April 18, 2024

- iii. The percentage increase in the median remuneration of employees in the financial year – 15.52%.
- iv. The number of permanent employees on rolls of the Company: 910 employees as on March 31, 2025.

- 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 & Managing Director):	5.65%
Average Salary Increase for non KMPs:	9.06%

- 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: June 26, 2025

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, 2025

A. Conservation of Energy:

Following energy conservation measures have been taken by the Company,

1) At HO:

Old and fused CFL and halogen lights at the Head Office were replaced with new LED fixtures, involving the replacement of approximately 556 fittings. This upgrade has significantly reduced energy consumption by around 2916 watts.

2) At MML3:

Around 150 Nos. of 200W LED lights were installed at site. Compared to metal halide lights, LEDs offer higher energy efficiency, longer lifespan, low heat emission, higher luminosity and reduced maintenance costs.

3) At VPHEP:

Use of five-star rated electric pumps, DG sets, and other equipment has been adopted to conserve energy, while conventional halogen lights have been replaced with energy-efficient LED lights across tunnels, caverns, ADITs, and camp areas.

B. Technology Absorption and initiatives:

1) At MML3:

- Vacuum grinding machines replaced conventional ones to control dust at source, improving air quality, reducing health risks, and maintaining cleaner workspaces.
- Sensor-based air monitoring devices providing real time data on air quality parameters, serving as early warning to take pollution control measures were installed. Anti-smog guns to suppress the dust during operations were used.
- A sum of 4,100 MT of Ground Granulated Blast Furnace Slag GGBS was utilized. The use of GGBS as a replacement for Portland cement reduces the extraction of raw materials such as silica and limestone, while significantly lowering greenhouse gas (GHG) emissions. Additionally, GGBS enhances the plasticity of concrete, reduces permeability, increases sulphate resistance, and improves overall durability.

2) At VPHEP:

- Use of crater crane conveyor system for Dam concreting, this accelerates concrete placement and enhances efficiency.
- Tunnel Seismic Prediction (TSP) methodology has been utilized to assess and predict geological conditions ahead of the tunnel face, enabling proactive planning and enhancing excavation safety and efficiency.
- Reused empty MS drum covers to create safety signboards, with approximately 500 installed throughout the project site, supporting both sustainability and enhanced safety communication.
- Implementation of facial recognition system for attendance of the Employee and workmen. This helps in reducing the wastage of timing and sources.
- Vetiver grass is planted at muck dumping yards to prevent soil erosion and help restore the land.
- Portland Slag Cement (PSC) was used in concrete to mitigate Alkali-Silica Reaction (ASR) and enhance the durability of the structure. A total of 47,700 MT of PSC was successfully utilized, resulting in significantly improved durability of the concrete.

3) At MCRP:

A sum of 8,500 MT of fly ash was utilized. The use of fly ash as a partial replacement for Portland cement reduces the extraction of raw materials such as silica and limestone, while also lowering greenhouse gas (GHG) emissions. It improves the plasticity of concrete, decreases permeability, enhances sulphate resistance, and increases overall durability.

4) At Anji Khad Cable Stayed Bridge Project:

Anji Khad Bridge, India's first cable-stayed bridge on the Indian Railways, is in the young fold mountains of the Himalayas in Jammu and Kashmir. The region is characterized by highly complex, fragile, and challenging geological features, including faults, folds, and thrust zones, in addition to being seismically active.

As part of the Instrumentation and Bridge Health Monitoring Scheme, strain gauges are currently being installed to measure structural strain. Additionally, the installation of an integrated bridge monitoring system is planned at multiple locations across the structure to enable continuous monitoring of its health during service.

5) At IGCAR FRFCF Project:

A sum of 2000 MT of fly ash was utilized as part of partial cement replacement in concrete.

The HCC project team has successfully produced 5,940 m³ of heavy density concrete, meeting the technical specification requirements using Grades H45 and H30. Hematite, a high-density aggregate with a specific gravity of 4.78, was incorporated into the mix. The aggregate was sourced from NMDC, Bachel (Chhattisgarh) and RBSSN, Bellary (Karnataka).

6) At Tehri Pumped Storage Project:

At the Tehri Pumped Storage Project, the HCC team successfully produced and placed anti-washout concrete for river dredging works. Grade M20A20 concrete, incorporating a specialized anti-washout admixture, was used to ensure mix stability under water. A total of 9,600 cubic meters of concrete was placed for this activity.

7) At Head Office:

a. IMS Department:

HCC has developed a custom SMS-based Project Site Safety Alert System for incident reporting to provide real-time, first-hand information to top management and key personnel. This initiative promotes transparency in incident management and streamlines communication between project sites and senior leadership.

b. Equipment Department:

Demonstrating our commitment to high-efficiency construction solutions, our in-house equipment team has successfully designed and fabricated a Twin Grout Pump System. This custom-built unit is engineered for high-volume, high-pressure grouting in tunneling, dam projects, and foundation works ensuring precision, operational safety, and user-friendly performance.

c. Information Technology Department:

- HCC has successfully undertaken a major digital transformation by migrating its Enterprise Resource Planning (ERP) system from SAP ECC 6.0 to SAP S/4HANA, now hosted on a cloud platform. This transition has significantly enhanced system performance, improved data processing speed, and laid the groundwork for a more agile and scalable digital infrastructure.
- To strengthen financial operations, streamlining treasury operations and improving financial decision-making, the SAP Treasury Management module has been implemented, offering greater visibility and control over liquidity, cash management, liquidity planning, risk analysis, and transaction management. In parallel, the organization has begun implementing SAP SuccessFactors, a cloud-based Human Capital Management (HCM) suite, aimed at transforming and streamlining end-to-end HR processes. Performance Review for FY 24-25 was done on SuccessFactors for the first time.
- Additionally, the Head Office network and data center infrastructure have been upgraded by replacing legacy Juniper switches with advanced Cisco switches.
- The new setup introduces a high-speed 10G backbone across floors, enhancing network performance, reducing latency, and improving scalability, reliability, and security. This upgrade aligns with modern enterprise standards and reinforces the IT foundation for future growth and operational efficiency.

C. Foreign Exchange earnings and outgo:

Total Foreign Exchange used and Earned	
Earnings in Foreign Currency	₹140.28 crore
Outgo in Foreign Currency	₹42.82 crore

ANNEXURE VI TO THE BOARD'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2025

[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 March 31, 2025 (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 March 31, 2025, 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 all 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 98th Annual General Meeting ("AGM") held on September 17, 2024 and Extra Ordinary General Meeting ("EGM") held on March 13, 2025. 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 and Control of Pollution) Act, 1981 and Rules framed thereunder;

f) The Water (Prevention and Control of Pollution) Act, 1974 and Rules framed thereunder;

g) The Hazardous and Other Waste (Management, Handling and 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 March 31, 2025 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. Arun Karambelkar (DIN: 02151606), Mr. Mahendra Singh Mehta (DIN: 00019566), Mr. Santosh Janakiram (DIN: 06801226), Dr. Mita Dixit (DIN: 08198165) and Mr. Ramesh Subramanyam (DIN: 02421481).

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. Re-appointment of Mr. Aditya Pratap Jain (DIN: 08115375), as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation, by the Members of the Company at the 98th Annual General Meeting held on September 17, 2024.
2. Resignation of Mr. Rahul Rao as a Chief Financial Officer & Key Managerial Personnel of the Company with effect from April 18, 2024.
3. Appointment of Mr. Girish Gangal as a Chief Financial Officer & Key Managerial Personnel of the Company with effect from April 18, 2024.
4. Cessation of the Directorship of Mr. N. R. Acharyulu (DIN: 02010249) as an Independent Director of the Company, with effect from the conclusion of the 98th Annual General Meeting held on September 17, 2024.
5. Appointment of Mr. Ramesh Subramanyam (DIN: 02421481), by the Board as an Additional Director w.e.f. December 16, 2024 in the capacity of a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years, from December 16, 2024 and the same was approved by the Members at the Extraordinary General Meeting held on March 13, 2025.

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 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 8, 2025 on the financial results of the Company for the year ended March 31, 2025, have mentioned, as under:

- (a) **Note 8** to the accompanying Statement, the Company's investments in subsidiaries as at March 31, 2025 includes investment in HCC Infrastructure Company Limited ('HICL'), its wholly owned subsidiary, amounting to ₹1294.33 crore, stated at cost. The subsidiary's consolidated net worth as at March 31, 2025 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.

- (b) **Note 9** to the accompanying Statement, the Company has recognized net deferred tax assets amounting to ₹204.90 crore as at March 31, 2025, which mainly includes deferred tax assets on carried forward unused tax losses and other taxable temporary differences on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. However, we are unable to obtain sufficient appropriate audit evidence with respect to the projections for future taxable profits prepared by the management and therefore, are unable to comment on any adjustments that may be required to the carrying value of aforesaid net deferred tax assets as at March 31, 2025.

Audit report of the erstwhile Statutory auditor on the standalone audited financial results of the Company for the year ended March 31, 2024 dated May 24, 2024 and our review report dated February 13, 2025 on the standalone unaudited financial results for the quarter and nine months period ended December 31, 2024 were also qualified in respect of the above matters.

Management Response

- (a) As at March 31, 2025, the Company has investment (including deemed investments) in its wholly owned subsidiary, HCC Infrastructure Company Limited ('HICL') amounting to ₹1,294.33 crore (March 31, 2024: ₹1,294.45 crore). While the consolidated net worth of HICL as at March 31, 2025 has been substantially eroded, the management has assessed the fair value of HICL based on a valuation report from an independent valuation expert at year ended March 31, 2025. The valuation includes significant judgements and estimates in respect of future business plans, outcome of litigations for favourable arbitration awards and expected share of future revenues of erstwhile subsidiaries. Accordingly, based on aforementioned valuation report, 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 March 31, 2025, the Company has net deferred tax assets amounting to ₹204.90 crore (March 31, 2024: ₹613.09 crore), which mainly represents deferred tax assets on carried forward unused tax losses and other taxable temporary differences. The Company is confident of generating sufficient taxable profits from the unexecuted orders on hand/future projects and expected realisation of claims/arbitration awards against which such deferred tax assets can be utilised and therefore considered good and recoverable. 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 Company has allotted 16,66,66,666 Equity Shares of ₹1/- each at a price of ₹21 per Equity Share (including a premium of ₹20 per Equity Share), aggregating to ₹350 crore, on Rights Basis on April 13, 2024 and these shares have been listed in BSE and NSE, with effect from April 22, 2024.
2. The Members of the Company, at their 98th Annual General Meeting held on September 17, 2024, have approved:
 - i. By way of a special resolution, payment of remuneration to Mr. Ajit Gulabchand (DIN: 00010827), Non-Executive Chairman of the Company for Financial Year 2024-25, payable on monthly basis, which is exceeding 50% of aggregate remuneration paid/payable to all Non-Executive Directors of the Company.

- ii. By way of a special resolution, 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 Depositary Receipts ("ADRs"), Global Depositary 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 ₹1,500 crore (Rupees One Thousand Five Hundred crore Only).
 - iii. By way of an ordinary resolution, appointment of M/s. Mukund M Chitale & Co., Chartered Accountants (FRN: 106655V) as the Statutory Auditors of the Company, to hold office for a first term of 5 (five) consecutive years from the conclusion of the 98th Annual General Meeting until the conclusion of 103rd Annual General Meeting of the Company and approval of their remuneration.
3. Allotment of 1,85,874 Equity Shares of the Company to Mr. Jaspreet Bhullar, MD & CEO of the Company, having face value of ₹1/- each at an issue price of ₹13.45 (Including premium per share of ₹12.45) each upon exercise of the Options vested with him under HCC Employee Stock Option Scheme, 2008.
 4. The Members of the Company, at their Extra Ordinary General Meeting held on March 13, 2025, have approved by way of Special Resolutions
 - I. Sale, transfer, hive-off, assign, dispose-off or otherwise transfer to a wholly owned subsidiary of the Company, economic and beneficial interest in the present awards up to ₹5,000 crore (Rupees Five Thousand crore only) (incl. advances received against these awards).
 - II. Advancing by way of Inter Corporate Deposit(s) to Prolific Resolution Private Limited (PRPL), an Associate Company, a sum up to ₹400 crore (Rupees Four Hundred crore only) on an arms-length basis.

5. Allotment of 13,95,02,441 equity shares of face value ₹1/- each of the Company to the successful 41 QIBs, at a price of ₹43.01 per Equity Share (incl. share premium of ₹42.01 per Equity Share) which reflects a discount of ₹2.26 (i.e. 5%) on Floor Price of ₹45.27, these shares are listed in BSE and NSE, with effect from Tuesday, December 24, 2024.
6. Pursuant to the Order passed by Zurich District Court on December 19, 2024, HCC Mauritius Investment Limited and HCC Mauritius Enterprises Limited, (collectively, "HMILEL"), the wholly owned subsidiaries of Hindustan Construction Company Limited ("HCC"), have signed an Agreement with Uniresolv SA, Geneva on December 20, 2024 to acquire the entire equity shareholding in Steiner AG ("SAG's") wholly owned subsidiaries, H56 Immo AG (formerly Steiner Eagle AG) and Steiner India Limited ("SIL"), against swap of shares of SAG and deferred payment of ₹43 crore over 9 months. The entire equity shareholding of HMILEL in SAG has been divested on December 20, 2024 per the Court Order to Uniresolv SA, Geneva. Accordingly, Steiner AG, Switzerland along with its subsidiaries ceased to be a subsidiary of HMILEL and the Company with effect from December 20, 2024. We are informed that the Company, through HMILEL has completed all the required conditions for acquisition of H56 Immo AG (formerly Steiner Eagle AG) . Accordingly, H56 Immo AG (formerly Steiner Eagle AG) has become wholly owned, step down subsidiary of the Company with effect from December 20, 2024.
7. During the Audit Period, the entire shareholding in Western Securities Limited (WSL), a subsidiary has been transferred by the Company and accordingly, WSL has ceased to be a subsidiary of the Company. with effect from August 14, 2024.
8. We are informed that the Company has carried out renewal/rollover of the existing ICDs given to Wholly Owned Subsidiaries (situated in India and Abroad) for a period of one year from their respective due dates, during the FY 2024-25.
9. Pursuant to the order dated March 23, 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 May 27, 2021, has granted approval 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.
10. We are informed that 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 and this is for approaching the concerned authorities, for condonation of such delays. We are informed that the Company is in the process of complying with the same and would be providing the relevant documents to us after completion of procedural formalities. Thus, as the relevant documents are yet to be made available to us, we are unable to make any comments in respect of the Company's completion of compliance with relevant provisions in this regard.
11. As on March 31, 2025:
 - i. 7,005 Non-Convertible Debentures (listed) of having face value of ₹10,00,000 each, aggregating to ₹700,50,00,000 were outstanding; and
 - ii. 70,19,009 Optionally Convertible Debentures of having face value of ₹1,000 each, aggregating to ₹701,90,09,000 were outstanding.

Venkataraman Krishnan

Partner

ACS No.: 8897 / COP No.: 12459

For **BNP & Associates**

Company Secretaries

[Firm Regn. No. P2014MH037400]

[PR No.: -6316 / 2024]

[UDIN: A008897G000683307]

Date: June 26, 2025

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 MARCH 31, 2025

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.: -6316 / 2024]

[UDIN: A008897G000683307]

Date: June 26, 2025

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, 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 Policy 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 Ind AS Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone Ind AS financial statements of **Hindustan Construction Company Limited** and its joint operations (together referred to as 'the Company') (Refer **Annexure A** for the list of joint operations included in the standalone Ind AS financial statements), which comprise the standalone Balance Sheet as at March 31, 2025, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Ind AS Statement of Cash Flow and the standalone Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS 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 17 below, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone Ind AS 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 March 31, 2025, 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 32 to the standalone Ind AS financial statements, the Company's investments in subsidiaries as at March 31, 2025 includes investment in HCC Infrastructure Company Limited ('HICL'), its wholly owned subsidiary amounting to ₹1294.33 crore, stated at cost. The subsidiary's consolidated net worth as at March 31, 2025 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 Ind AS financial statements.

- b) Note 9.5 to the standalone Ind AS financial statements, the Company has recognised net deferred tax assets amounting to ₹204.90 crore as at March 31, 2025, which mainly includes deferred tax assets on carried forward unused tax losses 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 March 31, 2025.

Audit report of the erstwhile Statutory auditor on the standalone audited financial results of the Company for the year ended March 31, 2024 dated May 24, 2024 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 Ind AS 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 standalone Ind AS 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 of the Other Matter section below is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

5. We draw attention to Note 33 to the standalone Ind AS financial statements, regarding the position relating to recoverability of unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables amounting to ₹308.59 crore, ₹214.27 crore and ₹57.52 crore, respectively, as at March 31, 2025, which represent receivables in respect of closed/ substantially closed/ suspended projects. The Company is at various stages of negotiation/ discussion with the clients or under arbitration/ litigation in respect of the aforementioned receivables. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the management is confident of recovery of these receivables. Our opinion is not modified in respect of the above 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 as referred to paragraph 17 below, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit with reference to the standalone Ind AS 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 matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Recognition of contract revenue, margin and contract costs (Refer note 22 to the standalone Ind AS financial statements)	
<p>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.</p> <p>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, relative 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.</p> <p>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.</p>	<p>Our audit procedures to address this key audit matter included, but were not limited to the following:</p> <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> - 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; - 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

Key audit matter**How our audit addressed the key audit matter**

- 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 Ind AS financial statements in accordance with the applicable accounting standards.

Information other than the Standalone Ind AS financial statements and Auditor's Report thereon

8. 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, Business Responsibility & Sustainability Report and Management Discussion and Analysis Report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Board Report, Report on Corporate Governance, Business Responsibility & Sustainability Report 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 Ind AS 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 Ind AS 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 Ind AS 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, Business Responsibility & Sustainability Report 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 Ind AS financial statements

9. The accompanying standalone Ind AS 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 Ind AS 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. In preparing the standalone Ind AS 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.
11. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

12. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the standalone Ind AS financial statements of the Company and its joint operations or the business activities within the Company to express an opinion on the standalone Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of standalone Ind AS financial statements of the Company. For the joint operations included in the standalone Ind AS 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 standalone Ind AS 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

17. We did not audit the Ind AS financial statements of eight (8) joint operations included in the standalone Ind AS financial statements of the Company whose Ind AS financial statements reflects Company's share of total assets of ₹146.24 crore as at March 31, 2025, and Company's share of total revenues of ₹322.10 crore, total net profit after tax of ₹4.04 crore, and total comprehensive income of ₹4.04 crore, and cash inflow (net) of ₹14.64 crore for the year then ended, as considered in the standalone Ind AS financial statements. These Ind AS 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 Ind AS 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 four (4) 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. Our opinion on the standalone Ind AS 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.

Our opinion above on the standalone Ind AS 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

18. 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 17 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.
19. 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 B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
20. Further to our comments in Annexure B, 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 17 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 Ind AS 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 20(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.
 - c) The standalone Ind AS 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 Ind AS 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 March 31, 2025 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 20(b) above on reporting under section 143(3)(b) of the Act and paragraph 20(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 standalone Ind AS financial statements of the Company as on March 31, 2025 and the operating effectiveness of such controls, refer to our separate report in **Annexure C** 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 17 above:
 - i. The Company, as detailed in notes 6.1, 31, 32 and 33 to the standalone Ind AS financial statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2025;
 - ii. The Company, as detailed in notes 19.1 and 19.2 to the standalone Ind AS financial statements, has made provision as at March 31, 2025, 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 March 31, 2025 except for the cases mentioned in the note 18.1 to the standalone Ind AS financial statements.
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, 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 44 to the standalone Ind AS 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 March 31, 2025.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025, which

has a feature of recording audit trail (edit log) facility and the same has 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 for the period from April 1, 2024 to May 2, 2024, used for maintenance of all records by the Company.

Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, which came into effect from April 1, 2024, and in accordance with the requirements of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, we report that, based on our audit procedures and the information and explanations provided to us, the Company has duly maintained and preserved the audit trail, as per the applicable statutory requirements for record retention except for audit trail for database level where log any direct data changes for the period from April 1, 2024 to May 2, 2024 is not available with the company.

For **Mukund M Chitale & Co**
Chartered Accountants
Firm's Registration No.: 106655W

S. M. Chitale
Partner
Membership No.: 111383
UDIN: 25111383BMKWQO6932

Place: Mumbai
Date: May 8, 2025

ANNEXURE A

List of joint operations included in the standalone Ind AS 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

For **Mukund M Chitale & Co**
Chartered Accountants
Firm's Registration No.: 106655W

S. M. Chitale
Partner
Membership No.: 111383
UDIN: 25111383BMKWQO6932

Place: Mumbai
Date: May 8, 2025

ANNEXURE B REFERRED TO IN PARAGRAPH 19 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HINDUSTAN CONSTRUCTION COMPANY LIMITED ON THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

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), 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(ii)(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) 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 provided loans or advance in the nature of loans or stood guarantee or provide any security to companies, firms, limited liability partnership or any other parties during the year. Accordingly, reporting under clause 3(iii)(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 provided loans or advance in nature of loans or stood guarantee or provide any security to companies, firms, limited liability partnership or any other parties during the year. Accordingly, reporting under clause 3(iii) (b) of the Order is not applicable to 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 interest are currently not due for repayment since these has been renewed as stated in clause 3(iii)(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 have been given below:

Name of the party	Total loan amount granted during the year*	Aggregate amount of existing loans renewed or extended or settled by fresh loans (₹ In crores)	Nature of extension (i.e., renewal/ 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	1,292.09	Renewal	Nil
Maan Township Developers Limited	Nil	19.12	Renewal	Nil
HRL Township Developers Limited	Nil	0.41	Renewal	Nil
Highbar Technologies Limited	Nil	2.39	Renewal	Nil
HCC Mauritius Enterprises Limited	Nil	151.47	Renewal	Nil
HCC Mauritius Investment Limited	Nil	82.88	Renewal	Nil

* 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 accounts 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, income tax, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though provident fund 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:

Name of the statute	Nature of the dues	Gross amount (₹ In crores)	Amount Paid under Protest (₹ In crores)	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
		80.38	2.45	AY 2011-12, AY 2016-17 and AY 2022-23	Commissioner of Income Tax (Appeals)
	Entry Tax	6.02	1.59	Multiple years from FY 2003-04 to FY 2017-18	Appellate Tax Tribunal
		0.27	0.01	FY 2011-12	Assessment Officer upto Commissioner Level
The Central Sales Tax Act, 1956	Central Sales Tax	11.42	-	FY 2004-05, FY 2010-11 and FY 2017-18	Assessment Officer upto Commissioner Level
		40.98	2.30	Multiple years from FY 2004-05 to FY 2017-18	Assessment Officer upto Commissioner Level
	Value Added Tax	3.84	-	FY 2012- 13	High Court
		67.75	0.04	Multiple years from FY 2004-05 to FY 2016-17	Tribunal
Goods and Services Tax Act, 2017	GST	103.23	0.29	FY 2017-18, 2019-20 and 2020-21	High Court
		2.35	0.02	FY 2017-18	Assessment Officer upto Commissioner Level
The Finance Act, 1994	Service Tax	0.11	0.01	FY 2013-14 to FY 2017-18	Assessment Officer upto Commissioner Level
		44.18	-	FY 2011-12 and 2012-2013	Supreme Court
		28.71	1.07	Multiple years from FY 2008-09 to FY 2017-18	CESTAT

- (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 standalone Ind AS 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 during the year. The balance outstanding as on March 31, 2025 is as follows:

Nature of fund taken	Name of lender	Amount involved (₹ in crores)	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) In our opinion, money raised by way of rights issue of equity shares during the year has been applied by the Company for the purposes for which they were raised.
- (b) In our opinion, money raised by way of Qualified Institutional Placement of equity shares during the year has been applied by the Company for the purposes for which they were raised and the company has complied with the requirements of section 42 and section 62 of the Act.
- (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 Ind AS 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) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence reporting under clause 3 (xvi)(a) is not applicable to the Company.
- (b) The Company has not conducted any Non- Banking Financial or Housing Finance activities and hence reporting under clause 3 (xvi)(b) of the Order is not applicable to the Company.
- (c) As informed to us by the management, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) As informed to us by the management, the Group does not have any CIC as part of the Group and hence reporting under clause 3 (xvi)(d) of the Order is not applicable to the Company;
- (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 Ind AS 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.

For **Mukund M Chitale & Co**
Chartered Accountants
Firm's Registration No.: 106655W

S. M. Chitale
Partner
Membership No.: 111383
UDIN: 25111383BMKWQO6932

Place: Mumbai
Date: May 8, 2025

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HINDUSTAN CONSTRUCTION COMPANY LIMITED, ON THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Independent Auditor's Report on the internal financial controls with reference to standalone Ind AS 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 Ind AS financial statements of **Hindustan Construction Company Limited** ('the Company') as at and for the year ended March 31, 2025 we have audited the internal financial controls with reference to the standalone Ind AS 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 standalone Ind AS financial statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone Ind AS 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 the standalone Ind AS 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 the standalone Ind AS 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 the standalone Ind AS financial

statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone Ind AS 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 standalone Ind AS 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 the standalone Ind AS financial statements.

Meaning of Internal Financial Controls with Reference to standalone Ind AS financial statements

6. A company's internal financial controls with reference to the standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the standalone Ind AS 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 the standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the standalone Ind AS financial statements

7. Because of the inherent limitations of internal financial controls with reference to the standalone Ind AS 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 standalone Ind AS financial statements to future periods are subject to

the risk that the internal financial controls with reference to standalone Ind AS 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 standalone Ind AS financial statements as at March 31, 2025:
 - a) The Company's internal financial control system towards estimating the carrying value of its investment in subsidiary company, as explained in Note 32 to the standalone Ind AS 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 Ind AS financial statements.
 - b) The Company's internal financial controls system with respect to assessing the recoverability of deferred tax assets, as explained in Note 9.5 to the standalone Ind AS 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 Ind AS financial statements.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to the standalone Ind AS financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim Ind AS 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 the standalone Ind AS financial statements as at March 31, 2025, based on internal control with reference to the standalone Ind AS financial statements 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 standalone Ind AS financial statements were operating effectively as at March 31, 2025.
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 Ind AS financial statements of the Company as at and for the year ended March 31, 2025, and these material weaknesses have affected our opinion on the standalone Ind AS financial statements of the Company, and we have issued a qualified opinion on the standalone Ind AS financial statements.

For **Mukund M Chitale & Co**
Chartered Accountants
Firm's Registration No.: 106655W

S. M. Chitale
Partner

Membership No.: 111383
UDIN: 25111383BMKWQO6932

Place: Mumbai
Date: May 8, 2025

STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3A	156.08	228.79
Right-of-use assets	3B	-	-
Capital work-in-progress	3C	6.63	0.84
Intangible assets	4	-	-
Financial assets			
Investments in subsidiaries and joint ventures	5	1,453.80	1,594.15
Other investments	5A	31.07	37.91
Trade receivables	6	646.52	654.99
Loans	7	256.27	250.00
Other financial assets	8	6.26	5.27
Deferred tax assets (net)	9	204.90	613.09
Non-current tax assets (net)	9	66.70	11.81
Other non-current assets	10	53.23	56.32
Total non-current assets		2,881.46	3,453.17
Current assets			
Inventories	11	123.62	126.39
Financial assets			
Investments in subsidiaries and joint ventures	5	134.85	-
Trade receivables	6	2,365.71	1,852.73
Cash and cash equivalents	12	545.47	233.92
Bank balances other than cash and cash equivalents	13	122.33	50.35
Other financial assets	8	208.24	222.36
Unbilled work-in-progress (contract assets)	14	2,144.85	2,069.17
Other current assets	10	216.84	129.94
Total current assets		5,861.91	4,684.86
TOTAL ASSETS		8,743.37	8,138.03
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	181.94	151.31
Other equity	16	1,734.10	769.77
Total equity		1,916.04	921.08
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	1,044.75	1,478.51
Other financial liabilities	18	1,265.53	1,470.41
Provisions	19	41.50	34.68
Total non-current liabilities		2,351.78	2,983.60
Current liabilities			
Financial liabilities			
Borrowings	17	460.99	257.71
Trade payables	20		
- Total outstanding dues of micro enterprises and small enterprises		125.67	90.21
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,935.74	1,706.06
Other financial liabilities	18	938.79	658.94
Other current liabilities	21	996.23	1,247.05
Provisions	19	18.13	273.38
Total current liabilities		4,475.55	4,233.35
TOTAL EQUITY AND LIABILITIES		8,743.37	8,138.03

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Balance Sheet referred to in our audit report of even date

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership No.: 111383
Place: Mumbai
Date : May 8, 2025

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	Chairman
Arjun Dhawan	DIN : 01778379	Executive Vice Chairman
Mahendra Singh Mehta	DIN : 00019566	Audit Committee Chairman
Jaspreet Bhullar	DIN : 03644691	MD & CEO
Girish Gangal		Chief Financial Officer
Nitesh Jha	FCS No. 8436	Company Secretary

Place: Mumbai
Date : May 8, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	22	4,801.05	5,042.78
Other income	23	98.03	125.30
Total income		4,899.08	5,168.08
Expenses			
Cost of materials consumed	24	564.22	862.02
Subcontracting expenses		2,520.62	2,725.88
Employee benefits expense	25	316.72	325.84
Finance costs	26	506.36	542.89
Depreciation and amortisation expenses	27	64.65	67.77
Other expenses	28	466.51	442.38
Total expenses		4,439.08	4,966.78
Profit/(loss) before exceptional items and tax		460.00	201.30
Exceptional items- gain	29	-	168.56
Profit/(loss) before tax		460.00	369.86
Tax expense/(credit)			
Current tax/(credit)	9	(45.78)	62.45
Deferred tax	9	420.86	128.84
Total tax expense/(credit)		375.08	191.29
Net profit/(loss) for the year (A)		84.92	178.57
Other comprehensive income/(loss)			
Items that will not be reclassified to statement of profit or loss			
- Gain/(loss) on remeasurement of defined benefit plans		(1.64)	1.94
- Gain/(loss) on fair value of equity instruments		(6.85)	19.45
Income tax relating to items that will not be reclassified to profit or loss	9	1.39	-
Other comprehensive income/(loss) for the year, net of tax (B)		(7.10)	21.39
Total comprehensive income/(loss) for the year, net of tax (A+B)		77.82	199.96
Earnings/(loss) per equity share of face value of ₹1 each	30		
Basic (in ₹)		0.49	1.13
Diluted (in ₹)		0.49	1.13

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Statement of Profit and Loss referred to in our audit report of even date

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership No.: 111383
Place: Mumbai
Date : May 8, 2025

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	Chairman
Arjun Dhawan	DIN : 01778379	Executive Vice Chairman
Mahendra Singh Mehta	DIN : 00019566	Audit Committee Chairman
Jaspreet Bhullar	DIN : 03644691	MD & CEO
Girish Gangal		Chief Financial Officer
Nitesh Jha	FCS No. 8436	Company Secretary

Place: Mumbai
Date : May 8, 2025

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	460.00	369.86
Adjustments for:		
Depreciation and amortisation expense	64.65	67.77
Finance costs	506.36	542.89
Interest income	(53.07)	(39.18)
Gain on settlement of debt	-	(46.16)
Gain on sale of land	-	(87.93)
Reversal of impairment of financial asset (net)	-	(80.63)
Financial guarantee income	(19.89)	(3.95)
Dividend income	-	(0.05)
Employee stock option expenses	0.08	0.20
Unrealised exchange gain on foreign currency translation (net)	(3.99)	(0.80)
Profit on disposal of property, plant and equipment (net)	(3.59)	(6.06)
Profit on sale of non current investment	(5.62)	-
Loss allowance on financial assets	4.54	18.66
Provision no longer required written back	(7.74)	(54.75)
	481.73	310.01
Operating profit before working capital changes	941.73	679.87
Adjustments for changes in working capital:		
(Increase)/decrease in inventories	2.77	44.04
(Increase)/decrease in trade receivables	(509.05)	148.50
(Increase)/decrease in financial assets, other assets and unbilled work-in-progress	(102.80)	(96.64)
Increase/(decrease) in trade payables, other financial liabilities, other liabilities and provisions	(253.29)	(355.29)
Cash generated from operations	79.36	420.48
Direct taxes paid (net of refund)	(4.85)	(30.70)
Net cash generated from operating activities	74.51	389.78
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (Refer note 2 below)	(16.65)	(14.60)
Proceeds from sale of property, plant and equipment	21.78	103.82
Proceeds from repayment of inter-corporate deposits (deemed investment)	0.12	140.21
Proceeds from sale of non current investment	11.00	-
Inter corporate deposit given	-	(25.19)
Net (investments in)/proceeds from bank deposits	(72.22)	(3.40)
Interest received	7.33	6.94
Dividend received	-	0.05
Net cash generated from/ (used in) investing activities	(48.64)	207.83

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long-term borrowings	(226.05)	(239.45)
Repayment of short-term borrowings (net)	(6.18)	(4.00)
Proceeds from issue of equity shares, net of expenses (Refer note 15.8 & 15.9)	905.90	-
Inter corporate deposits received from a subsidiary company	-	25.19
Finance costs paid	(387.44)	(361.84)
Repayment of lease liabilities	-	(0.41)
Net cash generated from/ (used in) financing activities	286.23	(580.51)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	312.10	17.10
Cash and cash equivalents at the beginning of the year	233.92	216.30
Unrealised foreign exchange gain/(loss) (net)	(0.55)	0.52
Cash and cash equivalents at the end of the year (Refer note 12)	545.47	233.92

Notes:

- 1) 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 **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership No.: 111383
Place: Mumbai
Date : May 8, 2025

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	Chairman
Arjun Dhawan	DIN : 01778379	Executive Vice Chairman
Mahendra Singh Mehta	DIN : 00019566	Audit Committee Chairman
Jaspreet Bhullar	DIN : 03644691	MD & CEO
Girish Gangal		Chief Financial Officer
Nitesh Jha	FCS No. 8436	Company Secretary

Place: Mumbai
Date : May 8, 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(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 April 1, 2023	1,513,028,244	151.31
Issued during the year	-	-
As at March 31, 2024	1,513,028,244	151.31
Issued during the year (Refer note 15.8, 15.9 & 15.10)	306,354,981	30.63
As at March 31, 2025	1,819,383,225	181.94

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	Debt redemption reserve	General reserve	Share option outstanding account	Retained earnings	
As at April 1, 2023	15.19	0.02	2,568.76	54.99	174.38	0.00*	(2,229.82)	569.61
Profit for the year	-	-	-	-	-	-	178.57	178.57
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	1.94	21.39
Shared based payment expense (Refer note 25)	-	-	-	-	-	0.20	-	0.20
As at March 31, 2024	15.19	0.02	2,568.76	54.99	174.38	0.20	(2,049.31)	769.77
Profit for the year	-	-	-	-	-	-	84.92	84.92
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	-	-	(1.23)	(7.10)
Issue of equity shares (net of share issue expenses and taxes) (Refer note 15.8, 15.9 and 15.10)	-	-	886.43	-	-	-	-	886.43
Transfer of debentures redemption reserve to general Reserve	-	-	-	(54.99)	54.99	-	-	-
Transferred on account of exercise of stock option	-	-	0.14	-	-	(0.14)	-	-
Shared based payment expense (Refer note 25)	-	-	-	-	-	0.08	-	0.08
As at March 31, 2025	15.19	0.02	3,455.33	-	229.37	0.14	(1,965.62)	1,734.10

* 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 **Mukund M. Chitale & Co.**

Chartered Accountants

Firm's Registration No. 1066551W

For and on behalf of the Board of Directors

Ajit Gulabchand

Arjun Dhawan

Mahendra Singh Mehta

Jaspreet Bhullar

Girish Gangal

Nitesh Jha

DIN : 00010827

DIN : 01778379

DIN : 00019566

DIN : 03644691

FCS No. 8436

Chairman

Executive Vice Chairman

Audit Committee Chairman

MD & CEO

Chief Financial Officer

Company Secretary

S. M. Chitale

Partner

Membership No.: 111383

Place: Mumbai

Date : May 8, 2025

Place: Mumbai

Date : May 8, 2025

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

NOTE 1 CORPORATE INFORMATION

Hindustan Construction Company Limited ('HCC' or 'Company') 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 its joint operations (together referred to as "the Company") for the year ended March 31, 2025 were authorised for issue in accordance with resolution of the Board of Directors on May 8, 2025.

NOTE 2 MATERIAL ACCOUNTING POLICY INFORMATION

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, 2015 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, which have been measured at fair value, on an accrual basis of accounting.

The Company's financial statements are reported in ₹, 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) Contract estimates

Refer note 2(xxii) below.

b) 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.

c) Valuation of investment in/ loans to subsidiaries/joint ventures

The Company has performed evaluation of its equity investments in 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

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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.

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. 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.

e) 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.

f) 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.

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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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.

vi) **Property, plant and equipment (PPE)**

PPE 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 PPE 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 in the same period.

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.

Gains and losses on disposals of PPE are determined by comparing proceeds with carrying amount. These are accounted in the Statement of Profit and Loss under head 'Other income' and 'Other expenses'.

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 recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of that assets can be measured reliably. Intangible assets are stated at original cost (net of tax/duty credit availed), if any, including borrowing cost capitalised for qualifying assets and reduced by accumulated amortisation and cumulative impairment, 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, PPE 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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 to/deduction from, own assets is calculated pro-rata basis to the period of use.

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 AS 105 - 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 financial liabilities are recognized at fair value on initial measurement, 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 adjusted in 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 its 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

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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.

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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 term 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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 the Company 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 the Company 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.

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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 consequently there are no additional disclosures to be furnished with respect to this single reportable segment. Further, the operation of the Company is carried out only in India. Hence no geographical information is separately provided.

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 incurred.

xx) 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 approximates 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.

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.

For performance obligations in which control is not transferred over time, control is transferred as at a point in time.

For performance obligation satisfied over time, the revenue is recognised using input method by measuring the progress towards complete satisfaction of performance obligation.

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.

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'.

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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) Tax expenses

Tax expenses 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

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to compute the amount are those that are enacted or substantively enacted, at the reporting date. The Company has adopted new tax regime during the year ended March 31, 2025.

Current tax assets and tax liabilities are offset where the Company 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 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 and the deferred tax relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income (OCI) or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 is 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 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. Lease liability is subsequently measured by increasing the carrying amount to reflect interest, reducing the carrying amount to reflect lease payments made and remeasuring the carrying amount to reflect any reassessment of lease modification.

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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

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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 only 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

There are no standards of accounting or any addendum thereto, prescribed by Ministry of corporate Affairs under section 133 of the Companies Act, 2013, which are issued and effective as at March 31, 2025.

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(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 April 1, 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 March 31, 2024	6.49	12.50	772.15	14.32	45.43	5.54	1.03	8.63	866.09
Additions	-	-	2.88	-	3.08	0.01	-	4.16	10.13
Disposals	-	-	(88.28)	(0.22)	(7.77)	(0.12)	-	(0.51)	(96.90)
As at March 31, 2025	6.49	12.50	686.56	14.10	40.93	5.43	1.03	12.28	779.32
Accumulated depreciation									
As at April 1, 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 March 31, 2024	-	6.67	572.58	12.71	32.19	4.60	0.95	7.60	637.30
Depreciation charge	-	0.37	59.13	0.29	3.30	0.32	0.01	1.23	64.65
Accumulated depreciation on disposals	-	-	(72.15)	(0.21)	(5.86)	(0.09)	-	(0.40)	(78.71)
As at March 31, 2025	-	7.04	559.56	12.79	29.63	4.83	0.96	8.43	623.24
Net carrying value									
As at March 31, 2024	6.49	5.83	199.57	1.61	13.24	0.94	0.08	1.03	228.79
As at March 31, 2025	6.49	5.46	127.00	1.31	11.30	0.60	0.07	3.85	156.08

Notes:

- Refer note 17.1 for information on Property, plant and equipment pledged as security against borrowings of the Company.
- Certain property, plant and equipment having written down value of ₹50 crore (at the time of original sanction in May 2010) are pledged as security against the borrowings taken by HCC Mauritius Enterprises Limited and HCC Mauritius Investments Limited, subsidiaries of the Company.
- Refer note 31(B) for disclosure of contractual commitments for acquisition of Property, plant and equipment.
- 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 3B RIGHT-OF-USE ASSETS

Particulars	Buildings
Gross carrying value	
As at April 1, 2023	2.16
Additions	-
Disposals	-
As at March 31, 2024	2.16
Additions	-
Disposals	-
As at March 31, 2025	2.16
Accumulated depreciation	
As at April 1, 2023	1.79
Depreciation charge	0.37
Accumulated depreciation on disposals	-
As at March 31, 2024	2.16
Depreciation charge	-
Accumulated depreciation on disposals	-
As at March 31, 2025	2.16
Net carrying value	
As at March 31, 2024	-
As at March 31, 2025	-

Note: Refer note 40 for disclosures required as per Ind AS 116- Leases

NOTE 3C CAPITAL WORK-IN-PROGRESS ('CWIP')

Particulars	Amount
As at April 1, 2023	0.12
Additions	2.54
Transferred to property, plant and equipment	(1.82)
As at March 31, 2024	0.84
Additions	14.27
Transferred to property, plant and equipment	(8.48)
As at March 31, 2025	6.63

CWIP ageing schedule

Particulars	As at March 31, 2025		As at March 31, 2024	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 year	6.51	-	0.72	-
1-2 years	-	-	0.12	-
2-3 years	0.12	-	-	-
More than 3 years	-	-	-	-
Total	6.63	-	0.84	-

Note:

As on the date of balance sheet, there are no projects whose completion is overdue or has exceeded the cost, based on approved plan.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 4 INTANGIBLE ASSETS

Particulars	Computer software
Gross carrying value (at deemed cost)	
As at April 1, 2023	3.98
Additions	-
Disposals	-
As at March 31, 2024	3.98
Additions	-
Disposals	-
As at March 31, 2025	3.98
Accumulated amortisation	
As at April 1, 2023	3.89
Amortisation charge	0.09
As at March 31, 2024	3.98
Amortisation charge	-
As at March 31, 2025	3.98
Net carrying value	
As at March 31, 2024	-
As at March 31, 2025	-

NOTE 5 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

	As at March 31, 2025	As at March 31, 2024
Non-current		
A. Investments in subsidiaries		
I. Investments in equity instruments		
a) In subsidiary companies in India	118.77	124.15
b) In subsidiary companies outside India	28.29	28.29
	147.06	152.44
II. Deemed investment in subsidiaries		
(a) Deemed investment on inter-corporate deposits	1,179.66	1,314.63
(b) Deemed investment on fair valuation of corporate guarantee		
- in India	1.99	1.99
- outside India	3.40	3.40
	5.39	5.39
	1,185.05	1,320.02
Total non-current investments in subsidiaries (I + II)	1,332.11	1,472.46
B. Investments in joint venture		
Non-current		
I. Investments in equity instruments	0.05	0.05
II. Deemed investment in joint venture	121.64	121.64
Total Investments in joint venture (I + II)	121.69	121.69
Total non-current investments in subsidiaries and joint ventures (A+B)	1,453.80	1,594.15

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 5 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES....Contd.

	As at March 31, 2025	As at March 31, 2024
Current		
C. Deemed investment in subsidiary company		
Deemed Investment on inter-corporate deposits	134.85	-
Total current Investments in Subsidiary	134.85	-
Total Investments in subsidiaries (A+C)	1,466.96	1,472.46
Total Investments in Subsidiaries and Joint Ventures (A+B+C)	1,588.65	1,594.15

Detailed list of Investments in subsidiaries

	As at March 31, 2025	As at March 31, 2024
I. Investments in equity shares at cost		
a) In subsidiaries in India, unquoted fully paid up		
- Panchkutir Developers Limited	50.02	50.02
1,400,000 (March 31, 2024: 1,400,000) equity shares of ₹10 each		
- Highbar Technologies Limited	6.25	6.25
6,250,000 (March 31, 2024: 6,250,000) equity shares of ₹10 each		
- Western Securities Limited (Refer Note 37.2)	-	5.38
Nil (March 31, 2024: 1,957,500) equity shares of ₹10 each		
- HCC Infrastructure Company Limited (Refer note 32)	0.25	0.25
250,000 (March 31, 2024: 250,000) equity shares of ₹10 each		
- HCC Contract Solutions Limited	0.05	0.05
50,000 (March 31, 2024: 50,000) equity shares of ₹10 each		
- MAAN Township Developers Limited	0.10	0.10
100,000 (March 31, 2024: 100,000) equity shares of ₹10 each		
- HRL Township Developers Limited	0.10	0.10
100,000 (March 31, 2024: 100,000) equity shares of ₹10 each		
- HRL (Thane) Real Estate Limited	62.00	62.00
100,000 (March 31, 2024: 100,000) equity shares of ₹10 each (Refer note 29.2)		
	118.77	124.15
b) In subsidiaries outside India, unquoted fully paid up		
- HCC Mauritius Enterprises Limited (Refer note 5.1)	22.23	22.23
5,005,000 (March 31, 2024: 5,005,000) equity shares of USD 1 each		
- HCC Mauritius Investments Limited (Refer note 5.1)	6.06	6.06
1,000,000 (March 31, 2024: 1,000,000) equity shares of USD 1 each		
	28.29	28.29

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 5 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURESCONTD.

Detailed list of Investments in subsidiaries

	As at March 31, 2025	As at March 31, 2024
II. Deemed investment in subsidiary companies		
(a) Deemed investment on Inter-corporate deposits in India		
Non-current		
- HRL (Thane) Real Estate Limited (Refer note 29.2 & 37D)	41.65	41.65
Less: Impairment	(23.02)	(23.02)
	18.63	18.63
- HCC Infrastructure Company Limited (Refer note 32 & 37D)	1,157.24	1,292.21
- MAAN Township Developers Limited	3.71	3.71
- HRL Township Developers Limited	0.08	0.08
Total non-current deemed investment on inter-corporate deposit in India	1,179.66	1,314.63
(b) Deemed investment on corporate guarantee		
In India		
- HCC Infrastructure Company Limited (Refer note 32)	1.99	1.99
	1.99	1.99
Outside India		
- HCC Mauritius Enterprises Limited	0.86	0.86
- HCC Mauritius Investments Limited	2.54	2.54
	3.40	3.40
Total Deemed investment on corporate guarantee	5.39	5.39

Note 5.1 The Company has pledged its shareholdings in the following subsidiaries in favour of the respective lenders of the subsidiaries 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 March 31, 2025	As at March 31, 2024
HCC Mauritius Enterprise Limited	5,005,000	5,005,000
HCC Mauritius Investments Limited	1,000,000	1,000,000

Investments in joint venture	As at March 31, 2025	As at March 31, 2024
Detailed list of Investments in joint venture		
I. Investments in equity instruments		
- Prolific Resolution Private Limited	0.05	0.05
50,000 (March 31, 2024: 50,000) equity shares of ₹10 each		
	0.05	0.05
II. Deemed investment in joint venture		
- Prolific Resolution Private Limited		
Deemed investment on transfer of assets under resolution plan	38.42	38.42
Deemed investment on fair valuation of corporate guarantee	83.22	83.22
	121.64	121.64
Total Investments in joint venture	121.69	121.69
Current		
Detailed list of Deemed investment in subsidiary company		
Deemed investment on Inter-corporate deposits in India		
- HCC Infrastructure Company Limited (Refer note 32 & 37D)	134.85	-
Total current Investments in Subsidiary	134.85	-

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 5A OTHER INVESTMENTS

	As at March 31, 2025	As at March 31, 2024
Other investments in equity shares at fair value through other comprehensive income (OCI) (Refer note below)	31.07	37.91
Total other investments	31.07	37.91
Note for detailed list of other investments		
Other Investments in equity shares at fair value through other comprehensive income (OCI)		
- HDFC Bank Limited	5.59	4.52
30,569 (March 31, 2024: 30,569) equity shares of ₹1 each, fully paid- quoted		
- Khandwala Securities Limited	0.01	0.01
3,332 (March 31, 2024: 3,332) equity shares of ₹10 each, fully paid- quoted		
- Shushrusha Citizens Co-Op. Hospitals Limited	0.00*	0.00*
100 (March 31, 2024: 100) equity shares of ₹100 each, fully paid- unquoted		
- Hincon Finance Limited	25.47	33.38
120,000 (March 31, 2024: 120,000) equity shares of ₹10 each, fully paid- unquoted		
	31.07	37.91
Total investments [5 + 5A]	1,619.72	1,632.06

* represents amount less than ₹1 lakh.

Note :

During the previous year, on March 29, 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 March 31, 2025	As at March 31, 2024
Details:		
Aggregate of investments		
(i) Aggregate carrying value of quoted investments	5.60	4.53
(ii) Aggregate market value of quoted investments	5.60	4.53
(iii) Aggregate carrying value of unquoted investments		
- in subsidiaries	1,466.96	1,472.46
- in joint venture	121.69	121.69
- in others	25.47	33.38
(iv) Aggregate amount of impairment in value of investments	23.02	23.02
(i) Investments carried at cost	1,588.65	1,594.15
(ii) Investments carried at amortised cost	-	-
(iii) Investments carried at fair value through other comprehensive income	31.07	37.91

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 6 TRADE RECEIVABLES

	As at March 31, 2025	As at March 31, 2024
Non-current		
Trade receivables (Refer notes 6.1 to 6.6 & 33)	646.52	654.99
Total non-current trade receivables	646.52	654.99
Current		
Trade receivables (Refer notes 6.2 to 6.6 & 33)	2,416.63	1,899.11
[Including retention ₹921.99 crore (March 31, 2024: ₹807.58 crore)]		
Less: Allowance for expected credit loss	(50.92)	(46.38)
Total current trade receivables	2,365.71	1,852.73
Total trade receivables	3,012.23	2,507.72

Note 6.1 Presented net off advance received against favourable arbitration awards ₹3,099.77 crore (March 31, 2024: ₹3,575.48 crore)

Note 6.2: Includes receivable from related party.(Refer note 37)

Note 6.3: Break-up of security details

	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	3,012.23	2,507.72
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	50.92	46.38
Total	3,063.15	2,554.10
Less: Allowance for expected credit loss	(50.92)	(46.38)
Total trade receivables	3,012.23	2,507.72

Note 6.3: Non-current trade receivables and current trade receivables as at March 31, 2025 includes ₹646.52 crore (March 31, 2024: ₹654.99 crore) and ₹1,004.65 crore (March 31, 2024: ₹596.53 crore) respectively, representing claims awarded in arbitration in favour of the Company and which have been 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 6 TRADE RECEIVABLES....Contd.

Note 6.6: Trade receivables ageing schedule

As at March 31, 2025	Outstanding for following periods from the date of transaction						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	504.96	238.12	68.44	185.38	69.78	294.38	1,361.06
(ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables-credit impaired	18.31	8.95	2.60	6.76	2.68	11.62	50.92
(iv) Disputed trade receivables-considered good	-	315.96	141.39	143.84	277.70	772.28	1,651.17
(v) Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
	523.27	563.03	212.43	335.98	350.16	1,078.28	3,063.15
Less: Allowance for expected credit loss							(50.92)
Total trade receivables							3,012.23

As at March 31, 2024	Outstanding for following periods from the date of transaction						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	-	146.05	34.79	295.83	446.97	327.88	1,251.52
(v) Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) 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 7 LOANS

	As at March 31, 2025	As at March 31, 2024
Non-current		
Inter-corporate deposits to subsidiaries (Refer note 37D)	256.27	250.00
Total non-current loans	256.27	250.00
Break-up of security details		
Loans considered good-secured	-	-
Loans considered good-unsecured	256.27	250.00
Loans which have significant increase in credit risk	-	-
Loans-credit impaired	-	-
Total	256.27	250.00
Less: Allowance for expected credit loss	-	-
Total loans	256.27	250.00

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 7 LOANS....Contd.

Note 7.1 In compliance with Regulation 34 (3) & 53(f) 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 March 31, 2025	As at March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
i) HCC Infrastructure Company Limited (Refer note 7.1 (a))	-	-	-	-
ii) HRL (Thane) Real Estate Limited (Refer note 7.1 (a))	-	-	-	-
iii) HCC Mauritius Enterprises Limited	151.47	147.42	151.47	147.42
iv) Highbar Technologies Limited	2.39	2.39	2.39	2.39
v) HCC Mauritius Investments Limited	82.88	80.66	82.88	80.66
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	256.27	250.00		

Note 7.1 (a) Excludes inter-corporate deposits of ₹1,292.09 crore (March 31, 2024: ₹1,292.21 crore) given to HCC Infrastructure Company Limited and ₹41.65 crore (March 31, 2024: ₹41.65 crore) given to HRL (Thane) Real Estate Limited, classified as deemed investment under Ind AS. (Refer note 5)

Note 7.2 Investment by the loanee in Group Company's Equity shares as under:

(i) **HCC Infrastructure Company Limited** has invested in its following subsidiaries:

Name of the entity	As at March 31, 2025	As at March 31, 2024
Equity shares		
HCC Operations & Maintenance Limited	0.05	0.05
Narmada Bridge Trollway Limited	0.05	0.05
Raiganj Dalkhola Highways Limited (Refer note 37.4)	-	137.15
Total	0.10	137.25

(ii) **HCC Mauritius Enterprise Limited** has invested in its following subsidiaries:

Name of the entity	As at March 31, 2025	As at March 31, 2024
Equity shares		
Steiner AG (Refer Note 37.3)	-	267.43
Steiner Eagle AG (Refer Note 37.3)	291.25	-
Total	291.25	267.43

(iii) **HCC Mauritius Investment Limited** has invested in its following associates:

Name of the entity	As at March 31, 2025	As at March 31, 2024
Equity shares		
Steiner AG (Refer Note 37.3)	-	36.91
Steiner Eagle AG (Refer Note 37.3)	150.04	-
Total	150.04	36.91

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 8 OTHER FINANCIAL ASSETS

	As at March 31, 2025	As at March 31, 2024
Non-current		
a) Security deposits	5.97	5.22
b) Bank deposits with remaining maturity of more than 12 months	0.29	0.05
Total non-current financial assets	6.26	5.27
Current		
a) Receivables from		
- related parties (net) (Ref note 37D)	108.03	179.26
- Others	77.83	27.61
b) Security deposits (Ref note 37D)	13.14	8.29
c) Interest accrued	9.24	7.20
Total current financial assets	208.24	222.36
Total other financial assets	214.50	227.63

NOTE 9 NON-CURRENT TAX ASSETS (NET) AND DEFERRED TAX ASSETS (NET)

Note 9.1 The following table provides the details of income tax assets and liabilities:

	As at March 31, 2025	As at March 31, 2024
a) Income tax assets	262.13	280.23
b) Income tax liabilities	(195.43)	(268.42)
Net income tax assets	66.70	11.81

Note 9.2 The gross movement in the income tax asset is as follows:

	As at March 31, 2025	As at March 31, 2024
Net income tax asset at the beginning of the year (net)	11.81	43.56
Income tax paid (net of refund)	9.11	30.70
Current tax expense/(credit)	45.78	(62.45)
Net income tax asset at the end of the year (net)	66.70	11.81

Note 9.3 Tax expense comprises:

	As at March 31, 2025	As at March 31, 2024
Current tax expense/(credit)	(45.78)	62.45
Deferred tax	420.86	128.84
Tax expenses (net) in Statement of Profit and Loss	375.08	191.29
Deferred tax expense in other comprehensive income	1.39	-
Tax expense	376.47	191.29

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 9 NON-CURRENT TAX ASSETS (NET) AND DEFERRED TAX ASSETS (NET)....Contd.

Note 9.4 A reconciliation of the tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:

	As at March 31, 2025	As at March 31, 2024
Profit before tax	460.00	369.86
Applicable income tax rate (Refer note 9.6)	25.168%	34.944%
Computed expected tax expense	115.77	129.24
Effect of expenses not allowed for tax purpose	3.22	6.52
Effect of income not considered for tax purpose	(4.70)	(4.62)
Impact of differential tax rate (including impact of tax of joint operations)	6.90	(9.61)
Impact of adoption of new tax regime	78.09	-
Impact of losses where deferred tax not recognised and MAT credit written off	175.80	67.07
Others	-	2.69
Tax expense charged to the Statement of Profit and Loss	375.08	191.29

Note 9.5 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	Section 35 Expenses	Expense allowable on payment basis	Others	Arbitration awards	Total
As at April 1, 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	-	-	-	-	-	-	-	0.00*
As at March 31, 2024	1,968.42	16.21	41.26	-	235.98	-	(1,648.78)	613.09
(Charged) / credited								
- to profit or loss (Refer note 9.6)	(867.56)	(3.40)	(12.85)	(2.35)	(18.33)	-	483.63	(420.86)
- to other comprehensive income	-	-	-	-	-	1.39	-	1.39
- to security premium	-	-	-	11.28	-	-	-	11.28
As at March 31, 2025	1,100.86	12.81	28.41	8.93	217.65	1.39	(1,165.15)	204.90

* represents amount less than ₹1 lakh.

Note 9.6: During the year, the Company has exercised the option to adopt the new tax regime for previous year 2023-24 (Assessment Year: 2024-2025) onwards, while filing income tax return, which provides an option for paying corporate tax at reduced rates as per provisions/conditions of Section 115BAA of the Income Tax Act, 1961. Pursuant to the adoption of the new tax regime, current tax expenses recognised in previous year ₹54.74 crore have been reversed during the year ended March 31, 2025. Further as a result of adoption of the new tax regime, the unused tax credits recognised are no longer utilizable and the net deferred tax assets on temporary taxable differences have been recognised using lower tax rate resulting in reversal of deferred tax assets aggregating ₹301.22 crore. As at March 31, 2025, the Company has net deferred tax assets amounting to ₹204.90 crore (March 31, 2024: ₹613.09 crore), which mainly represents deferred tax assets on carried forward unused tax losses and other taxable temporary differences. The Company is confident of generating sufficient taxable profits from the unexecuted orders on hand/future projects and expected realisation of claims/arbitration awards against which such deferred tax assets can be utilised and therefore considered good and recoverable.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 10 OTHER ASSETS

	As at March 31, 2025	As at March 31, 2024
Non-current		
a) Capital advances	0.73	-
b) Balances with government authorities	52.08	55.57
c) Prepaid expenses	0.42	0.75
Total other non-current assets	53.23	56.32
Current		
a) Advance to suppliers and sub-contractors	174.43	61.04
b) Balances with government authorities	30.01	51.61
c) Prepaid expenses	10.39	11.01
d) Other current assets	2.01	6.28
Total other current assets	216.84	129.94
Total other assets	270.07	186.26

NOTE 11 INVENTORIES

	As at March 31, 2025	As at March 31, 2024
a) Construction raw materials	119.68	123.42
b) Fuel	3.94	2.97
Total inventories	123.62	126.39

NOTE 12 CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
a) Balances with banks		
- in current accounts	323.34	208.45
- in deposit account (with original maturity upto 3 months)	221.80	25.00
b) Cash on hand	0.33	0.47
Total cash and cash equivalents	545.47	233.92

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 March 31, 2025	As at March 31, 2024
Bank deposits with maturity of more than 3 months and less than 12 months	122.33	50.35
Total bank balances other than cash and cash equivalents	122.33	50.35

Note 13.1 Includes ₹10.98 crore (March 31, 2024: ₹10.98 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 March 31, 2025 and as at March 31, 2024.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 14 UNBILLED WORK-IN-PROGRESS (CONTRACT ASSETS)

	As at March 31, 2025	As at March 31, 2024
Unbilled work-in-progress (contract assets)	2,144.85	2,069.17
Total Unbilled work-in-progress (contract assets)	2,144.85	2,069.17

Note 14.1 Presented net of advance received against work bill ₹35.14 crore (March 31, 2024: ₹150.53 crore)

NOTE 15 SHARE CAPITAL

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of ₹1 each	2,000,000,000	200.00	2,000,000,000	200.00
Preference Shares of ₹10 each	10,000,000	10.00	10,000,000	10.00
Total authorised share capital		210.00		210.00
Issued, subscribed and paid-up equity share capital:				
Equity shares of ₹1 each, fully paid up	1,819,383,225 [^]	181.94	1,513,028,244 [^]	151.31
Total issued, subscribed and paid-up equity share capital	1,819,383,225	181.94	1,513,028,244	151.31

[^] excludes 13,225 equity shares forfeited by the Company.

Note 15.1 - Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	Number	Amount
As at April 1, 2023	1,513,028,244	151.31
Issued during the year	-	-
As at March 31, 2024	1,513,028,244	151.31
Issued during the year as under:		
Right issue (Refer note 15.8)	166,666,666	16.66
Qualified institutional placements (Refer note 15.9)	139,502,441	13.95
Employee stock option scheme (Refer note 15.10)	185,874	0.02
Total	306,354,981	30.63
As at March 31, 2025	1,819,383,225	181.94

Note 15.2 - 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.

Note 15.3 - Shares held by subsidiary company:

Western Securities Limited, a erstwhile subsidiary company, holds Nil (March 31, 2024: 52,000) equity shares in the Company.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 15 SHARE CAPITAL....Contd.

Note 15.4 - Shareholding of more than 5%:

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% held	No. of shares	% held
Hincon Holdings Limited	216,023,600	11.87%	216,023,600	14.28%

As per the records of the Company, including its register of shareholders/members the above shareholding represents both legal and beneficial ownership of shares.

Note 15.5 - 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

Note 15.6 - Option outstanding for issue under Employee Stock Options Scheme (ESOS):

As at March 31, 2025, the Company has 185,874 (March 31, 2024; 371,748) employee stock option issued under ESOP for its employees.

Note 15.7 - Shareholding of promoters:

As at March 31, 2025

Name of Promoters	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares held	% of total shares	No. of shares held	% of total shares	
Hincon Holdings Limited	216,023,600	11.87%	216,023,600	14.28%	-2.41%
Hincon Finance Limited	62,261,186	3.42%	62,261,186	4.12%	-0.70%
Maharani Holdings Private Limited	22,604,814	1.24%	500	0.00%*	1.24%
Ajit Gulabchand	2,117,294	0.12%	2,117,294	0.14%	-0.02%
Shalaka Investment Private Limited	538,000	0.03%	538,000	0.04%	-0.01%
Anjani Ashwin Parekh	251,400	0.01%	251,400	0.02%	-0.01%
Shalaka Gulabchand Dhawan	272,057	0.01%	10,000	0.00%*	0.01%
Western Securities Limited	52,000	0.00%*	-	-	-

As at March 31, 2024

Name of Promoters	As at March 31, 2024		As at March 31, 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%

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 15 SHARE CAPITAL....Contd.

Note 15.8 - Rights issue

During the year, the Company had issued and allotted 166,666,666 equity shares of ₹1 each at a price of ₹21 per equity share (including a premium of ₹20 per equity share) aggregating ₹350.00 crore to the eligible equity shareholders on rights basis in the ratio of 13 equity shares for every 118 equity shares held. Pursuant to the aforesaid, basic and diluted earnings per share for the year ended March 31, 2024 have been retrospectively adjusted for effect of rights issue.

Details of utilisation of Rights issue proceeds are given below :

Particulars	As at March 31, 2025
Sources of funds	
Proceeds from issue	350.00
Less: Issue expenses	(15.67)
Net proceeds from issue	334.33
Utilisation of funds	
Funding long-term working capital requirements of the Company	254.00
Payment of outstanding dues in terms of the framework Agreement	16.72
Payment towards general corporate purposes	63.61
Total utilisation	334.33
Unutilised funds	-

Note 15.9 - Qualified Institutions Placement (QIP)

During the year, the Company has issued and allotted 139,502,441 equity shares of face value of ₹1 each at a price of ₹43.01 per Equity Share, including a premium of ₹42.01 per Equity Share, aggregating ₹600 crore to 41 qualified institutional investors. The QIP issue proceeds are utilised in accordance with the objects of the issue as stated in the placement document.

Details of utilisation of QIP issue proceeds are given below:

Particulars	As at March 31, 2025
Sources of funds	
Proceeds from issue	600.00
Less: Issue expenses	(33.12)
Net proceeds from issue	566.88
Utilisation of funds	
- Repayment of loans to lenders	190.00
- Augmenting working capital requirements	150.00
- Payment towards general corporate	22.81
Total utilisation	362.81
Amount unutilised as at March 31, 2025	204.07

Note 15.10 - During the year, the Company has issued and allotted 185,874 equity shares of face value of ₹1 each at a price of ₹13.45 per Equity Share, including a premium of ₹12.45 per Equity Share, to eligible employee under employee stock option scheme.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 16 OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
- Capital reserve	15.19	15.19
- Forfeited debentures account	0.02	0.02
- Securities premium (Refer note 15.8 and 15.9)	3,455.33	2,568.76
- Debenture redemption reserve (Refer note below)	-	54.99
- General reserve	229.37	174.38
- Share option outstanding account	0.14	0.20
- Retained earnings	(1,965.62)	(2,049.31)
Other comprehensive income		
- Equity instruments at fair value through other comprehensive income	(0.33)	5.54
Total other equity	1,734.10	769.77

Note:

For Listed Company creation of Debenture redemption reserve (DRR) is dispensed with, as a result, during the current year the Company has transferred debenture redemption reserve to general reserve.

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 account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Scheme.

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 distributions 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 17 BORROWINGS

	As at March 31, 2025	As at March 31, 2024
I Non-current borrowings:		
A) Secured		
1) 0.01% Optionally Convertible Debentures (OCDs)		
(i) From banks	451.84	638.59
(ii) From others	48.71	63.31
	500.55	701.90
2) Foreign Currency Term Loan	40.67	51.50
3) Non-Convertible Debentures (NCDs)	148.85	333.90
	690.07	1,087.30
B) Unsecured		
1) Foreign Currency Term Loan from bank	25.28	24.61
2) Non-Convertible Debentures (NCDs)	329.40	366.60
	354.68	391.21
Total non-current borrowings (A+B)	1,044.75	1,478.51
II. Current borrowings		
A) Secured		
I) Current maturities of long-term borrowings		
(a) 0.01% Optionally Convertible Debentures (OCDs)		
(i) From bank	186.74	147.36
(ii) From others	14.61	14.61
	201.35	161.97
(b) Non-Convertible Debentures (NCDs)	185.05	15.30
(c) Foreign Currency Term Loan	12.20	11.88
	398.60	189.15
B) Unsecured		
i) Non-Convertible Debentures	37.20	37.20
ii) Loans from related party (Refer note 37.3 & 37D)	-	25.19
iii) Loans from others (Refer note 37.3)	25.19	-
iv) Other bank loans	-	6.17
	62.39	68.56
Total current borrowings (A+B)	460.99	257.71
Total borrowings (I+II)	1,505.74	1,736.22

Notes: (i) For security details and terms of repayment, refer note 17.1.

17.1 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 F.Y. 2022-2023, the repayment tenure of OCDs has been extended and the revised repayment of the OCDs commenced from March 31, 2023.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 17 BORROWINGS...Contd.

Details of principal maturity of the OCD's outstanding as at March 31, 2025 and security details have been provided below.

Date of Repayment	Amount
March 31, 2026	201.35
March 31, 2027	150.17
March 31, 2028	150.17
March 31, 2029	200.21
Total	701.90

Note: Optionally Convertible Debentures (OCDs) are secured in the form of:

1. A land parcel admeasuring to 100 sqm as First Mortgage and 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 Financing Document.

The above security having ranking in respect to OCD are as below:

1. *Pari Passu* security interest by way of legal mortgage over the First Mortgaged Properties and Second Mortgaged Properties.
2. *Pari Passu* security interest by way of legal mortgage over the Third Mortgaged Properties, Fourth Mortgaged Properties and the Fifth Mortgaged Properties.

(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 March 31, 2023 and ending on March 31, 2029. Refer note below for security details.

Note: Non-Convertible Debentures - LIC

1. A land parcel admeasuring to 100 sqm as First Mortgage and 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 Financing Document.

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 Hicon Holdings Limited and Hicon 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 17 BORROWINGS...Contd.

(c) Foreign Currency Term Loan ('FCTL')

During the earlier 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 March 31, 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.

(d) Non Convertible Debentures - Karnataka Bank

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 on March 31, 2026 and are secured by exclusive charge upto 0.19% on specific claims of the Company.

(e) 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 March 31, 2026 and June 30, 2029 and are secured by exclusive charge upto 49.53% on specific claims of the Company.

II. Unsecured

(A) 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 December 31, 2028 and ending on December 31, 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 March 31, 2023 and ending on March 31, 2029. The Company has paid its March 2023, March 2024 and March 2025 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 June 30, 2029 and ending on June 30, 2031.

(D) Loan from related parties / others

Loan from Steiner India Limited (step down subsidiary till December 20, 2024), repayable on demand is interest free. (Refer note 37.3)

(E) Other bank loan

Overdraft facility availed by HCC-HDC Joint Venture carry an interest rate of 8.71% p.a. (March 31, 2024: 8.71%) which was repayable on demand, paid during the current year.

Note 17.2 Right to Recompense:

In accordance with the provisions of existing financing document 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 the Balance Sheet date under MRA dated July 20, 2022.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 17 BORROWINGS...Contd.

Note 17.3 Net debt reconciliation

An analysis of net debts and the movement in net debts is as follows:

	As at March 31, 2025	As at March 31, 2024
(A) Non-current borrowings	1,044.75	1,478.51
(B) Current borrowings	460.99	257.71
(C) Interest payable	1,716.39	1,641.66
(D) Less: Cash and cash equivalents	(545.47)	(233.92)
Net debts (A)+(B)+(C)-(D)	2,676.66	3,143.96

Particulars	Liabilities from financing activities			Other assets 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 April 1, 2023	1,785.45	171.07	1544.21	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	-	(4.00)	-	-	(4.00)
Loan from related parties settled against other receivables	-	(0.42)	-	-	(0.42)
Gain on debt resolution plan	-	-	(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	-	0.00
Interest expense	-	-	387.68	-	387.68
Interest paid	-	-	(247.29)	-	(247.29)
Net debt as at March 31, 2024	1,478.51	257.71	1,641.66	233.92	3,143.96
Net debt as at April 1, 2024	1,478.51	257.71	1,641.66	233.92	3,143.96
Movement in cash and cash equivalents	-	-	-	312.10	(312.10)
Repayment of long-term borrowings	(226.05)	-	-	-	(226.05)
Repayment of short-term borrowings	-	(6.18)	-	-	(6.18)
Foreign exchange fluctuations	1.75	-	-	(0.55)	2.30
Reclassification	(209.46)	209.46	-	-	-
Interest expense	-	-	375.79	-	375.79
Interest paid	-	-	(301.06)	-	(301.06)
Net debt as at March 31, 2025	1,044.75	460.99	1,716.39	545.47	2,676.66

Note 17.4: Repayment of borrowings

As on March 31, 2025 and March 31, 2024, the Company is in compliance with the applicable debts covenants prescribed in the terms of borrowings.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 18 OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-current		
a) Interest accrued but not due	1,210.85	1,402.38
b) Financial guarantee liability	54.68	68.03
Total non-current financial liabilities	1,265.53	1,470.41
Current		
a) Interest accrued but not due	505.54	239.28
b) Interest accrued and due	27.25	27.12
c) Unpaid dividends (Refer note 18.1)	0.00*	0.00*
d) Financial guarantee liability	13.36	9.77
e) Others		
- Due to employees	36.69	64.62
- Interest payable on contractee advances	345.18	310.03
- Due to related parties (Refer note 37D)	0.94	1.80
- Liability for capital goods	0.60	0.60
- Other liabilities	9.23	5.72
Total current financial liabilities	938.79	658.94
Total other financial liabilities	2,204.32	2,129.35

* represents amount less than ₹1 lakh.

Note: 18.1

Unpaid dividend amounting to ₹7600 pertain to dividend for the F.Y. 2010-11, which has not been transferred to Investor Education & Protection Fund (IEPF) on account of injunction order/ prohibitory order from IEPF

	As at March 31, 2025	As at March 31, 2024
Other financial liabilities carried at amortised cost	2,136.28	2,051.55
Other financial liabilities carried at FVPL	68.04	77.80

NOTE 19 PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Non-current		
Provision for employee benefits (Refer note 35)		
- Gratuity	30.91	26.01
- Leave entitlement and compensated absences	10.59	8.67
Total non-current provisions	41.50	34.68
Current		
a) Provision for employee benefits (Refer note 35)		
- Gratuity	9.43	3.30
- Leave entitlement and compensated absences	2.86	1.56
b) Provision for foreseeable losses (Refer notes 19.1 and 19.2)	5.84	268.52
Total current provisions	18.13	273.38
Total provisions	59.63	308.06

Note 19.1 The Company has adequately recognized foreseeable losses on projects wherever it was probable that total contract costs will exceed total contract revenue.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 19 PROVISIONS...Contd.

Note 19.2 Details of provision in respect of foreseeable losses is as stated below:

	As at March 31, 2025	As at March 31, 2024
Opening provision at the beginning of the year	268.52	475.63
Addition during the year	-	18.38
Utilised during the year	(262.68)	(225.49)
Closing provision as at the end of the year	5.84	268.52

NOTE 20 TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer note 20.1)	125.67	90.21
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,935.74	1,706.06
Total trade payables	2,061.41	1,796.27

Note 20.1 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 March 31, 2025	As at March 31, 2024
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	125.67	90.21
- Interest due	19.49	21.49
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.	7.63	5.63
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	5.44
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	27.12

Note 20.2 Trade payables are non-interest bearing and are normally settled as per the payment terms stated in the contract.

Note 20.3 Trade payables ageing schedule

As at March 31, 2025	Outstanding for following periods from the date of transaction						Total
	Not due	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	52.83	-	58.13	6.61	1.17	6.94	125.67
(ii) Others	542.68	783.26	343.10	15.70	22.58	228.42	1,935.74
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
	595.51	783.26	401.23	22.30	23.75	235.36	2,061.41

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 20 TRADE PAYABLES...Contd.

As at March 31, 2024	Outstanding for following periods from the date of transaction						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

NOTE 21 OTHER CURRENT LIABILITIES

	As at March 31, 2025	As at March 31, 2024
a) Due to customers (Refer note 22.2.3)	20.69	30.16
b) Advances		
- from contractee	847.60	1,110.75
- towards sale of assets	20.20	20.20
- from scrap dealers	22.52	15.46
c) Statutory dues payable	85.22	70.48
Total other current liabilities	996.23	1,247.05

NOTE 22 REVENUE FROM OPERATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
a) Sale of products and services:		
- Contract revenue	4,618.58	4,895.66
b) Other operating revenue		
- Interest on arbitration awards (Refer note 22.1)	141.88	-
- Service fees	32.85	92.37
- Provision no longer required written back	7.74	54.75
	182.47	147.12
Total revenue from operations	4,801.05	5,042.78

Note 22.1 During the previous year, the Company has recognized interest income on arbitration awards of ₹77.49 crore. 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 22.2 Disclosure in accordance with Ind AS 115 - Revenue from Contracts with Customers

Note 22.2.1 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 22 REVENUE FROM OPERATIONS ...Contd.

Note 22.2.2 Performance obligations - The aggregate amount of transaction price allocated to performance obligations that are unsatisfied as at the end of reporting period is ₹11,852.00 crore (March 31, 2024: ₹10,475 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 March 31, 2025 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 22.2.3 Contract balances - Movement in contract balances during the year:

Particulars	Contract Assets (unbilled work-in-progress)	Contract Liabilities (due to customers)	Net Contract balances
Balance as at April 1, 2023	1,892.23	20.66	1,871.57
Net increase/ (decrease)	176.94	9.50	167.44
Balance as at March 31, 2024	2,069.17	30.16	2,039.01
Net increase/ (decrease)	75.68	(9.47)	85.15
Balance as at March 31, 2025	2,144.85	20.69	2,124.16

Note 22.2.3 (a) 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.

Note 22.2.3 (b) Revenue recognised during the year from opening balance of contract liability (i.e. due to customers) amounts to ₹16.82 crore (March 31, 2024: ₹1.27 crore).

Note 22.2.3 (c) Revenue recognised during the year from the performance obligation satisfied upto previous year amounts to ₹217.23 crore (March 31, 2024: Nil).

Note 22.2.4 Out of the total revenue recognised during the year, ₹4,793.31 crore (March 31, 2024: ₹4,988.03 crore) is recognised over a period of time and ₹7.74 crore (March 31, 2024: ₹54.75 crore) is recognised at a point in time.

Note 22.2.5 There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.

Note 22.2.6 Cost to obtain or fulfil the contract:

- Amount of amortisation recognised in Statement of Profit and Loss during the year : Nil
- Amount recognised as contract assets as at March 31, 2025 : Nil

NOTE 23 OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
a) Interest income from financial assets at amortised cost	53.07	39.18
b) Other non-operating income		
- Gain on settlement of debt (Refer note 23.1)	-	46.16
- Profit on disposal of property, plant and equipment (net)	3.59	6.06
- Financial guarantee commission	19.89	3.95
- Plant hire income	11.58	23.79
- Exchange gain (net)	3.67	-
- Dividend from non-current investment	-	0.05
- Profit on sale of investment (Refer note 37.2)	5.62	-
- Miscellaneous	0.61	6.11
Total other income	98.03	125.30

Note 23.1 During the previous year, 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. The Company made prepayments towards outstanding OCD's during the previous year which resulted in gains on settlement of debt, representing waiver of interest (net of processing charges), amounting to ₹46.16 crore.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 24 COST OF MATERIALS CONSUMED

	Year ended March 31, 2025	Year ended March 31, 2024
Stock at beginning of the year	123.42	166.17
Add: Purchases	611.04	854.34
	734.46	1,020.51
Less: Sale of scrap and unserviceable material	(50.56)	(35.07)
	683.90	985.44
Less: Stock at the end of the year	(119.68)	(123.42)
Total cost of materials consumed	564.22	862.02

NOTE 25 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
a) Salaries and wages	286.01	284.03
b) Contribution to provident and other funds [Refer note 35(B)]	16.92	24.65
c) Staff welfare	13.71	16.96
d) Share based payment expense	0.08	0.20
Total employee benefits expense	316.72	325.84

NOTE 26 FINANCE COSTS

	Year ended March 31, 2025	Year ended March 31, 2024
a) Interest expense on:		
- debentures	363.44	375.21
- term loans	12.35	12.47
- advance from contractee	75.51	91.87
- lease liabilities (Refer note 40)	-	0.62
- others	11.58	8.47
b) Other borrowing costs		
- guarantee commission	33.30	46.06
- other finance charges	10.18	8.19
Total finance costs	506.36	542.89

NOTE 27 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
a) Depreciation of tangible assets (Refer note 3A)	64.65	67.31
b) Depreciation of right-of-use assets (Refer note 3B & 40)	-	0.37
c) Amortisation of intangible assets (Refer note 4)	-	0.09
Total depreciation and amortisation expense	64.65	67.77

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 28 OTHER EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
a) Stationery, postage, telephone and advertisement	5.58	6.71
b) Travelling and conveyance	40.58	35.33
c) Professional fees	81.17	49.39
d) Rates and taxes	68.34	29.20
e) Power, fuel and water	128.51	139.08
f) Insurance	36.94	34.02
g) Rent (Refer note 40)	60.34	81.33
h) Loss allowance on financial assets	4.54	18.66
i) Repairs and maintenance- building	4.97	4.25
j) Repairs and maintenance- others	1.21	1.41
k) IT support and computer maintenance	12.35	12.17
l) Payment to auditors (Refer note 28.1 to 28.4)	1.90	3.13
m) Exchange loss (net)	-	0.25
n) Miscellaneous expenses (Refer note 22.1)	20.08	27.45
Total other expenses	466.51	442.38

Note 28.1 Payment to auditors (Refer note 28.4)

	Year ended March 31, 2025	Year ended March 31, 2024
i) Statutory audit and limited review	1.44	2.55
ii) Tax audit fees	0.14	0.20
iii) Certification fees	0.16	0.27
iv) Reimbursement of out of pocket expenses	0.16	0.11
Total	1.90	3.13

Note 28.2 : Excludes Nil (previous year- ₹0.52 crore) towards fees for certifications relating to Right Issue of equity shares and ₹0.33 crore (previous year- Nil) towards fees for certifications relating to Qualified Institutional Placement of equity shares not been charged to income statement as the same will be netted off against Securities premium.

Note 28.3 : Includes payment made to predecessor auditor as under:

	Year ended March 31, 2025	Year ended March 31, 2024
i) Statutory audit and limited review	0.35	-
ii) Certification fees	0.09	-
iii) Reimbursement of out of pocket expenses	0.15	-
Total	0.59	-

Note 28.4 : The Company is not liable to incur any expenses on Corporate Social Responsibility as per section 135 of the Companies Act, 2013.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 29 EXCEPTIONAL ITEMS - GAIN

	Year ended March 31, 2025	Year ended March 31, 2024
a) Gain on sale of land (Refer note 29.1)	-	87.93
b) Reversal of impairment on financial asset (net) (Refer note 29.2)	-	80.63
Total exceptional items	-	168.56

Note 29.1 During the previous year, the Company sold a land parcel situated in Village Karnala (Tara), Panvel, Maharashtra along with the structures standing thereon for a consideration of ₹95.00 crore. The resultant gain of ₹87.93 crore has been presented as an exceptional item.

Note 29.2 During the previous 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. 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 30 EARNINGS PER SHARE (EPS)

	Year ended March 31, 2025	Year ended March 31, 2024
Basic and diluted earnings per share has been computed as under:		
a) Net profit as per the Statement of Profit and Loss available for equity shareholders (₹ crore)	84.92	178.57
b) Weighted average number of equity shares for calculating basic earning per share (Nos.)	1,715,612,310	1,582,709,741
c) Effect of dilution on account of employee stock option issued (Nos.)	122,704	186,562
d) Weighted average number of equity shares for calculating diluted earning per share (b+c) (Nos.)	1,715,735,014	1,582,896,303
e) Earning per share (Refer note 15.8)		
- Basic (a / b) (₹ per share)	0.49	1.13
- Diluted (a / d) (₹ per share)	0.49	1.13

NOTE 31 CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent liabilities

	As at March 31, 2025	As at March 31, 2024
(i) Claims against the company not acknowledged as debts	3.65	7.41
(ii) Income tax liability that may arise in respect of matters in which the Company is in appeals	11.45	51.93
(iii) Indirect tax liability that may arise in respect of matters in which the Company is in appeals	159.38	179.35

Note 31.1 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 31 CONTINGENT LIABILITIES AND COMMITMENTS...Contd.

B. Commitments

	As at March 31, 2025	As at March 31, 2024
Capital commitments (net of advances)	14.41	4.43

NOTE 32 As at March 31, 2025, the Company has investments (including deemed investments) in its wholly owned subsidiary HCC Infrastructure Company Limited ('HICL') aggregating ₹1,294.33 crore (March 31, 2024: ₹1,294.45 crore) classified as non-current investment ₹1,159.48 crore (March 31, 2024: ₹1,294.45 crore) and current investment of ₹134.85 crore (March 31, 2024: Nil). While the consolidated net worth of HICL as at March 31, 2025 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 33 Unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivable includes ₹308.59 crore, ₹214.27 crore and ₹57.52 crore, respectively, outstanding as at March 31, 2025, 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 34 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
	As at March 31, 2025	As at March 31, 2024			
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 International Civil Engineering AB, Kumagai Gumi Co. Ltd. & Itochu Corporation	India	Construction
Alpine- Samsung- HCC Joint Venture	33.00	33.00	Alpine Bau GMBH & Samsung Corporation	India	Construction
Alpine- HCC Joint Venture	49.00	49.00	Alpine Bau GMBH	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

Note 34.1 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 34 INTERESTS IN OTHER ENTITIES ...Contd.

	As at March 31, 2025	As at March 31, 2024
Note 34.2 Summarised balance sheet (Company's share)		
Total assets	146.24	210.33
Total liabilities	76.55	141.55
Note 34.3 Contingent liability/capital commitment as at reporting date (Company's share)		
Contingent liability	7.22	18.62
Capital and other commitment	-	-

	Year Ended March 31, 2025	Year Ended March 31, 2024
Note 34.4 Summarised statement of profit and loss (Company's share)		
Revenue from operations	321.34	473.62
Other income	0.71	1.57
Total expenses (including taxes)	318.06	467.79

NOTE 35 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 March 31, 2025	As at March 31, 2024
a) Changes in defined benefit obligations		
Present value of obligation at the beginning of the year	29.31	29.40
Interest cost	2.06	2.10
Current service cost	2.05	1.89
Past service cost	8.70	-
Remeasurements- Net actuarial loss/(gain)	1.64	(1.94)
Benefits paid	(3.42)	(2.14)
Present value of obligation at the end of the year	40.34	29.31
b) Expenses recognised in the Statement of Profit and Loss		
Interest cost	2.06	2.10
Current service cost	2.05	1.89
Past service cost	8.70	-
Total	12.81	3.99
c) Remeasurement loss/(gain) recognised in OCI		
Actuarial changes arising from changes in financial assumptions	0.96	0.34
Experience adjustments	0.68	(2.28)
Total	1.64	(1.94)

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 35 DISCLOSURE RELATING TO EMPLOYEE BENEFITS AS PER IND AS 19 'EMPLOYEE BENEFITS' ...Contd.

	As at March 31, 2025	As at March 31, 2024
d) Actuarial assumptions		
(i) Economic assumptions:		
Discount rate	6.55% p.a.	7.19% 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	4 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.

The methods and type of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

	Year ended March 31, 2025	Year ended March 31, 2024
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%	(1.48)	(1.33)
b) Impact due to decrease of 1%	1.63	1.46
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%	1.62	1.46
b) Impact due to decrease of 1%	(1.50)	(1.35)
iii. Impact of change in attrition rate:		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	0.00*	0.05
b) Impact due to decrease of 1%	0.00*	(0.06)

* represents amount less than ₹1 lakh.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 35 DISCLOSURE RELATING TO EMPLOYEE BENEFITS AS PER IND AS 19 'EMPLOYEE BENEFITS' ...Contd.

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 March 31, 2025	As at March 31, 2024
Within the next 12 months	9.43	3.30
Between 2 and 5 years	18.42	14.35
Over 5 years	27.00	26.67

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.

The details of fund and plan assets are given below:

	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets	198.96	190.47
Present value of defined benefit obligations	194.01	188.77
Net excess of plan assets over defined benefit obligations	4.95	1.70

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 35 DISCLOSURE RELATING TO EMPLOYEE BENEFITS AS PER IND AS 19 'EMPLOYEE BENEFITS' ...Contd.

The principal assumptions used in determining the present value obligation of interest guarantee under the deterministic approach are as follows:

	As at March 31, 2025	As at March 31, 2024
Discount rate	6.55% p.a.	7.19% p.a.
Guaranteed rate of return (Refer note (ii) below)	8.25% p.a.	8.25% p.a.

Notes: The plan assets have been primarily invested in Government securities and corporate bonds.

B Defined contribution plans

The Company has recognised the following amounts in the Statement of Profit and Loss:

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Contribution to provident fund	14.25	22.15
(b) Contribution to superannuation fund	2.67	2.50
	16.92	24.65

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 ₹13.45 crore (March 31, 2024 ₹10.23 crore).

D Current / non-current classification

	As at March 31, 2025	As at March 31, 2024
(i) Gratuity		
Current	9.43	3.30
Non-current	30.91	26.01
	40.34	29.31
(ii) Leave entitlement and compensated absences		
Current	2.86	1.56
Non-current	10.59	8.67
	13.45	10.23

NOTE 36 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:

- 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.
- 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 36 FAIR VALUE ...Contd.

A Financial instruments by category

The carrying value and fair value of financial instruments by categories were as follows:

As at March 31, 2025

Particulars	Refer note	Amortised cost	Fair value through profit or loss	Fair value through Other Comprehensive Income	Total carrying value
Assets:					
Investment in subsidiaries and joint ventures #	5	-	-	-	-
Investments in equity shares (unquoted)	5A	-	-	25.47	25.47
Investments in equity shares (quoted)	5A	-	-	5.60	5.60
Deemed investment on fair valuation of corporate guarantee	5	-	83.22	-	83.22
Trade receivables	6	3,012.23	-	-	3,012.23
Loans	7	256.27	-	-	256.27
Other financial assets	8	214.50	-	-	214.50
Cash and cash equivalents	12	545.47	-	-	545.47
Bank balances other than cash and cash equivalents	13	122.33	-	-	122.33
Liabilities:					
Borrowings	17	1,480.46	25.28	-	1,505.74
Other financial liabilities	18	2,136.28	68.04	-	2,204.32
Trade payables	20	2,061.41	-	-	2,061.41

As at March 31, 2024

Particulars	Refer note	Amortised cost	Fair value through profit or loss	Fair value through Other Comprehensive Income	Total carrying value
Assets:					
Investment in subsidiaries and joint ventures #	5	-	-	-	-
Investments in equity shares (unquoted)	5A	-	-	33.38	33.38
Investments in equity shares (quoted)	5A	-	-	4.53	4.53
Deemed investment on fair valuation of corporate guarantee	5	-	83.22	-	83.22
Trade receivables	6	2,507.72	-	-	2,507.72
Loans	7	250.00	-	-	250.00
Other financial assets	8	227.63	-	-	227.63
Cash and cash equivalents	12	233.92	-	-	233.92
Bank balances other than cash and cash equivalents	13	50.35	-	-	50.35
Liabilities:					
Borrowings	17	1,711.61	24.61	-	1,736.22
Other financial liabilities	18	2,051.55	77.80	-	2,129.35
Trade payables	20	1,796.27	-	-	1,796.27

* Investments in subsidiaries classified as equity investments have been accounted at historical cost. Since these are scope out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the above tables.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

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	March 31, 2025			March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets	-	-	-			
Investments in equity shares (quoted)	5.60	-	-	4.53	-	-
Investments in equity shares (unquoted)	-	25.47	-	-	33.38	-
Deemed investment on fair valuation of corporate guarantee	-	-	83.22	-	-	83.22
Liabilities						
Borrowing	-	-	25.28	-	-	24.61
Other financial liabilities	-	-	68.04	-	-	77.80

NOTE 37 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS

A. Names of related parties and nature of relationship

Sr. No.	Name of the entity	Country of incorporation	Company's holding (Refer note 37.1)		Subsidiaries of
			As at March 31, 2025	As at March 31, 2024	
a)	Subsidiaries				
	Western Securities Limited (upto August 14, 2024)	India	-	97.87	Hindustan Construction Company Limited (Refer note 37.2)
	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
	HCC Operations and Maintenance Limited	India	100.00	100.00	HCC Infrastructure Company Limited
	Narmada Bridge Tollway Limited	India	100.00	100.00	HCC Infrastructure Company Limited
	Badarpur Faridabad Tollway Limited	India	100.00	100.00	HCC Infrastructure Company Limited
	Raiganj-Dalkhola Highways Limited (upto February 14, 2025)	India	-	100.00	HCC Infrastructure Company Limited (Refer note 37.4)
	HCC Mauritius Enterprises Limited	Mauritius	100.00	100.00	Hindustan Construction Company Limited

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS...Contd.

Sr. No.	Name of the entity	Country of incorporation	Company's holding (Refer note 37.1)		Subsidiaries of
			As at March 31, 2025	As at March 31, 2024	
	HCC Mauritius Investment Limited	Mauritius	100.00	100.00	Hindustan Construction Company Limited
	Steiner AG (Upto December 20, 2024)	Switzerland	-	100.00	HCC Mauritius Enterprises Limited 66% and HCC Mauritius Investment Limited 34% (Refer note 37.3)
	Steiner Promotions et Participations SA (Upto December 20, 2024)	Switzerland	-	100.00	Steiner AG (Refer note 37.3)
	VM + ST AG (Upto December 20, 2024)	Switzerland	-	100.00	Steiner AG (Refer note 37.3)
	Manufakt8048 AG (Upto December 20, 2024)	Switzerland	-	100.00	Steiner Promotions et Participations SA (Refer note 37.3)
	Steiner Projekte (w.e.f. February 19, 2024 and Upto December 20, 2024)	Switzerland	-	100.00	Steiner AG (Refer note 37.3)
	Steiner (Deutschland) GmbH (Upto December 20, 2024)	Germany	-	100.00	Steiner AG (Refer note 37.3)
	Steiner India Limited (Upto December 20, 2024)	India	-	100.00	Steiner AG (Refer note 37.3)
	Steiner Eagle AG (w.e.f. December 20, 2024)	Switzerland	100.00	-	HCC Mauritius Enterprises Limited 66% and HCC Mauritius Investments Limited 34% (Refer note 37.3)
	HREL Real Estate Limited	India	-	-	Hindustan Construction Company Limited (Refer note 37.5 below)
	HRL (Thane) Real Estate Limited	India	100.00	100.00	Hindustan Construction Company Limited (Refer note 37.5 below)

A. Names of related parties and nature of relationship

Particulars	Country of incorporation	Company's holding (%)	
		As at March 31, 2025	As at March 31, 2024
b) Joint Venture			
Prolific Resolution Private Limited (Refer note 37.6)	India	49.00	49.00
c) Associates			
Evostate AG (Upto December 20, 2024, refer note 37.3)	Switzerland	-	30.00
MCR Managing Corp. Real Estate (Upto December 20, 2024, refer note 37.3)	Switzerland	-	30.00
Evostate Immobilien AG (Subsidiary of Evostate AG) (Upto December 20, 2024, refer note 37.3)	Switzerland	-	30.00
Hegias AG, Zurich (Upto December 20, 2024, refer note 37.3)	Switzerland	-	23.20
Highbar Technocrat Limited	India	49.00	49.00

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 DISCLOSURE IN ACCORDANCE WITH IND-AS 24 RELATED PARTY TRANSACTIONS...Contd.

d) Other related parties with whom the Company has transactions during the year

Name	Relationship
Shalaka Gulabchand Dhawan	Daughter of Chairman and Non-Executive Director and Wife of Executive Vice Chairman
Seeberg Private Limited	Other related party
Seamarine Investments Private Limited	Other related party
HCC Employee's Provident Fund (Refer note 35(B))	
(a) for transaction related to post-employment contribution plan	Post-employment contribution plan

Notes:

37.1 Including through subsidiary companies.

37.2 During the current year, the Company has sold its entire shareholding in Western Securities Limited ('WSL'), a subsidiary of the Company. Consequently, WSL has ceased to be a subsidiary of the Company w.e.f. August 14, 2024. The Company has recognised a gain of ₹5.62 crore on this transaction which has been presented under the head "other income."

37.3 During the current year, pursuant to moratorium, the Zurich District Court has passed an Order approving a scheme of arrangement in respect of Steiner AG ('SAG'), Switzerland, (including its subsidiaries, joint ventures and associates), a material step down wholly owned subsidiary of the Company. This scheme which is approved by the Court based on recommendation of administrator covers a) Divestment of entire shareholding of SAG held by HCC Mauritius Investment Limited and HCC Mauritius Enterprises Limited, (collectively, 'HMILEL'), the wholly owned subsidiaries of the Company to Uniresolv SA, an affiliate of m3 Geneva ('Uniresolv SA') and, b) Divestment of entire shareholding of Steiner Development AG ('SDAG') by SAG to m3 Steiner Development SA, an affiliate of m3 Geneva ('m3SD') c) Divestment of Steiner India Limited ('SIL'), by SAG to Uniresolv SA, d) Asset transfer (receivables) to SAG's wholly owned subsidiary, Steiner Eagle AG ('SEAG') and the immediate subsequent sale of SEAG to Uniresolv SA. Further, pursuant to the aforesaid Court Order, HMILEL has acquired the entire equity shareholding in SEAG from Uniresolv SA, against a swap of SAG shares and deferred payment of 5 million CHF. Accordingly, SAG along with its subsidiaries, joint ventures and associates ceased to be part of the Company and SEAG became direct subsidiary of HMILEL w.e.f. December 20, 2024. Further, pending transfer of shares of SIL by Uniresolv SA to HMILEL, SIL is not related party as on March 31, 2025.

37.4 During the current year, pursuant to Scheme of Amalgamation, the National Company Law Tribunal, Mumbai has approved the merger of Raiganj-Dalkhola Highways Limited (RDHL), a step-down subsidiary of the Company with HCC Infrastructure Company Limited (HICL), a subsidiary of the Company with the appointed date as January 1, 2024. As a result RDHL is ceased to be step-down subsidiary of the Company w.e.f. February 14, 2025 and merged with the HICL, a subsidiary of the Company.

37.5 Pursuant to the Share Purchase Agreement dated March 31 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 (w.e.f. March 31, 2024). Further, during the previous 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.

37.6 During the previous year, Prolific Resolution Private Limited ('PRPL') 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. September 30, 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 DISCLOSURE IN ACCORDANCE WITH IND AS 24 RELATED PARTY TRANSACTIONS...Contd.

B. Key Management Personnel

Name	Relationship
Mr. Ajit Gulabchand	Chairman and Non-Executive Director
Mr. Arjun Dhawan	Executive Vice Chairman
Mr. Mukul Sarkar	Nominee Director
Mr. N. R. Acharyulu	Independent Director (upto September 17, 2024)
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. June 7, 2023)
Mr. Jaspreet Bhullar	MD & CEO
Mr. Ramesh Subramanyam	Independent Director (w.e.f. December 16, 2024)
Mr. Aditya Jain	Non-Executive Non-Independent Director (w.e.f. June 7, 2023)
Mr. Girish Gangal	Chief Financial Officer (w.e.f. April 18, 2024)
Mr. Rahul Rao	Chief Financial Officer (upto April 18, 2024)
Mr. Nitesh Kumar Jha	Company Secretary

C. Transactions with related parties

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations		
- Subsidiaries		
- HCC Infrastructure Company Limited	105.81	29.20
- Raiganj Dalkhiola Highways Limited	-	6.84
	105.81	36.04
Rental Income		
- Other related party		
- Seeberg Private Limited	0.02	-
- Subsidiaries		
- HCC Infrastructure Company Limited	0.54	0.54
- Steiner India Limited	-	0.27
- Highbar Technologies Limited	-	0.22
Interest income on Inter corporate deposits		
- Subsidiaries		
- Highbar Technologies Limited	0.30	0.30
- HCC Mauritius Enterprise Limited	12.65	12.15
- HCC Mauritius Investment Limited	7.71	5.48
	20.66	17.93
Finance income on corporate guarantees		
- Subsidiaries		
- HCC Mauritius Investment Limited	0.99	0.84
- HCC Mauritius Enterprise Limited	0.23	0.20
- Prolific Resolution Private Limited	-	2.92
	1.22	3.96

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 DISCLOSURE IN ACCORDANCE WITH IND AS 24 RELATED PARTY TRANSACTIONS...Contd.

	Year ended March 31, 2025	Year ended March 31, 2024
Service Income		
- Subsidiaries		
- Prolific Resolution Private Limited	-	60.90
- Joint Venture		
- Prolific Resolution Private Limited	32.58	31.22
Purchase of Material		
- Subsidiaries		
- Steiner India Limited	0.99	-
Reimbursement of expenses		
- Subsidiaries	-	7.25
- Prolific Resolution Private Limited	-	0.41
- Western Securities Limited	-	7.66
Interest expense on Inter corporate deposit taken		
- Subsidiaries		
- Western Securities Limited	-	0.05
Services received		
- Subsidiaries		
- Highbar Technologies Limited	2.59	2.46
- Western Securities Limited	0.26	0.84
- Steiner India Limited	-	-
	2.85	3.30
- Associates		
- Highbar Technocrat Limited	3.19	2.15
	3.19	2.15
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
- HCC Mauritius Enterprise Limited	-	3.79
- HRL (Thane) Real Estate Limited	-	41.65
	-	66.84
Loss allowance on inter corporate deposits given		
- Subsidiaries		
- HRL (Thane) Real Estate Limited	-	23.02
Inter corporate deposits taken		
- Subsidiaries		
- Steiner India Limited	-	25.19
Inter corporate deposits recovered		
- Subsidiaries		
- HCC Infrastructure Company Limited	0.12	140.20

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 DISCLOSURE IN ACCORDANCE WITH IND AS 24 RELATED PARTY TRANSACTIONS...Contd.

	Year ended March 31, 2025	Year ended March 31, 2024
Inter corporate deposits repaid		
- Subsidiaries		
- Western Securities Limited	-	0.41
Sale of Investment		
- Other Related Party		
- Seamarine Investments Private Limited	11.00	-
Remuneration paid/ accrued to Key Management Personnel (Refer note i)		
(a) Short-term employee benefits		
- Mr. Ajit Gulabchand	2.79	2.79
- Mr. Arjun Dhawan	5.60	5.13
- Mr. Jaspreet Bhullar	3.79	3.55
- Mr. Girish Gangal	2.40	-
- Mr. Rahul Rao	0.10	1.34
- Mr. Nitesh Kumar Jha	0.69	0.69
	15.36	13.50
(b) Post employment benefits		
- Mr. Ajit Gulabchand	0.21	0.21
- Mr. Arjun Dhawan	0.40	0.37
- Mr. Jaspreet Bhullar	0.31	0.30
- Mr. Rahul Rao	0.00*	0.06
- Mr. Nitesh Kumar Jha	0.02	0.02
	0.95	0.96
(c) Total remuneration		
- Mr. Ajit Gulabchand	3.00	3.00
- Mr. Arjun Dhawan	6.00	5.50
- Mr. Jaspreet Bhullar	4.10	3.85
- Mr. Girish Gangal	2.40	-
- Mr. Rahul Rao	0.10	1.40
- Mr. Nitesh Kumar Jha	0.72	0.71
	16.32	14.46
Remuneration paid/ accrued		
- Other related parties		
- Mrs. Shalaka Gulabchand Dhawan	1.36	1.31
Directors' sitting fees paid / accrued		
- Key Management Personnel		
- Mr. Ajit Gulabchand	0.18	0.16
- Mr. N. R. Acharyulu	0.09	0.15
- Mr. Arun V. Karambelkar	0.06	0.04
- Mr. Santosh Jankiram Iyer	0.15	0.07
- Mr. Mahendra Singh Mehta	0.19	0.12
- Mr. Mukul Sarkar	0.06	0.03
- Dr. Mita Dixit	0.13	0.08
- Mr. Aditya Jain	0.10	0.03
- Mr. Ramesh Subramanyam	0.01	-
	0.97	0.68

* represents amount less than ₹1 lakh.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 DISCLOSURE IN ACCORDANCE WITH IND AS 24 RELATED PARTY TRANSACTIONS...Contd.

D. Outstanding Balances

	As at March 31, 2025	As at March 31, 2024
Outstanding receivables		
Trade receivable (net of advances)		
- Subsidiaries		
- HCC Infrastructure Company Limited	406.88	-
- Raiganj Dalkhiola Highways Limited	-	401.09
	406.88	401.09
Receivables from related parties		
- Subsidiaries		
- Panchkutir Developers Limited	42.98	42.98
- HCC Infrastructure Company Limited	4.31	3.67
- HCC Mauritius Enterprise Limited	85.55	70.58
- HCC Mauritius Investment Limited	32.68	23.11
- HCC Contract Solutions Limited	0.03	0.03
- Highbar Technologies Limited	16.75	16.77
- Steiner AG	-	2.32
- Steiner India Limited	-	1.91
- Western Securities Limited	-	0.48
- Badarpur Faridabad Tollways Limited	0.21	0.21
- Raiganj Dalkhiola Highways Limited	-	0.02
- HCC Operation & Maintenance Limited	0.02	0.02
	182.53	162.10
- Joint Venture		
- Prolific Resolution Private Limited		17.16
	182.53	179.26
Security Deposit		
- Subsidiaries		
- HCC Infrastructure Company Limited	5.79	-
Outstanding Inter-corporate deposits receivables (deemed investment)		
- Subsidiaries		
- HCC Infrastructure Company Limited	1,292.09	1,292.21
- HRL (Thane) Real Estate Limited(net)	18.63	18.63
	1,310.72	1,310.84
Outstanding Inter-corporate deposits receivables		
- Subsidiaries		
- Highbar Technologies Limited	2.39	2.39
- HCC Mauritius Enterprise Limited	151.47	147.42
- HCC Mauritius Investment Limited	82.88	80.66
- Maan Township Developers Limited	19.12	19.12
- HRL Township Developers Limited	0.41	0.41
	256.27	250.00
Outstanding payables		
Inter corporate deposits taken		
- Subsidiaries		
- Steiner India Limited	-	25.19
Security deposits taken against sale of old equipment		
- Subsidiaries		
- Steiner India Limited	-	1.10

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 37 DISCLOSURE IN ACCORDANCE WITH IND AS 24 RELATED PARTY TRANSACTIONS...Contd.

	As at March 31, 2025	As at March 31, 2024
Advance taken towards sale of Property, Plant and Equipment		
- Subsidiaries		
- Steiner India Limited	-	20.20
Payable to related parties		
- Associates		
- Highbar Technocrat Limited	0.94	1.80
- Joint Venture		
- Prolific Resolution Private Limited	74.50	-
	75.44	1.80
Advance from contractee		
- Subsidiaries		
- HCC Infrastructure Company Limited	14.47	11.82
- Raiganj-Dalkhola Highways Limited	-	4.51
	14.47	16.33
Corporate guarantees given by Company		
- Subsidiaries		
- HCC Mauritius Enterprise Limited	46.12	38.95
- HCC Mauritius Investment Limited	197.90	166.83
	244.02	205.78
Corporate guarantees given by Company		
- Joint Venture		
- Prolific Resolution Private Limited	3,820.03	3,448.03
	3,820.03	3,448.03
Remuneration payable (net) (Refer note i)		
- Key Management Personnel		
- Mr. Ajit Gulabchand	0.06	0.18
- Mr. Arjun Dhawan	0.25	0.14
- Mr. Jaspreet Bhullar	0.11	0.14
- Mr. Girish Gangal	0.21	-
- Mr. Rahul Rao	-	0.10
- Mr. Nitesh Kumar Jha	0.05	0.04
	0.68	0.60
- Other related parties		
- Mrs. Shalaka Gulabchand Dhawan	0.11	0.11
	0.79	0.71

*Represents amount less than ₹1 lakh.

Notes:

- (i) The above figure does not include provisional gratuity liability valued by an actuary, as separate figures are not available.
- (ii) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 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, 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.

The Company's total debt obligation with floating interest rate as on March 31, 2025 is ₹52.87 crore (March 31, 2024; ₹63.38 crore)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

	As at March 31, 2025	As at March 31, 2024
Increase in basis points	100 basis points	100 basis points
Effect on profit/ (loss) before tax, increase by	(0.53)	(0.63)
Decrease in basis points	100 basis points	100 basis points
Effect on profit/ (loss) before tax, decrease by	0.53	0.63

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 March 31, 2025

(currency in crore)

Particulars	USD	EUR	SEK	CHF	Others
Assets					
Inter corporate deposits and interest thereon	4.14	-	-	-	-
Advance to suppliers	0.00*	0.01	-	0.01	0.02
Bank balances (including deposit account)	0.00*	0.00*	-	-	-
Trade receivables	0.00*	0.12	-	-	-
	4.14	0.13	-	0.01	0.02
Liabilities					
Borrowings	0.91	-	-	-	-
Advance from contractee	-	0.62	-	-	-
Interest accrued and due	0.43	-	-	-	-
Trade payables	0.04	0.14	0.11	0.01	0.00*
	1.38	0.76	0.11	0.01	0.00
Net assets/ (liabilities)	2.76	(0.62)	(0.11)	(0.00)	0.02

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES ...Contd.

As at March 31, 2024	(currency in crore)				
Particulars	USD	EUR	SEK	CHF	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	-

* represents amount less than ₹1 lakh.

Sensitivity analysis

A reasonably possible change in foreign exchange rates by 5% (March 31, 2023 : 5%) would have increased/ (decreased) total 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 March 31, 2025	Year ended March 31, 2024
Increase in basis points	500 basis points	500 basis points
Effect on profit/ (loss) before tax, increase by	8.77	7.63
Decrease in basis points	500 basis points	500 basis points
Effect on profit/ (loss) before tax, decrease by	(8.77)	(7.63)

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:

- unlisted equity securities at fair value through other comprehensive income is ₹25.47 crore (March 31, 2024: ₹33.38 crore).
- unlisted equity in subsidiaries at cost of ₹1,588.65 crore (March 31, 2024: ₹1,594.15 crore).

Exposure to listed equity securities at fair value:

As at March 31, 2025, the exposure to listed equity securities at fair value is ₹5.60 crore (March 31, 2024: ₹4.53 crore). A movement (decrease /increase) of 10% in the value of listed securities could have an impact of approximately ₹0.56 crore (March 31, 2024: ₹0.45 crore) on the Other Comprehensive Income.

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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES ...Contd.

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 March 31, 2025		As at March 31, 2024	
	Amount	%	Amount	%
Trade receivables				
- from Government promoted agencies	2,639.02	86.15%	2,138.73	83.74%
- from private third parties	424.13	13.85%	415.37	16.26%
Total trade receivables (Refer note 6)	3,063.15	100.00%	2,554.10	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 March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	46.38	27.72
Impairment allowance created during the year (Refer note 28)	4.54	18.66
Balance at the end of the year	50.92	46.38

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.

The following table gives details in respect of contract revenues generated within and outside India for the year ended:

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from external customers:		
India	4,771.98	4,905.98
Outside India	29.07	136.80
Total revenue from operations	4,801.05	5,042.78

Details of contract revenues generated from the top customer and top 5 customers :

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from top customer	1,444.25	1,020.14
Revenue from top five customers	2,765.82	2,814.83

For the year ended March 31, 2025, one (March 31, 2024: two) customers, individually, accounted for more than 10% of the revenue.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES ...Contd.

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 March 31, 2025				
Borrowings (including interest accrued but not due)	966.53	1,936.85	343.07	3,246.45
Trade payables	1,668.54	392.87	-	2,061.41
Other financial liabilities	419.89	-	-	419.89
Total	3,054.96	2,329.72	343.07	5,727.75
As at March 31, 2024				
Borrowings (including interest accrued but not due)	496.99	2,351.50	555.82	3,404.31
Trade payables	1,395.98	347.51	52.78	1,796.27
Other financial liabilities	409.89	-	-	409.89
Total	2,302.86	2,699.01	608.60	5,610.47

Includes loans repayable on demand.

NOTE 39 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 March 31, 2025	As at March 31, 2024
Total debt (Refer note 39.1)	1,505.74	1,736.22
Less : cash and cash equivalents	(545.47)	(233.92)
Net debt	960.27	1,502.30
Total equity excluding capital reserve	1,900.85	905.89
Total debt to equity ratio (Gearing ratio)	0.51	1.66

Note 39.1 Excludes interest accrued ₹1716.38 crore (March 31, 2024: ₹1,641.66 crore) on total debt of the Company.

Note 39.2 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 40 LEASES - IND AS 116

a) Right-of-use Assets:

The net carrying value of right-of-use assets as at March 31, 2025 amounts to Nil (March 31, 2024:Nil). (Refer Note 3B).

b) Lease liabilities:

- (i) As at March 31, 2025, the obligations under finance leases amounts to Nil (March 31, 2024:Nil), which have been disclosed as lease liabilities on the face of the balance sheet.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 40 LEASES - IND AS 116...Contd.

(ii) Movement in lease liabilities:

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	-	0.41
Additions during the year	-	-
Finance cost accrued during the year	-	0.62
Payment of lease liabilities	-	(1.03)
Balance at the end of the year	-	-

(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
March 31, 2025	-	-	-	-	-
March 31, 2024	-	-	-	-	-

c) The Company recognised the following in the statement of profit and loss:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation expense from right-of-use assets	-	0.37
Finance cost on lease liabilities	-	0.62
Rent expense pertaining to leases of low-value assets	-	-
Rent expense pertaining to leases with less than twelve months of lease term (Refer note 28)	60.34	81.33

d) Cash outflow in respect of lease liabilities for the year ended March 31, 2025 amounts to Nil (March 31, 2024: ₹0.41 crore).

NOTE 41 DISCLOSURE OF RATIOS:

Particulars	Formula for computation	Unit of Measurement	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024
(a) Current Ratio	Current assets/ Current liabilities	Times	1.31	1.11
(b) Debt Equity ratio	Debt/ Equity	Times	0.79	1.92
(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	1.08	1.02
(d) Return on Equity Ratio	Profit/ (lost) after tax/ Average Net worth	Percentage	6.05%	22.16%
(e) Inventory Turnover Ratio	Cost of goods sold/ Average inventory	Times	24.68	24.18
(f) Trade Receivables Turnover Ratio	Revenue from operations/ Average trade receivables	Times	1.74	1.95
(g) Trade payables Turnover Ratio	Net purchases/ Average Trade Payables	Times	1.62	1.96
(h) Net Working Capital Turnover Ratio	Revenue from operations/ Average Working capital	Times	5.22	9.87
(i) Net Profit Ratio	Profit/ (loss) after tax/ Revenue from operations	Percentage	1.77%	3.54%

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 41 DISCLOSURE OF RATIOS...Contd.

Particulars	Formula for computation	Unit of Measurement	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024
(j) Return on Capital Employed (ROCE)	EBITE/ Capital employed	Percentage	24.53%	22.11 %
(k) Return on Investment (ROI)	Interest income + Dividend income + Gain on fair value of current investment at Fair Value through Profit & Loss + Gain on Sale of Investment in Subsidiary/Average (Investment + Fixed deposit+ Loans Given)	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
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	18.35%	Refer note below
(b) Debt Equity ratio	-58.67%	Owing to reduction in debt and increase in net worth on account of profit for the year and capital raised during the year.
(c) Debt Service Coverage Ratio	5.73%	Refer note below
(d) Return on Equity Ratio	-72.69%	Owing to increase in net worth on account of capital raised during the year and decrease of net profit after tax due to adoption of new tax regime
(e) Inventory Turnover Ratio	2.08%	Refer note below
(f) Trade Receivables Turnover Ratio	-10.61%	Refer note below
(g) Trade payables Turnover Ratio	-17.21%	Refer note below
(h) Net Working Capital Turnover Ratio	-47.09%	Owing to reduction in turnover and increase in net working capital
(i) Net Profit Ratio	-50.05%	Owing to reduction in net profit for the year due to the resultant impact of the adoption of new tax regime
(j) Return on Capital Employed (ROCE)	-10.96%	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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 42 DISCLOSURES REQUIRED PURSUANT TO IND AS 102 SHARE BASED PAYMENT

The Company has granted stock options under the HCC Employees Stock Option Scheme ('ESOS'). 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 ESOS are summarised below:

Note 42.1 The number and weighted average exercise prices of, and movements in, share option:

Particulars	No. of Options	Exercise Price (₹)
Options outstanding as at April 1, 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 March 31, 2024	371,748	13.45
Options outstanding as at April 1, 2024	371,748	13.45
Options granted during the year	-	-
Options forfeited/ lapsed/ expired during the year	-	-
Options exercised during the year (Refer note 15.10)	185,874	13.45
Options outstanding as at March 31, 2025	185,874	13.45

The weighted average of the remaining contractual life is 0.96 years.

Note 42.2 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	March 16, 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
Weighted average option fair value at grant date	₹	8.31

Note 42.3 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.

NOTE 43 OTHER STATUTORY INFORMATION

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company & its joint operations for holding any Benami property.
- The Company does not have any transactions with struck off companies.
- The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 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:
 - 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
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 43 OTHER STATUTORY INFORMATION ...Contd.

- 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 44: 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 during the previous year ended March 31, 2024 :

Sr. No.	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 beneficiaries)
1	March 28, 2024	3.79	Steiner India Limited (a step-down subsidiary of the Company upto December 20, 2024) Address : Hincon House, LBS Marg, Vikhroli West, Mumbai- 400 083 CIN: U45203MH2011FLC221029	March 28, 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	March 28, 2024	21.40	Steiner India Limited (a step-down subsidiary of the Company upto December 20, 2024) Address : Hincon House, LBS Marg, Vikhroli West, Mumbai- 400 083 CIN: U45203MH2011FLC221029	March 28, 2024	21.40	HCC Mauritius Investments Limited (subsidiary) Address : Suite 308, St James Court, St Denis Street, Port Louis, Republic of Mauritius UIN: BYWAZ20131046

Note 44.1 The Company has complied 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).

Note 45 The Company is principally engaged in a single business segment viz. "Engineering and Construction". Also, refer note 38 (ii) b for information on revenue from major customers.

Note 46 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.

This is a summary of material accounting policies and other explanatory information referred to in our audit report of even date

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership No.: 111383
Place: Mumbai
Date : May 8, 2025

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	Chairman
Arjun Dhawan	DIN : 01778379	Executive Vice Chairman
Mahendra Singh Mehta	DIN : 00019566	Audit Committee Chairman
Jaspreet Bhullar	DIN : 03644691	MD & CEO
Girish Gangal		Chief Financial Officer
Nitesh Jha	FCS No. 8436	Company Secretary

Place: Mumbai
Date : May 8, 2025

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 March 31, 2025

[See Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016]

₹ in crore, except earnings per share

I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/ total income	4,899.08	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	2	Total expenditure	4,439.08	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	3	Exceptional items	-	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	4	Net profit for the year after tax	84.92	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	5	Earnings per share ₹	0.49	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	6	Total assets	8,743.37	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	7	Total liabilities	6,827.33	Not ascertainable [Refer notes II (a) (i) to (ii) below]
	8	Net worth	1,916.04	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:	<p>(i) Note 8 to the accompanying Statement, the Company's investments in subsidiaries as at March 31, 2025 includes investment in HCC Infrastructure Company Limited ('HICL'), its wholly owned subsidiary, amounting to ₹1294.33 crore, stated at cost. The subsidiary's consolidated net-worth as at March 31, 2025 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.</p> <p>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.</p> <p>(ii) Note 9 to the accompanying Statement, the Company has recognised net deferred tax assets amounting to ₹204.90 crore as at March 31, 2025, which mainly includes deferred tax assets on carried forward unused tax losses and other taxable temporary differences on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. However, we are unable to obtain sufficient appropriate audit evidence with respect to the projections for future taxable profits prepared by the management and therefore, are unable to comment on any adjustments that may be required to the carrying value of aforesaid net deferred tax assets as at March 31, 2025.</p>		
b.	Type of Audit Qualification:	Qualified Opinion		
c.	Frequency of Qualification:	<p>Qualification II (a) (i)- Appearing in continuation since the quarter/period ended December 31, 2021;</p> <p>Qualification II (a) (ii)- Appearing in continuation since the quarter and year ended March 31, 2020;</p>		

- 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:	<p>II (a) (i) As at March 31, 2025, the Company has investment (including deemed investments) in its wholly owned subsidiary, HCC Infrastructure Company Limited ('HICL') amounting to ₹1,294.33 crore (March 31, 2024: ₹1,294.45 crore). While the consolidated net worth of HICL as at March 31, 2025 has been substantially eroded, the management has assessed the fair value of HICL based on a valuation report from an independent valuation expert at year ended March 31, 2025. The valuation includes significant judgements and estimates in respect of future business plans, outcome of litigations for favourable arbitration awards and expected share of future revenues of erstwhile subsidiaries. Accordingly, based on aforementioned valuation report, 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.</p> <p>II (a) (ii) As at March 31, 2025, the Company has net deferred tax assets amounting to ₹204.90 crore (March 31, 2024: ₹613.09 crore), which mainly represents deferred tax assets on carried forward unused tax losses and other taxable temporary differences. The Company is confident of generating sufficient taxable profits from the unexecuted orders on hand/future projects and expected realisation of claims/arbitration awards against which such deferred tax assets can be utilised and therefore considered good and recoverable. Statutory auditors' report is modified in respect of this matter.</p>
iii) Auditors' comments on (i) or (ii) above	Included in details of auditor's qualifications stated above

III. Signatories:

For **Mukund M. Chitale & Co**
Chartered Accountants
(Firm Registration No. 106655W)

S. M. Chitale
Partner
Membership No.: 111383

Date: May 8, 2025
Place: Mumbai

For **Hindustan Construction Company Limited**

Jaspreet Bhullar
MD & CEO
DIN : 03644691

Mahendra Singh Mehta
Audit Committee Chairman
DIN : 00019566

Girish Gangal
Chief Financial Officer

Date: May 8, 2025
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindustan Construction Company Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified Opinion

1. We have audited the accompanying Consolidated Ind AS 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 venture, as listed in **Annexure I**, which comprise the Consolidated Balance Sheet as at March 31, 2025, 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 Ind AS 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 Ind AS 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 March 31, 2025, 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. As per Note 10.6 to the accompanying Consolidated Ind AS Financial Statements, the Holding Company has recognised net deferred tax assets amounting to ₹204.90 crore as at March 31, 2025, 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 March 31, 2025.

Audit report of the erstwhile Statutory auditor dated May 24, 2024 on the Consolidated Ind AS Financial Statements of the Group for the year ended March 31, 2024 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 Ind AS 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 Ind AS 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. We draw attention to Note 36 to the accompanying Consolidated Ind AS Financial Statements regarding the position relating to recoverability of unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables amounting to ₹308.59 crore, ₹214.27 crore and ₹57.52 crore, respectively, as at March 31, 2025, which represent receivables in respect of closed/ substantially closed/ suspended projects. The Holding Company is at various stages of negotiation/ discussion with the clients or under arbitration/ litigation in respect of the aforementioned receivables. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the management is confident of recovery of these receivables.

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 Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS 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
<p>Recognition of contract revenue, margin and contract costs (Refer note 25 to the Consolidated Ind AS Financial Statements)</p>	
<p>The Group'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.</p>	<p>Our audit procedures and those performed by the component auditors to address this key audit matter included, but were not limited to the following:</p>
<p>The Group recognizes contract revenue on the basis of stage of completion determined based on the proportion of contract costs incurred till balance sheet date, relative 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 Group. The respective management of the Group are also required to exercise judgement to assess the completeness and accuracy of forecasted costs to complete.</p>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> - 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; - 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 Ind AS Financial Statements in accordance with the applicable accounting standards.

Information other than the Consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

9. The accompanying Consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements by the Board of Directors of the Holding Company, as aforesaid.

10. In preparing the Consolidated Ind AS 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 Ind AS Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Ind AS 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 Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the consolidated Ind AS financial statements of the entities or business activities within the Group, and its associates and joint ventures, to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of consolidated Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS 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 consolidated Ind AS 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-two (22) subsidiaries, whose financial statements reflect total assets of ₹2074.69 crore as at March 31, 2025, total revenues of ₹980.85 crore, total net loss after tax of ₹32.96 crore, total comprehensive income of ₹24.53 crore and net cash outflows (net) amounting to ₹131.56 crore for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of net loss (including other comprehensive income) of ₹159.76 crore for the year ended March 31, 2025, as considered in the Consolidated Ind AS 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 Ind AS 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 Ind AS 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 nine (9) joint operations, whose financial statements reflects Group's share of total assets of ₹146.24 crore as at March 31, 2025, and the Group's share of total revenues of ₹322.10 crore, total net profit after tax of ₹4.04 crore, total comprehensive income of ₹4.04 crore and cash flows (net) of ₹14.64 crore respectively for the year ended on that date, as considered in the Consolidated Ind AS 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 Ind AS 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 four (4) 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. 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.

Our opinion above on the Consolidated Ind AS 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 and converted Financial Statements certified by Board of Directors of Holding Company.

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 fifteen (15) subsidiary companies, one (1) joint venture company and one (1) Associate 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, Joint venture and associate.

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 Ind AS Financial Statements for the year ended March 31, 2025 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 Ind AS Financial Statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS 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(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- c) The Consolidated Ind AS 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 Ind AS 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 Ind AS 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, and paragraph 5 of the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning 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 March 31, 2025 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 Ind AS 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(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 Consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements;
 - ii. Provision has been made in these Consolidated Ind AS 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 Ind AS 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 March 31, 2025 except for the cases mentioned in the note 21.1 to the consolidated Ind AS financial statements.
 - 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, 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, 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 March 31, 2025.
 - vi. 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 April 1, 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, for the period from April 1, 2024 to May 2, 2024, used for maintenance of all records by the Holding Company and eleven (11) subsidiaries and one (1) joint venture and one (1) associate.

Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, which came into effect from April 1, 2024, and in accordance with the requirements of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, we report that, based on our audit procedures and the information and explanations provided to us, and based on the respective auditors reports of subsidiaries, associates and joint ventures, the Company and it's group has duly maintained and preserved the audit trail, as per the applicable statutory requirements for record retention except for audit trail for database level where log any direct data changes for the period from April 1, 2024 to May 2, 2024 is not available with the Holding Company and eleven (11) subsidiaries, one (1) joint venture and one (1) associate.

For **Mukund M Chitale & Co**
Chartered Accountants
Firm Registration No: 106655W

S.M Chitale
Partner
Membership No.: 111383
UDIN: 25111383BMKWQP6148

Place: Mumbai
Date: May 8, 2025

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

List of Entities included in the Consolidated Ind AS Financial Statements

Reporting Entity			
Hindustan Construction Company Limited			
Sr. No.	Subsidiaries	Sr. No.	Step Down Subsidiaries
1	HCC Contract Solutions Limited	17	Steiner Eagle AG (Step down subsidiary of HMEL from December 20, 2024)
2	Panchkutir Developers Limited	18	Manufakt8048 AG (Step down subsidiary of Steiner AG up to December 20, 2024)
3	HCC Mauritius Enterprises Limited (HMEL)	19	Steiner Promotions et Participations SA (Step down subsidiary of Steiner AG up to December 20, 2024)
4	Highbar Technologies Limited (HBTL)	20	Steiner Projekte AG (Step down subsidiary of Steiner AG up to December 20, 2024)
5	HCC Infrastructure Company Limited (HICL)	21	Steiner India Limited (Step down subsidiary of Steiner AG up to December 20, 2024)
6	HCC Mauritius Investment Limited (HMIL)	22	Steiner (Deutschland) GmbH (Step down subsidiary of Steiner AG up to December 20, 2024)
7	HRL Township Developers Limited	23	VM + ST AG (Step down subsidiary of Steiner AG up to December 20, 2024)
8	Maan Township Developers Limited	24	Steiner Leman SAS (Step down subsidiary of Steiner AG upto May 17, 2023)
9	HRL (Thane) Real Estate Limited	25	Narmada Bridge Tollways Limited (Step down subsidiary of HICL)
10	Steiner AG (upto December 20, 2024)	26	Badarpur Faridabad Tollways Limited (Step down subsidiary of HICL)
11	HCC Aviation Limited (upto March 31, 2024)	27	HCC Operation and Maintenance Limited (Step down subsidiary of HICL)
12	Nashik Township Developers Limited (upto March 31, 2024)	28	Raiganj-Dalkhola Highways Limited (Step down subsidiary of HICL upto February 14, 2025)
13	Powai Real Estate Developer Limited (upto March 31, 2024)		
14	Steiner Construction SA (upto January 18, 2024)		
15	Western Securities Limited (upto August 14, 2024)		
16	HREL Real Estate Limited (upto March 31, 2024)		
Sr. No.	Associates		
29	Highbar Technocrat Limited (Associate of HBTL)	32	Evostate Immobilien AG (Associate of Steiner AG up to December 20, 2024)
30	Evostate AG (Associate of Steiner AG up to December 20, 2024)	33	MCR Managing Corp. Real Estate (Associate of Steiner AG up to December 20, 2024)
31	Hegias AG, Zurich (Associate of Steiner AG up to December 20, 2024)		
Sr. No.	Joint Venture		
34	Prolific Resolution Private Limited (w.e.f. September 30, 2023)		
Sr. No.	Joint Operations		
35	Kumagai- Skanska- HCC- Itochu Group	40	HCC Samsung Joint Venture CC 34
36	HCC- L&T Purulia Joint Venture	41	HCC- VCCL Joint Venture
37	Alpine- Samsung- HCC Joint Venture	42	HCC- HDC Joint Venture
38	Nathpa Jhakri Joint Venture	43	Werkarena Basel AG (up to December 20, 2024)
39	Alpine- HCC Joint Venture		

For **Mukund M Chitale & Co**
Chartered Accountants
Firm Registration No: 106655W

S.M Chitale
Partner

Membership No.: 111383
UDIN: 25111383BMKWQP6148

Place: Mumbai
Date: May 8, 2025

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 21 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 Ind AS Financial Statements for the year ended March 31, 2025 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	Clause number of the CARO report which is qualified or adverse
1	Hindustan Construction Company Limited	L45200MH1926PLC001228	Holding Company	(vii)(b)
2	HRL (Thane) Real Estate Limited	U45201MH2006PLC163515	Subsidiary	(i)(c)
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), (vii)(b)
8	Badarpur Faridabad Tollway Limited	U45203MH2008PLC184750	Subsidiary	(xix)
9	HCC Operations & Maintenance Limited	U93030MH2012PLC237676	Subsidiary	(vii)(b)

For **Mukund M Chitale & Co**
Chartered Accountants
Firm Registration No: 106655W

S.M Chitale
Partner
Membership No.: 111383
UDIN: 25111383BMKWQP6148

Place: Mumbai
Date: May 8, 2025

ANNEXURE III TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HINDUSTAN CONSTRUCTION COMPANY LIMITED ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Independent Auditor's Report on the internal financial controls with reference to consolidated Ind AS 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 Ind AS 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 March 31, 2025, we have audited the internal financial controls with reference to consolidated Ind AS 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, Joint venture 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 Delete Highlighted insert as mentioned consolidated Ind AS 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 Consolidated Ind AS Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 Consolidated Ind AS Financial Statements

6. A company's internal financial controls with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external

purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Ind AS Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidation Ind AS 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 consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS financial statements as at March 31, 2025:
 - a) The Holding Company's internal financial controls system with respect to assessing the recoverability of deferred tax assets, as explained in Note 10.6 to

the Consolidated Ind AS 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 Ind AS Financial Statements

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS financial statements of 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 consolidated Ind AS financial statements and such controls were operating effectively as at March 31, 2025, 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 consolidated Ind AS financial statements were operating effectively as at March 31, 2025.
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 Ind AS Financial Statements of the Group and its associate company, which are companies covered under the Act, as at and for the year ended March 31, 2025, and these material weaknesses have affected our opinion on the Consolidated Ind AS Financial Statements of the Group, its Joint ventures and its associate companies and we have issued a qualified opinion on the Consolidated Ind AS Financial Statements.

Other Matter

12. We did not audit the internal financial controls with reference to consolidated Ind AS financial statements in so far as it relates to eleven (11) subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹858.29 crore, total revenues of ₹190.78 crore and net cash outflows amounting to ₹66.53 crore for the year ended on that date, one (1) joint venture company whose financial statements reflect total loss ₹142.83 crore and one (1) associate company whose financial statements reflect total profit ₹9.32 crore as considered in the Consolidated Ind AS Financial Statements. The internal financial controls with reference to consolidated Ind AS financial statements in so far as it relates to such subsidiary companies, joint venture and associate 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 consolidated Ind AS 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 **Mukund M Chitale & Co**
Chartered Accountants
Firm Registration No: 106655W

S.M Chitale
Partner
Membership No.: 111383
UDIN: 25111383BMKWQP6148

Place: Mumbai
Date: May 8, 2025

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3A	185.57	284.07
Right-of-use assets	3B	-	93.62
Capital work-in-progress	3C	6.63	0.84
Investment property	4	0.23	3.45
Goodwill	5	-	3.38
Other intangible assets	5	56.26	64.09
Financial assets			
Investments in joint ventures and associates	6	31.55	206.82
Other Investments	6A	35.25	38.56
Trade receivables	7	688.79	703.15
Loans	8	79.09	36.78
Other financial assets	9	811.82	10.05
Deferred tax assets (net)	10	207.51	623.43
Non-current tax assets (net)	10	94.85	43.48
Other non-current assets	11	53.23	118.82
Total non-current assets		2,250.78	2,230.54
Current assets			
Inventories	12	128.00	436.31
Financial assets			
Investments	13	43.56	0.15
Trade receivables	7	2,388.15	2,204.17
Cash and cash equivalents	14	569.48	398.73
Bank balances other than cash and cash equivalents	15	138.94	114.39
Other financial assets	9	14.65	59.76
Unbilled work-in-progress (contract assets)	16	2,322.69	3,414.29
Other current assets	11	221.43	201.04
		5,826.90	6,828.84
Assets held for sale	17	10.65	-
Total current assets		5,837.55	6,828.84
TOTAL ASSETS		8,088.33	9,059.38
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	181.94	151.31
Other equity	19	723.76	(319.79)
Equity attributable to owners of the parent		905.70	(168.48)
Non-controlling interest		-	0.00*
Total equity		905.70	(168.48)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	1,044.76	1,671.52
Lease liabilities	39	-	96.89
Other financial liabilities	21	1,265.53	1,470.55
Provisions	22	42.67	95.35
Total non-current liabilities		2,352.96	3,334.31
Current liabilities			
Financial liabilities			
Borrowings	20	634.35	436.95
Lease liabilities	39	-	17.18
Trade payables	23		
- Total outstanding dues of micro enterprises and small enterprises		125.67	90.38
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,966.76	2,383.11
Other financial liabilities	21	1,028.20	1,016.48
Other current liabilities	24	1,027.14	1,651.17
Current tax liabilities	10	28.14	0.21
Provisions	22	19.41	298.07
Total Current liabilities		4,829.67	5,893.55
TOTAL EQUITY AND LIABILITIES		8,088.33	9,059.38

* 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 **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	Chairman
Arjun Dhawan	DIN : 01778379	Executive Vice Chairman
Mahendra Singh Mehta	DIN : 00019566	Audit Committee Chairman
Jaspreet Bhullar	DIN : 03644691	MD & CEO
Girish Gangal		Chief Financial Officer
Nitesh Jha	FCS No. 8436	Company Secretary

S. M. Chitale
Partner
Membership No.: 111383

Place: Mumbai
Date : May 8, 2025

Place: Mumbai
Date : May 8, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	25	5,603.37	7,006.78
Other income	26	123.20	132.97
Total income		5,726.57	7,139.75
Expenses			
Cost of materials consumed	27	564.22	862.05
Subcontracting expenses		2,856.97	4,261.65
Changes in inventories	28	337.04	10.16
Employee benefits expense	29	492.84	642.46
Finance costs	30	599.70	813.27
Depreciation and amortisation expense	31	163.98	105.10
Other expenses	32	558.55	559.57
Total expenses		5,573.30	7,254.26
Profit/ (loss) before share in profit of associates/ joint ventures, exceptional items and tax		153.27	(114.51)
Share in profit/ (loss) of associates/ joint ventures (net)		(159.76)	41.39
Profit/ (loss) before exceptional items and tax		(6.49)	(73.12)
Exceptional items- Gain	33	529.65	850.75
Profit/ (loss) before tax		523.16	777.63
Tax expense/ (credit)	10		
Current tax/ (credit)		(13.89)	89.64
Deferred tax charge/ (credit)		424.42	158.57
Total tax expense/ (credit)		410.53	248.21
Profit/ (loss) for the year from continuing operations (A)		112.63	529.42
Discontinued Operations			
Profit/ (loss) before tax from discontinued operations	38.2	-	(51.26)
Tax expense of discontinued operations		-	-
Profit/ (loss) after tax from discontinued operations (B)		-	(51.26)
Net profit/ (loss) from total operation (A) + (B)		112.63	478.16
Other comprehensive income/ (loss)			
(a) Items that will not be reclassified to statement of profit or loss			
- Gain/ (loss) on remeasurement of defined benefit plans		(1.79)	49.97
- Gain on fair value of equity instruments		(6.85)	19.46
Income tax relating to items that will not be reclassified to profit or loss		1.39	(0.04)
(b) Items that will be reclassified to statement of profit or loss (net of tax)			
- Translation loss relating to foreign operations		58.41	(1.85)
Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income/ (loss) for the year, net of tax (C)		51.16	67.54
Total comprehensive income/ (loss) for the year, net of tax (A+B+C)		163.79	545.70
Profit/ (loss) for the year attributable to:			
Owners of the parent		112.63	478.16
Non-controlling interest		-	(0.00)*
Other comprehensive income/ (loss) attributable to:			
Owners of the parent		51.16	67.54
Non-controlling interest		-	(0.00)*
Total comprehensive income/ (loss) attributable to:			
Owners of the parent		163.79	545.70
Non-controlling interest		-	(0.00)*
Earnings / (Loss) per share (Face value of ₹1 each) - for continuing operations			
a) Basic EPS (in ₹)	34	0.66	3.35
b) Diluted EPS (in ₹)		0.66	3.34
Earnings / (Loss) per share (Face value of ₹1 each) - for discontinued operations			
a) Basic EPS (in ₹)	34	-	(0.32)
b) Diluted EPS (in ₹)		-	(0.32)
Earnings/ (Loss) per share (Face value of ₹1 each) - for total operations			
a) Basic EPS (in ₹)	34	0.66	3.03
b) Diluted EPS (in ₹)		0.66	3.02

* 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 **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	Chairman
Arjun Dhawan	DIN : 01778379	Executive Vice Chairman
Mahendra Singh Mehta	DIN : 00019566	Audit Committee Chairman
Jaspreet Bhullar	DIN : 03644691	MD & CEO
Girish Gangal		Chief Financial Officer
Nitesh Jha	FCS No. 8436	Company Secretary

S. M. Chitale
Partner
Membership No.: 111383

Place: Mumbai
Date : May 8, 2025

Place: Mumbai
Date : May 8, 2025

CONSOLIDATION STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) before tax including discontinued operations	523.16	726.37
Adjustments for :		
Depreciation and amortisation expense	163.98	105.10
Finance costs	599.70	813.27
Interest income	(44.34)	(31.10)
Fair valuation gain on subsequent measurement of financial assets	-	(275.80)
Profit on sale of non current investment	(7.97)	-
Gain on sale of land	-	(87.93)
Gain on settlement of debt	-	(55.75)
Gain on derecognition of financial liability	(312.75)	-
Gain on deconsolidation of erstwhile subsidiaries	(216.90)	(762.82)
Share in profit of associates and joint ventures (net)	159.76	(41.39)
Dividend income	-	(0.07)
Unrealised exchange gain on foreign currency translation (net)	(18.15)	(23.13)
Profit on disposal of property, plant and equipment (net)	(3.59)	(6.06)
Employee stock option expenses	0.08	0.20
Loss allowance on financial assets	4.54	19.33
Provision no longer required written back	(23.00)	(64.94)
	301.36	(411.09)
Operating profit before working capital changes	824.52	315.28
Adjustments for changes in working capital:		
(Increase)/ decrease in inventories	307.38	54.21
(Increase)/ decrease in trade receivables	(262.26)	425.74
(Increase)/ decrease in other financial assets, other assets and unbilled work-in-progress	(972.27)	(746.15)
Increase/ (decrease) in trade payables, other financial liabilities, other liabilities and provisions	241.47	80.50
Cash generated from operations	138.84	129.58
Direct taxes paid (net of refund)	(5.23)	(38.90)
Net cash generated from/(used in) operating activities	133.61	90.68
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (Refer note 2 below)	(17.85)	(18.63)
Proceeds from disposal of property, plant and equipment	24.00	98.61
Proceeds from sale of investments	(58.72)	0.26
Investments in associates	15.51	-
Net proceeds from bank deposits	(24.79)	457.19
Interest received	15.40	14.93
Proceeds from sale of erstwhile subsidiaries	11.00	272.42
Dividend received	-	0.07
Net cash generated from/ (used in) investing activities	(35.45)	824.85

CONSOLIDATION STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long-term borrowings	(208.86)	(284.69)
Proceeds/ (Repayment) of short-term borrowings (net)	(111.82)	(45.32)
Proceeds from issue of equity shares, net of expenses (Refer note 18.6, 18.7 and 18.8)	905.90	-
Repayment of lease liabilities	(27.93)	(33.05)
Proceeds from issue of equity shares by erstwhile subsidiary	-	15.25
Finance costs paid	(447.84)	(462.03)
Net cash generated from/ (used in) financing activities	109.45	(809.84)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	207.61	105.69
Cash and cash equivalents at the beginning of the year	398.73	581.91
Impact of deconsolidation of erstwhile subsidiaries	(36.31)	(313.96)
Unrealised foreign exchange gain/ (loss) (net)	(0.55)	25.09
Cash and cash equivalents at the end of the year (Refer note 14)	569.48	398.73

Notes:

- 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.
- 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 **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership No.: 111383
Place: Mumbai
Date : May 8, 2025

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	Chairman
Arjun Dhawan	DIN : 01778379	Executive Vice Chairman
Mahendra Singh Mehta	DIN : 00019566	Audit Committee Chairman
Jaspreet Bhullar	DIN : 03644691	MD & CEO
Girish Gangal		Chief Financial Officer
Nitesh Jha	FCS No. 8436	Company Secretary

Place: Mumbai
Date : May 8, 2025

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(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 April 1, 2023	1,512,976,244	151.31
Issued during the year	-	-
As at March 31, 2024	1,512,976,244	151.31
Adjustment for shares held by a erstwhile subsidiary in the Holding Company (Refer note 18)	52,000	0.00*
Issued during the year (Refer note 18.6, 18.7 and 18.8)	306,354,981	30.64
As at March 31, 2025	1,819,383,225	181.94

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	Debt redemption reserve	General reserve	Retained earnings	Equity instruments at fair value through other comprehensive income	Translation loss relating to foreign operation (net)			
As at April 1, 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 income/(loss) for the year	-	-	-	-	-	-	49.93	19.46	(1.85)	-	675.4	
Share based payment expense	-	-	-	0.20	-	-	-	-	-	-	0.20	
As at March 31, 2024	39.70	0.02	2,650.87	0.20	54.99	180.24	(3,292.41)	8.45	38.15	0.00*	(319.79)	
Profit for the year	-	-	-	-	-	-	112.63	-	-	-	112.63	
Issue of equity shares (net of share issue expenses and taxes) (Refer note 18.6, 18.7 and 18.8)	-	-	886.43	-	-	-	-	-	-	-	886.43	
Impact of Deconsolidation of subsidiary (Refer note 45.1.4)	-	-	(82.11)	-	-	-	82.11	-	(6.75)	-	(6.75)	
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	-	-	(1.38)	(5.87)	58.41	-	51.16	
Transfer of debentures redemption reserve to general reserve	-	-	-	-	(54.99)	54.99	-	-	-	-	-	
Transferred on account of exercise of stock option	-	-	0.14	(0.14)	-	-	-	-	-	-	-	
Share based payment expense	-	-	-	0.08	-	-	-	-	-	-	0.08	
As at March 31, 2025	39.70	0.02	3,455.33	0.14	-	235.23	(3,099.05)	2.58	89.81	-	723.76	

* 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 **Mukund M. Chitale & Co.**

Chartered Accountants

Firm's Registration No. 106655W

For and on behalf of the Board of Directors

Ajit Gulabchand

DIN : 00010827

Chairman

Arjun Dhawan

DIN : 01778379

Executive Vice Chairman

Mahendra Singh Mehta

DIN : 00019566

Audit Committee Chairman

Jaspreet Bhullar

DIN : 03644691

MD & CEO

Girish Gungal

FCS No. 8436

Chief Financial Officer

Nitesh Jha

Company Secretary

S. M. Chitale

Partner

Membership No.: 111383

Place: Mumbai

Date : May 8, 2025

Place: Mumbai

Date : May 8, 2025

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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 comprise 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 March 31, 2025 were authorised for issue in accordance with resolution of the Board of Directors on May 8, 2025.

NOTE 2 MATERIAL ACCOUNTING POLICY INFORMATION

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, 2015 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 ₹, which is also the Group'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.

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.

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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

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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) Contract estimates

Refer note 2(xxiii) below

b) 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.

e) 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.

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f) 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

vii) Property, plant and equipment (PPE)

PPE 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 PPE 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 in the same period.

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.

Gains and losses on disposals of PPE are determined by comparing proceeds with carrying amount. These are accounted in the Statement of Profit and Loss under head 'Other income' and 'Other expenses'.

viii) Capital work-in-progress

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for

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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 recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of that assets can be measured

reliably. Intangible assets are stated at original cost (net of tax/duty credit availed), if any, including borrowing cost capitalised for qualifying assets and reduced by accumulated amortisation and cumulative impairment, if any.

Intangible assets mainly comprise of license fees and implementation cost for software and other application software acquired/developed for in-house use.

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 PPE 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 to/deduction from, own assets is calculated pro-rata basis to the period of use.

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

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provisions of the instrument. All financial assets and financial liabilities are recognized at fair value on initial measurement, 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 adjusted into 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 its 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.

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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 term 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

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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 the Group 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 the Group 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).

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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 (CODM). The CODM is the Chief Executive Officer of the Group, who assesses the financial performance and position of the Group and makes strategic decisions. The CODM reviews revenue and gross profit as the performance indicators and does not review the total assets and liabilities for each reportable segment. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Group's consolidated financial

statements. 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'. 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.

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) 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

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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expect to receive in exchange for those products or services. The Group derives revenues primarily from providing engineering and construction services.

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.

For performance obligations in which control is not transferred over time, control is transferred as at a point in time.

For performance obligation satisfied over time, the revenue is recognised using input method by measuring the progress towards complete satisfaction of performance obligation.

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

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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) Tax expenses

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 Holding Company has adopted new tax regime during the year ended March 31, 2025.

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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 and the deferred tax relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss, (either in other comprehensive income (OCI) or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

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 is 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 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. Lease liability is subsequently measured by increasing the carrying amount to reflect interest, reducing the carrying amount to reflect lease payments made and remeasuring the carrying amount to reflect any reassessment of lease modification.

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

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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 only 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

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.

Note 2.2 Recent accounting pronouncements

There are no standards of accounting or any addendum thereto, prescribed by Ministry of corporate Affairs under section 133 of the Companies Act, 2013, which are issued and effective as at March 31, 2025.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 3A PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Building and sheds	Leasehold improvements	Plant and equipment	Furniture and fixtures	Office equipments	Vehicles	Speed boat	Computers	Total
Gross carrying value										
As at April 1, 2023	36.10	108.18	3.78	801.39	83.01	5.60	53.33	1.05	8.03	1,100.47
Additions	-	-	-	7.01	1.49	0.41	2.97	-	0.60	12.48
Disposals	-	(9.61)	-	(44.16)	-	(0.04)	(8.34)	-	(0.04)	(62.19)
Impact of deconsolidation	-	-	-	(0.28)	-	-	-	-	-	(0.28)
As at March 31, 2024	36.10	98.57	3.78	763.96	84.50	5.97	47.96	1.05	8.59	1,050.48
Additions	-	-	-	2.88	-	-	3.08	-	4.16	10.12
Reclassification/ Adjustment	-	(76.76)	-	8.20	79.83	-	3.87	-	17.37	32.51
Transferred to assets held for sale (Refer note 17)	(10.65)	-	-	-	-	-	-	-	-	(10.65)
Impact of deconsolidation (Refer note 45.1.2 & 45.1.4)	-	-	-	-	(148.45)	-	(2.45)	-	(14.10)	(165.00)
Disposals	0.00*	-	-	(88.28)	(0.22)	(0.11)	(7.77)	-	(0.52)	(96.90)
As at March 31, 2025	25.45	21.81	3.78	686.57	15.66	5.86	44.88	1.05	15.50	820.56
Accumulated depreciation										
As at April 1, 2023	-	89.05	2.95	547.26	63.79	4.98	26.68	0.88	6.79	742.38
Depreciation charge	-	0.79	0.31	63.44	5.04	0.21	3.01	0.09	0.61	73.50
Accumulated depreciation on disposals	-	(4.71)	-	(37.76)	-	-	(7.04)	-	(0.03)	(49.54)
Impact of deconsolidation	-	-	-	(0.28)	-	-	-	-	-	(0.28)
Adjustments [Refer sub note (iii)]	-	-	-	-	0.35	-	-	-	-	0.35
As at March 31, 2024	-	85.13	3.26	572.66	69.18	5.19	22.65	0.97	7.37	766.41
Depreciation charge	-	0.52	0.31	59.12	13.65	0.32	3.93	-	1.28	79.13
Reclassification/ Adjustment	-	(76.76)	-	(0.07)	79.79	-	12.18	-	17.37	32.51
Accumulated depreciation on disposals	-	-	-	(72.14)	(0.03)	(0.09)	(7.11)	-	(0.43)	(79.80)
Impact of deconsolidation (Refer note 45.1.2 & 45.1.4)	-	-	-	-	(148.45)	-	(0.72)	-	(14.09)	(163.26)
As at March 31, 2025	-	8.89	3.57	559.57	14.14	5.42	30.93	0.97	11.50	634.99
Net carrying value										
As at March 31, 2024	36.10	13.44	0.52	191.30	15.32	0.78	25.31	0.08	1.22	284.07
As at March 31, 2025	25.45	12.92	0.21	127.00	1.52	0.44	13.95	0.08	4.00	185.57

*Represents amount less than ₹1 Lakh

Notes:

- Refer note 20 for information of property, plant and equipment pledged as security against borrowings of the Group.
- Refer note 35.2 for disclosure of contractual commitments for acquisition of Property, plant and equipment.
- Adjustments represents exchange gain/ loss arising on long-term foreign currency monetary items.

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(Amount in ₹ crore, unless otherwise stated)

NOTE 3B RIGHT-OF-USE ASSETS

Particulars	Buildings	Vehicles	Total
Gross carrying value			
As at April 1, 2023	307.06	0.94	308.00
Additions	-	-	-
Disposals	(69.93)	-	(69.93)
As at March 31, 2024	237.13	0.94	238.07
Additions	-	-	-
Impact of Deconsolidation (Refer note 45.1.4)	(234.99)	(0.94)	(235.93)
Disposals	-	-	-
As at March 31, 2025	2.14	-	2.14
Accumulated depreciation			
As at April 1, 2023	120.26	0.94	121.20
Depreciation charge	23.28	-	23.28
Accumulated depreciation on disposals	(0.03)	-	(0.03)
As at March 31, 2024	143.51	0.94	144.45
Depreciation charge	15.46	-	15.46
Impact of Deconsolidation (Refer note 45.1.4)	(156.83)	(0.94)	(157.77)
Accumulated depreciation on disposals	-	-	-
As at March 31, 2025	2.14	-	2.14
Net carrying value			
As at March 31, 2024	93.62	-	93.62
As at March 31, 2025	-	-	-

Also refer note 39 for the disclosure required as per Ind AS 116- Leases.

NOTE 3C CAPITAL WORK-IN-PROGRESS ('CWIP')

Particulars	Amount
As at April 1, 2023	0.12
Additions	2.54
Transferred to property, plant and equipment	(1.82)
As at March 31, 2024	0.84
Additions	14.27
Transferred to property, plant and equipment	(8.48)
As at March 31, 2025	6.63

CWIP AGEING SCHEDULE

Particulars	As at March 31, 2025		As at March 31, 2024	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 year	6.51	-	0.72	-
1-2 years	-	-	0.12	-
2-3 years	0.12	-	-	-
More than 3 years	-	-	-	-
Total	6.63	-	0.84	-

Notes:

As on the date of balance sheet, there are no projects whose completion is overdue or has exceeded the cost, based on approved plan.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 4 INVESTMENT PROPERTY

Particulars	Land	Building	Total
Gross carrying value			
As at April 1, 2023	2.32	2.36	4.68
Additions	0.57	-	0.57
Adjustment [Refer sub note (iii)]	0.06	-	0.06
Disposals	-	-	-
As at March 31, 2024	2.95	2.36	5.31
Additions	-	-	-
Adjustment [Refer sub note (iii)]	0.08	-	0.08
Impact of deconsolidation (Refer note 45.1.2 & 45.1.4)	(2.80)	(2.36)	(5.16)
Disposals	-	-	-
As at March 31, 2025	0.23	-	0.23
Accumulated depreciation			
As at April 1, 2023	-	1.84	1.84
Depreciation charge	-	0.02	0.02
As at March 31, 2024	-	1.86	1.86
Depreciation charge	-	-	-
Impact of Deconsolidation (Refer note 45.1.2)		(1.86)	(1.86)
As at March 31, 2025	-	-	-
Net carrying value			
As at March 31, 2024	2.95	0.50	3.45
As at March 31, 2025	0.23	-	0.23

Information regarding income and expenditure of Investment properties

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income derived from investment property	0.20	0.54
Direct operating expenses (including repairs and maintenance) generating rental income	(0.03)	(0.08)
Gain arising from investment properties before depreciation and indirect expenses	0.17	0.46
Less : Depreciation	(0.01)	(0.03)
Gain arising from investment properties before indirect expenses	0.16	0.43

Notes:

- The Investment properties (Building) was pertaining to Western Securities Limited (WSL). On August 14, 2024 the holding Company had sold the investment in Western Securities Limited. The details of income and expenditure pertaining to investment properties for the period April 1, 2024 to August 14, 2024 is given above.
- The fair value of the investment properties held by the Group as at the Balance Sheet date is ₹0.23 crore (March 31, 2024: ₹12.95 crore).
- 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.
- Adjustments represents impact of foreign exchange fluctuation arising on long-term foreign currency monetary items.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 5 OTHER INTANGIBLE ASSETS AND GOODWILL

Particulars	Computer software	Toll rights	Goodwill	Total
Gross carrying value				
As at April 1, 2023	124.32	-	3.38	127.70
Additions	-	-	-	-
Impact of Deconsolidation (Refer note 38.1)	(10.31)	-	-	(10.31)
As at March 31, 2024	114.01	-	3.38	117.39
Additions (Refer note 11.1)		62.50		62.50
Impact of Deconsolidation (Refer note 5.1 & 45.1.4)	(110.03)	-	(3.38)	(3.38)
As at March 31, 2025	3.98	62.50	-	176.51
Accumulated amortisation				
As at April 1, 2023	52.22	-	-	52.22
Amortisation charge	8.30	-	-	8.30
Impact of Deconsolidation (Refer note 38.1)	(10.31)	-	-	(10.31)
Adjustments (Refer note 5.2)	(0.29)	-	-	(0.29)
As at March 31, 2024	49.92	-	-	49.92
Amortisation charge	63.15	6.24	-	69.39
Impact of Deconsolidation (Refer note 45.1.4)	(110.03)			
Adjustments (Refer note 5.2)	0.94	-	-	0.94
As at March 31, 2025	3.98	6.24	-	120.25
Net carrying value				
As at March 31, 2024	64.09	-	3.38	67.47
As at March 31, 2025	-	56.26	-	56.26

Note 5.1 Impact of deconsolidation

Goodwill was created at the time of consolidation of Western Securities Limited. During the current year, the Holding Company has sold its entire shareholding in Western Securities Limited ('WSL') resulting into deconsolidation of subsidiary w.e.f. August 14, 2024. (Refer note 45.1.2).

Note 5.2 Adjustments represents exchange gain/ loss arising on long-term foreign currency monetary items.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 6 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Particulars	As at March 31, 2025	As at March 31, 2024
Investments at cost		
i) in joint venture in India	-	142.83
ii) in associates in India	31.55	23.75
iii) in associates outside India	-	40.24
Total investments in joint venture and associates	31.55	206.82
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 (March 31, 2024: 50,000) of ₹10 each		
ii) In associates in India		
Highbar Technocrat Limited	31.55	23.75
99,940 (March 31, 2024: 99,940) equity shares of ₹10 each		
iii) In associates outside India (Refer note 45.1.4)		
Evostate AG	-	13.53
NIL (March 31, 2024: 300) equity shares of CHF 1,000 each		
Hegias AG	-	24.69
NIL (March 31, 2024: 7,082,160) shares of CHF 0.01 each		
MCR Managing Corp	-	2.02
NIL (March 31, 2024: 30) equity shares of CHF 1,000 each		
	-	40.24
	31.55	206.82

Note 6.1 : The Group's share of profit/ (loss) of joint ventures and associates are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
From Joint venture		
Prolific Resolution Private Limited	(142.83)	37.06
From associates		
Highbar Technocrat Limited	9.31	4.26
Evostate AG	0.89	3.70
Hegias AG	(29.05)	(4.20)
MCR Managing Corp	1.92	0.57
	(159.76)	41.39

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 6A OTHER INVESTMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Other investments in equity shares at cost	4.18	0.00*
Other investments in equity shares at fair value through Other Comprehensive Income		
In India	31.07	37.91
Outside India	-	0.65
Total other investments	35.25	38.56
Detailed list of other investments	As at March 31, 2025	As at March 31, 2024
Other investments in equity shares at cost		
Steiner Projekte AG	4.18	-
18 (March 31, 2024 : NIL) equity shares of CHF 1000 each, fully paid- unquoted		
Other investments in equity shares at fair value through Other Comprehensive Income		
In India		
Khandwala Securities Limited	0.01	0.01
3,332 (March 31, 2024: 3,332) equity shares of ₹10 each, fully paid- quoted		
HDFC Bank Limited	5.59	4.52
30,569 (March 31, 2024: 30,569) equity shares of ₹1 each, fully paid- quoted		
Shushrusha Citizens Co-Op. Hospitals Limited	0.00*	0.00*
100 (March 31, 2024 : 100) equity shares of ₹100 each, fully paid- unquoted		
Hincon Finance Limited	25.47	33.38
120,000 (March 31, 2024 : 120,000) equity shares of ₹10 each, fully paid- unquoted		
	31.07	37.91
Outside India(Refer note 45.1.4)		
Opernhaus Zürich AG	-	0.05
NIL (March 31, 2024 : 10) equity shares of CHF 900 each, fully paid- unquoted		
Genossenschaft Theater für den Kt. Zürich	-	-
NIL (March 31, 2024 : 1) equity shares of CHF 300 each, fully paid- unquoted		
Betriebsges. Kongresshaus Zürich AG	-	0.03
NIL (March 31, 2024 : 30) equity shares of CHF 100 each, fully paid- unquoted		
MTZ Medizinisches Therapiezentrum	-	0.45
NIL (March 31, 2024 : 50) equity shares of CHF 1,000 each, fully paid- unquoted		
Namenaktien Messe Zürich	-	0.04
NIL (March 31, 2024 : 10) equity shares of CHF 50 each, fully paid- unquoted		
MCH Group AG	-	0.08
NIL (March 31, 2024 : 2,100) equity shares of CHF 10 each, fully paid- quoted		
	-	0.65
Total non-current investments (6 + 6A)	66.80	245.38

* Represents amount less than ₹1 lakh

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 6A OTHER INVESTMENTS....Contd.

Particulars	As at March 31, 2025	As at March 31, 2024
Details:		
Aggregate value of non-current investments is as follows:		
(i) Aggregate value of unquoted investments	61.20	240.77
(ii) Aggregate value of quoted investments and market value thereof	5.60	4.61
	66.80	245.38
(i) Investments carried at cost	35.73	206.82
(ii) Investments carried at fair value through profit and loss account	-	-
(iii) Investments carried at fair value through other comprehensive income	31.07	38.56
	66.80	245.38

NOTE 7 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Trade receivables (Refer note 7.1 to 7.6)	688.79	703.15
Total non-current trade receivables	688.79	703.15
Current		
Trade receivables (Refer notes 7.2 to 7.6)	2,439.20	2,256.27
[Including retention ₹921.99 crore (March 31, 2024: ₹807.58 crore)]	(51.05)	(52.10)
Less: Allowance for expected credit loss		
Total current trade receivables	2,388.15	2,204.17
Total trade receivables	3,076.94	2,907.32

Particulars	As at March 31, 2025	As at March 31, 2024
Break-up of security details		
Trade receivables considered good- secured	-	-
Trade receivables considered good- unsecured	3,076.94	2,907.32
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	51.05	52.10
Total	3,127.99	2,959.42
Less: Allowance for expected credit loss	(51.05)	(52.10)
Total trade receivables	3,076.94	2,907.32

Note 7.1 : Presented net off advance received against favourable arbitration awards ₹3,099.77 crore (March 31, 2024: ₹3,575.48).

Note 7.2 : Non-current trade receivables and current trade receivables as at March 31, 2025 includes ₹646.52 crore (March 31, 2024: ₹654.99 crore) and ₹1,004.65 crore (March 31, 2024: ₹596.53 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 7 TRADE RECEIVABLES....Contd.

Note 7.5 : Trade receivables ageing schedule

As at March 31, 2025	Outstanding for following periods from the date of transaction						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	513.36	245.68	72.22	182.02	69.74	342.75	1,425.77
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	18.31	8.95	2.60	6.76	2.68	11.75	51.05
(iv) Disputed trade receivables- considered good	-	315.96	141.39	143.84	277.70	772.28	1,651.17
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
	531.67	570.59	216.21	332.62	350.12	1,126.78	3,127.98
Less: Allowance for expected credit loss							(51.05)
Total trade receivables							3,076.94

Note: Refer note 16 for details of unbilled dues i.e. contract assets.

As at March 31, 2024	Outstanding for following periods from the date of transaction						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	-	146.05	34.79	295.83	446.97	327.88	1,251.52
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) 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.

Note 7.6 : Also refer note 36

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 8 LOANS

Particulars	As at March 31, 2025	As at March 31, 2024
Loans given	79.09	36.78
Less: Allowance for expected credit loss	-	-
Total loans	79.09	36.78
Break-up of security details		
Loans considered good- secured	-	-
Loans considered good- unsecured	79.09	36.78
Loans- credit impaired	-	-
	79.09	36.78
Allowance for expected credit loss	-	-
Total loans	79.09	36.78

NOTE 9 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Project receivables	805.56	-
Security and other deposits	5.97	10.00
Bank deposits with balance maturity of more than 12 months	0.29	0.05
Total non-current financial assets	811.82	10.05
Current		
Security deposits	7.25	16.80
Interest accrued on deposits/ advances & Other Receivable	7.40	42.96
Total current financial assets	14.65	59.76
Allowance for expected credit loss	-	-
Total current financial assets	14.65	59.76
Total other financial assets	826.47	69.81

NOTE 10 NON-CURRENT TAX ASSETS (NET)

Note 10.1 The following table provides the details of income tax assets and liabilities:

	As at March 31, 2025	As at March 31, 2024
Income tax assets in certain entities	94.85	43.48
Current tax liabilities in case of certain entities	28.14	0.21
Net income tax assets	66.71	43.27

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 10 NON-CURRENT TAX ASSETS (NET)....Contd.

Note 10.2 The gross movement in the income tax assets/ liabilities is as follows:

	As at March 31, 2025	As at March 31, 2024
Net income tax asset at the beginning	43.27	108.49
Income tax paid (net of refund)	9.60	38.90
Impact of deconsolidation (Refer note 45.1.2 & 38.1)	(0.05)	(14.48)
Current income tax (expense)/ (credit)	13.89	(89.64)
Net income tax assets at the end	66.71	43.27

Note 10.3 Income tax expense comprises:

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax expense/ (credit)	(13.89)	89.64
Deferred tax charge/ (credit)	424.42	158.57
Income tax charge/(credit),net in the Statement of Profit and Loss	410.53	248.21

Note 10.4 A reconciliation of the tax expenses to the amount computed by applying the statutory income tax rate to the profit/(loss) before income taxes is as below:

	Year ended March 31, 2025	Year ended March 31, 2024
Profit/ (loss) before income tax (including discontinuing operations)	523.16	726.37
Applicable tax rate in India(Refer note 10.6)	25.168%	34.944%
Computed expected tax charge/ (credit)	131.67	253.82
Effect of difference in tax rates of overseas subsidiaries	33.16	(46.28)
Effect of expenses not allowed for tax purpose	10.41	16.51
Effect of income not considered for tax purpose	(63.46)	(9.41)
Impact of losses where deferred tax not recognised in certain entities	(1.36)	(9.17)
Earlier year tax adjustments	0.35	-
Effect of income charged at different rate(including impact of tax of joint operations)	8.20	(12.08)
Impact of adoption of new tax regime	78.09	-
Expiry of brought forward losses and MAT Credit written off	178.15	67.07
Utilization of unrecognized loss carry forwards from prior years	(0.29)	(12.87)
Effect of share of loss of joint venture	35.95	-
Others (including impact of tax of joint operations)	(0.34)	0.62
Tax expenses charge/(credit), net in the Statement of Profit and Loss	410.53	248.21

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 10 INCOME TAX ASSETS (NET)....Contd.

Note 10.5 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	Section 35 Expenses	Arbitration awards not offered for tax	Others	Expense allowable on payment basis and others	Total
At at April 1, 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	6.05	-	(78.80)	-	68.89	(158.57)
- to other comprehensive income	-	-	-	-	-	(0.04)	-	(0.04)
As at March 31, 2024	1,978.76	16.21	41.26	-	(1,648.78)	(0.04)	236.02	623.43
(Charged)/ credited								
- to profit or loss	(871.51)	(3.40)	(12.43)	(2.35)	483.63	0.04	(18.40)	(424.42)
- to other comprehensive income	-	-	-	-	-	1.39	-	1.39
- to security premium	-	-	-	11.28	-	-	-	11.28
- impact of deconsolidation (Refer note 45.1.2)	(4.17)	-	-	-	-	-	-	(4.17)
As at March 31, 2025	1,103.08	12.81	28.83	8.93	(1,165.15)	1.39	217.62	207.51

Note 10.6: During the year, the Holding Company has exercised the option to adopt the new tax regime for previous year 2023-24 (Assessment Year: 2024-2025) onwards, while filing income tax return, which provides an option for paying corporate tax at reduced rates as per provisions/conditions of Section 115BAA of the Income Tax Act, 1961. Pursuant to the adoption of the new tax regime, current tax expenses recognised in previous year ₹54.74 crore have been reversed during the year ended March 31, 2025. Further as a result of adoption of the new tax regime, the unused tax credits recognised are no longer utilizable and the net deferred tax assets on temporary taxable differences have been recognised using lower tax rate resulting in reversal of deferred tax assets aggregating ₹301.22 crore. As at March 31, 2025, the Holding Company has net deferred tax assets amounting to ₹204.90 crore (March 31, 2024: ₹613.09 crore), which mainly represents deferred tax assets on carried forward unused tax losses and other taxable temporary differences. The Holding Company is confident of generating sufficient taxable profits from the unexecuted orders on hand/future projects and expected realisation of claims/arbitration awards against which such deferred tax assets can be utilised and therefore considered good and recoverable.

Note 10.7: 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.

NOTE 11 OTHER ASSETS

	As at March 31, 2025	As at March 31, 2024
Non-current		
Capital advances (Refer note 11.1)	0.73	62.50
Balances with government authorities	52.08	55.57
Prepaid expenses	0.42	0.75
Total other non-current assets	53.23	118.82
Current		
Advance to suppliers and subcontractors	174.43	61.04
Balances with government authorities	33.64	121.98
Prepaid expenses	10.55	11.12
Others	2.81	6.90
Total other current assets	221.43	201.04
Total other assets	274.66	319.86

Note 11.1: HCC Infrastructure Company Limited ('HICL'), a subsidiary of the Holding Company has entered into purchase agreement with Baharampore Farakka Highways Limited (BFHL) (erstwhile step-down subsidiary of Holding Company) to purchase the rights to collect overloading revenue on Baharampore Farakka Highway on fulfillment of all the conditions precedent to the agreement. Subsequent to the execution of Escrow agreement, the right to business has been recognised as Intangible Asset amounting to ₹62.50 crore. (Refer note 5)

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 12 INVENTORIES

	As at March 31, 2025	As at March 31, 2024
Land and development rights	4.38	309.57
Construction raw material, stores and spares	119.68	123.42
Fuel and others	3.94	3.32
Total inventories	128.00	436.31

NOTE 13 CURRENT INVESTMENTS

	As at March 31, 2025	As at March 31, 2024
Investments in others carried at fair value through profit and loss		
Investment in mutual funds	43.56	0.15
Total current investments	43.56	0.15
Detailed list current investments		
Investments in mutual funds		
ICICI Prudential Savings Fund Growth	43.56	-
1,61,132.46 Units (March 31, 2024 : Nil)		
ICICI Money Market Fund	-	0.01
Nil (March 31, 2024: 798.602 units)		
SBI Premier Liquid Fund	-	0.14
Nil (March 31, 2024: 1,276.729 units)		
	43.56	0.15
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	43.56	0.15
(iii) Aggregate value of impairment in the value of investments	-	-
	43.56	0.15
(i) Investments carried at cost	-	-
(ii) Investments carried at amortised cost	-	-
(iii) Investments carried at fair value through profit and loss	43.56	0.15
	43.56	0.15

NOTE 14 CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- In current accounts	328.39	284.25
- in deposit account (with original maturity upto 3 months)	240.76	88.97
Cheque on hand	-	25.04
Cash on hand	0.33	0.47
Total cash and cash equivalents	569.48	398.73

Note 14.1 There are no repatriation restrictions with regards to cash and cash equivalents as at the end of respective reporting periods.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Bank deposits with original maturity of more than 3 months and less than 12 months	138.94	114.39
Total bank balances other than cash and cash equivalents	138.94	114.39

Note 15.1: Includes ₹10.98 crore (March 31, 2024: ₹10.98 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 March 31, 2025 & March 31, 2024.

NOTE 16 UNBILLED WORK-IN-PROGRESS (CONTRACT ASSETS)

	As at March 31, 2025	As at March 31, 2024
Unbilled work-in-progress (contract assets) (Refer note 25.2(c) and 36)	2,322.69	3,414.29
Total Unbilled work-in-progress (contract assets)	2,322.69	3,414.29

Note 16.1: Presented net of advance received against work bill ₹35.14 crore (March 31, 2024: ₹150.53 crore)

NOTE 17 ASSETS HELD FOR SALE

	As at March 31, 2025	As at March 31, 2024
Assets held for sale	10.65	-
Total assets held for sale	10.65	-

Note:

Maan Township Developers Limited(MTDL) has entered into a Memorandum of Understanding (MoU) with a third party for the proposed sale of freehold land located at Maan, Taluka Mulshi, District Pune.

While the land is legally held in the name of HRL Township Developers Limited, the MTDL is beneficial owner.

In accordance with Indian Accounting Standard (Ind AS) 105 – Non-current Assets Held for Sale and Discontinued Operations, management has assessed the conditions and determined that the land meets the criteria for classification as a Non-Current Asset Held for Sale as at March 31, 2025. The land is available for immediate sale in its present condition, and the sale is considered highly probable within the next twelve months.

Accordingly, the land has been reclassified from “Property, Plant and Equipment” to “Non-Current Assets Held for Sale” and is presented separately in the balance sheet. The asset is measured at the lower of its carrying amount and its fair value less costs to sell, in compliance with Ind AS 105.(Refer note 3A)

NOTE 18 EQUITY SHARE CAPITAL

	As at March 31, 2025		As at March 31, 2024	
	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
Preference Shares of ₹10 each	10,000,000	10.00	10,000,000	10.00
Total authorised share capital		210.00		210.00
Issued, subscribed and paid-up equity share capital:				
Equity shares of ₹1 each, fully paid up ^	1,819,383,225	181.94	1,512,976,244	151.31
Total issued, subscribed and paid-up equity share capital	1,819,383,225	181.94	1,512,976,244	151.31

^ excludes 13,225 equity shares forfeited by the Company

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 18 EQUITY SHARE CAPITAL.....Contd.

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	Number	₹ crore
As at April 1, 2023	1,512,976,244	151.31
Issued during the year	-	-
As at March 31, 2024	1,512,976,244	151.31
Adjustment for shares held by a erstwhile subsidiary in the Holding Company (Refer note 45.1.2)	52,000 [#]	(0.00)*
Issued during the year as under:		
Right issue (Refer note 18.6)	166,666,666	16.66
Qualified institutional placements (Refer note 18.7)	139,502,441	13.95
Employee stock option scheme (Refer note 18.8)	185,874	0.02
As at March 31, 2025	1,819,383,225	181.94

* Represents amount less than ₹1 lakh

[#] During the year, the Holding Company has sold its entire shareholding in its subsidiary, Western Security Limited, which was having cross holding in the Holding Company. Accordingly, 52,000 equity shares were adjusted.

18.1 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.

18.2 Shareholding of more than 5%:

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% held	No. of shares	% held
Hincon Holdings Limited	216,023,600	11.87%	216,023,600	14.28%

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.

18.3 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

18.4 Option outstanding for issue under Employee Stock Options Scheme (ESOS):

As at March 31, 2025, the Holding Company has 185,874 (March 31, 2024; 371,748) employee stock option issued under ESOS for its employees.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 18 EQUITY SHARE CAPITAL.....Contd.

18.5 Shareholding of promoters

As at March 31, 2025

Name of Promoters	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Hincon Holdings Limited	216,023,600	11.87%	216,023,600	14.28%	-2.41%
Hincon Finance Limited	62,261,186	3.42%	62,261,186	4.12%	-0.70%
Ajit Gulabchand	2,117,294	0.12%	2,117,294	0.14%	-0.02%
Shalaka Investment Private Limited	538,000	0.03%	538,000	0.04%	-0.01%
Anjani Ashwin Parekh	251,400	0.01%	251,400	0.02%	-0.01%
Shalaka Gulabchand Dhawan	272,057	0.01%	10,000	0.00% *	0.01%
Maharani Holdings Private Limited	22,604,814	1.24%	500	0.00% *	1.24% *
Western Securities Limited	52,000	0.00% *	-	0.00%	0.00% *

As at March 31, 2024

Name of Promoters	As at March 31, 2024		As at March 31, 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 %

Note 18.6 - Rights issue

During the year, the Holding Company had issued and allotted 166,666,666 equity shares of ₹1 each at a price of ₹21 per equity share (including a premium of ₹20 per equity share) aggregating ₹350.00 crore to the eligible equity shareholders on rights basis in the ratio of 13 equity shares for every 118 equity shares held. Pursuant to the aforesaid, basic and diluted earnings per share for the year ended March 31, 2024 have been retrospectively adjusted for effect of rights issue.

Details of utilisation of Rights issue proceeds are given below :

Particulars	As at March 31, 2025
Sources of funds	
Proceeds from issue	350.00
Less: Issue expenses	(15.67)
Net proceeds from issue	334.33
Utilisation of funds	
Funding long-term working capital requirements of the company	254.00
Payment of outstanding dues in terms of the framework Agreement	16.72
Payment towards general corporate purposes	63.61
Total utilisation	334.33
Amount unutilised as at March 31, 2025	-

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 18 EQUITY SHARE CAPITAL.....Contd.

Note 18.7 - Qualified Institutions Placement (QIP)

During the year, the Holding Company has issued and allotted 139,502,441 equity shares of face value of ₹1 each at a price of ₹43.01 per Equity Share, including a premium of ₹42.01 per Equity Share, aggregating ₹600 crore to 41 qualified institutional investors. The QIP issue proceeds are utilised in accordance with the objects of the issue as stated in the placement document.

Details of utilisation of QIP issue proceeds are given below:

Particulars	As at March 31, 2025
Sources of funds	
Proceeds from issue	600.00
Less: Issue expenses	(33.12)
Net proceeds from issue	566.88
Utilisation of funds	
- Repayment of loans to lenders	190.00
- Augmenting working capital	150.00
- Payment towards general corporate	22.81
Total utilisation	362.81
Amount unutilised as at March 31, 2025	204.07

Note 18.8 - During the year, the Holding Company has issued and allotted 185,874 equity shares of face value of ₹1 each at a price of ₹13.45 per Equity Share, including a premium of ₹12.45 per Equity Share, to eligible employee under employee stock option scheme.

NOTE 19 OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
Capital reserve	39.70	39.70
Forfeited debentures account	0.02	0.02
Securities premium (Refer note 18.6 & 18.7)	3,455.33	2,650.87
Debenture redemption reserve (Refer note 19.1)	-	54.99
General reserve	235.23	180.24
Share option outstanding account	0.14	0.20
Retained earnings	(3,099.05)	(3,292.41)
Other comprehensive income		
Equity instruments at fair value through other comprehensive income	2.58	8.45
Translation loss relating to foreign operation (net)	89.81	38.15
Non-controlling interest	-	0.00*
Total other equity	723.76	(319.78)

* Represents amount less than ₹1 lakh

Note 19.1:

For Listed Company creation of Debenture Redemption Reserve (DRR) is dispensed with, as a result, during the current year the Holding Company has transferred Debenture Redemption Reserve to general reserve.

Note 19.2: 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 19 OTHER EQUITY....Contd.

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 (Refer note 18.6 & 18.7)

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 (Refer note 19.1)

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 Holding Company's employees in pursuance of the Employee Stock Option Plans.

vii) Retained earnings

Retained earnings represents the profits/ losses that the Group has earned / incurred till reporting date including gain / (loss) on fair value of defined benefits plans as adjusted for distributions to owners, transfer to other reserves etc.

viii) 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.

ix) 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 March 31, 2025	As at March 31, 2024
I. Non-current borrowing:		
A) Secured		
1) 0.01 % Optionally Convertible Debentures (OCDs)		
(i) From banks	451.84	638.59
(ii) From others	48.71	63.31
2) Non-Convertible Debentures (NCDs)	148.85	333.90
3) Foreign Currency Term Loans from Bank	40.67	244.50
4) Non-Cumulative Redeemable Preference Shares	0.01	0.01
	690.08	1,280.31
B) Unsecured		
1) Non-Convertible Debentures (NCDs)	329.40	366.60
2) Foreign Currency Term Loan from Bank	25.28	24.61
	354.68	391.21
Total non-current borrowings (A +B)	1,044.76	1,671.52

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 20 BORROWINGS.....Contd.

	As at March 31, 2025	As at March 31, 2024
II. Current borrowing:		
A) Secured		
Current maturities of long-term borrowings		
1) 0.01 % Optionally Convertible Debentures (OCDs)		
(i) From banks	186.74	147.36
(ii) From others	14.61	14.61
	201.35	161.97
2) Non-Convertible Debentures (NCD's)	185.05	15.30
3) Foreign Currency Term Loans from Bank	210.50	11.88
	395.55	27.18
4) Other working capital loans from Banks	-	204.35
B) Unsecured		
1) Non-Convertible Debentures (NCD's)	37.20	37.20
2) Other bank loans	0.25	6.25
	37.45	43.45
Total current borrowings (A +B)	634.35	436.95
Total borrowings (I+II)	1,679.11	2,108.47

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 Holding 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 F.Y. 2022-2023, the repayment tenure of OCDs has been extended and the revised repayment of the OCDs commenced from March 31, 2023. Details of principal maturity of the OCD's outstanding as at March 31, 2025 and security details have been provided below.

Date of repayment	₹ in Crore
March 31, 2026	201.35
March 31, 2027	150.17
March 31, 2028	150.17
March 31, 2029	200.21
Total	701.90

Note: Optionally Convertible Debentures (OCDs) are secured in the form of:

1. A land parcel admeasuring to 100 sqm as First Mortgage and all the present and future movable assets of the Holding company (excluding 'Current Assets' and 'Specified Assets') as the Second Mortgaged Properties.
2. All the present and future current assets of the Holding company (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 Financing Document.

The above security having ranking in respect to OCD are as below:

1. *Pari Passu* security interest by way of legal mortgage over the First Mortgaged Properties and Second Mortgaged Properties.
2. *Pari Passu* security interest by way of legal mortgage over the Third Mortgaged Properties, Fourth Mortgaged Properties and the Fifth Mortgaged Properties.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 20 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 March 31, 2023 and ending on March 31, 2029. Refer note below for security details.

Note: Non-Convertible Debentures - LIC

1. A land parcel admeasuring to 100 sqm as First Mortgage and all the present and future movable assets of the Holding company (excluding 'Current Assets' and 'Specified Assets') as the Second Mortgaged Properties.
2. All the present and future current assets of the Holding company (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 Financing document.

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 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 Holding 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 Holding Company.

(c) Foreign Currency Term Loans

(i) Asia Opportunities IV (Mauritius) Limited

During the earlier year, the Holding Company has implemented debt resolution plan pursuant to which the FCTL has been restructured and is payable in 7 structured annual instalments commencing from March 31, 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.

(ii) Export-Import Bank of India

- A) The loan availed by HCC Mauritius Enterprise Limited (HMEL), a subsidiary company, carries an interest rate of SOFR + 530 bps payable quarterly. The availed loan is repayable in 11 structured quarterly installments between September 30, 2022 to March 31, 2025.

This loan is secured by exclusive charge on (i) corporate guarantee by Holding Company (ii) pledge of equity shareholding of the HMEL 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) HMEL has furnished undertaking dated December 20, 2024 for below security to be created in favour of EXIM Bank in due course of time:

- i. Pledge of shares holding of Steiner Eagle AG to EXIM Bank
- ii. Charge over Receivable of Steiner Eagle AG amounting CHF 80 mn and
- iii. Charge over the CHF 20 mn loan receivable from Steiner Development AG (SDAG)

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 20 BORROWINGS....Contd.

- B) The loan availed by HCC Mauritius Investment Limited(HMIL), a subsidiary company, carries an interest rate of SOFR + 530 bps payable quarterly. The availed loan is repayable in 11 structured quarterly installments between September 30, 2022 to March 31, 2025.

This loan is secured by exclusive charge on (i) corporate guarantee by Holding Company (ii) pledge of equity shareholding of the HMIL held by Holding Company (iii) *pari passus* first charge over specific fixed assets of Holding Company (iv) corporate guarantee by HMEL (v) HMIL has furnished undertaking dated December 20, 2024 for below security to be created in favour of EXIM Bank in due course of time:

- i. Pledge of shares holding of Steiner Eagle AG to EXIM Bank
- ii. Charge over Receivable of Steiner Eagle AG amounting CHF 80 mn and
- iii. Charge over the CHF 20 mn loan receivable from Steiner Development AG (SDAG)

(d) Non Convertible Debentures - Karnataka Bank

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 on March 31, 2026 and are secured by exclusive charge upto 0.19% on specific claims of the Holding Company.

(e) 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 March 31, 2026 and 30 June 2029 and are secured by exclusive charge upto 49.53% on specific claims of the Holding 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 December 31, 2028 and ending on December 31, 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 March 31, 2023 and ending on March 31, 2029. The Holding Company has paid its March 2023, March 2024 and March 2025 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 June 30, 2029 and ending on June 30, 2031.

(d) Other bank loan

Overdraft facility availed by HCC-HDC a joint operation carries an interest rate of 8.71% p.a. (March 31, 2024: 8.71 %) which are repayable on demand, paid during the current year.

Note 20.2 : Right to Recompense

In accordance with the provisions of existing financing document 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 the Balance Sheet date under MRA dated July 20, 2022.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

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 March 31, 2025			As at March 31, 2024	
(A) Non-current borrowings	1,044.76			1,671.52	
(B) Current borrowings	634.35			436.95	
(C) Interest payable	1,762.11			1,654.44	
(D) Cash and cash equivalents	569.48			398.73	
Net debts (E) = (A)+(B)+(C)-(D)	2,871.74			3,364.18	

Particulars	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 April 1, 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	-	-	604.92	-	604.92
Interest paid	-	-	(294.10)	-	(294.10)
Net debt as at March 31, 2024	1,671.52	436.95	1,654.44	398.73	3,364.18
Net debt as at April 1, 2024	1,671.52	436.95	1,654.44	398.73	3,364.18
Movement in cash and cash equivalents	-	-	-	207.61	(207.61)
Repayment of long-term borrowings	(208.86)	-	-	-	(208.86)
Repayment of short-term borrowings (net)	-	(111.82)	-	-	(111.82)
Foreign exchange fluctuations	(10.15)	-	-	(0.55)	(9.60)
Impact of deconsolidation of erstwhile subsidiary	-	(98.53)	-	(36.31)	(62.22)
Reclassification	(407.75)	407.75	-	-	-
Interest expense	-	-	405.87	-	405.87
Interest paid	-	0.00*	(298.20)	-	(298.20)
Net debt as at March 31, 2025	1,044.76	634.35	1,762.11	569.48	2,871.74

*Represents amount less than ₹1 Lakh

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(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 March 31, 2025

Sr. No.	Particulars	Period	Principal	Interest
1	Term Loans from Banks	Upto 30 days	-	6.45
		31 to 90 days	37.58	6.67
		91 to 180 days	37.58	12.69
		181 to 365 days	52.14	6.78
		> 365 days	33.42	13.14
Total			160.72	45.73

As at March 31, 2024

Sr. No.	Particulars	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

NOTE 21 OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-current		
a) Security deposits	-	0.14
b) Interest accrued but not due	1,210.85	1,402.38
c) Financial guarantee liability	54.68	68.03
Total non-current financial liabilities	1,265.53	1,470.55
Current		
a) Interest accrued but not due	505.54	239.28
b) Interest accrued and due	72.97	39.90
c) Unpaid dividends (Refer note 21.1)	0.00*	0.00*
d) Financial guarantee liability	13.36	9.77
e) Financial liabilities of erstwhile subsidiary assumed (Refer note 33.1)	-	305.86
f) Others		
- Due to employees	36.94	65.81
- Liability for capital goods	3.96	3.96

* Represents amount less than ₹1 lakh

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 21 OTHER FINANCIAL LIABILITIES....Contd.

	As at March 31, 2025	As at March 31, 2024
- Interest payable on contractee advances	345.18	310.03
- Other liabilities	50.25	41.87
Total current financial liabilities	1,028.20	1,016.48
Total other financial liabilities	2,293.73	2,487.03

Note 21.1: Unpaid dividend amounting to ₹7,600 pertain to dividend for the F.Y. 2010-11, which has not been transferred to Investor Education & Protection Fund (IEPF) on account of injunction order/ prohibitory order from IEPF

	As at March 31, 2025	As at March 31, 2024
Other financial liabilities carried at amortised cost	2,225.69	2,409.23
Other financial liabilities carried at FVPL	68.04	77.80

NOTE 22 PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Non-current		
Provision for employee benefits		
- Gratuity	32.03	50.25
- Pension fund	-	6.87
- Leave entitlement and compensated absence	10.64	8.71
Provision for warranty (Refer note 22.1)	-	29.52
Total non-current provisions	42.67	95.35
Current		
a) Provision for employee benefits		
- Gratuity	10.15	4.02
- Pension fund	-	5.16
- Leave entitlement and compensated absences	3.42	2.12
b) Provision for warranty (Refer note 22.1)	-	18.25
c) Provision for foreseeable losses (Refer note 22.2)	5.84	268.52
Total current provisions	19.41	298.07
Total provisions	62.08	393.42

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 22 PROVISIONS....Contd.

Note 22.1 : Detail of provision for warranty is as stated below:

	As at March 31, 2025	As at March 31, 2024
Opening provision as at the beginning of the year	47.77	143.27
Addition during the year	1.64	-
Impact of deconsolidation (Refer Note 45.1.4)	(49.41)	(17.74)
Utilised during the year	-	(77.76)
Closing provision as at the end of the year	-	47.77
Non current	-	29.52
Current	-	18.25
Total	-	47.77

This provision represent estimates made towards estimated liability arising out of contractual obligations in respect of warranties. The warranty provision is NIL on account of sale of Steiner AG. (Refer Note 45.1.4)

Note 22.2 : The Group has adequately recognised foreseeable losses on projects wherever it was probable that total contract costs will exceed total contract revenue. Details of provision in respect of foreseeable losses of Holding Company is as stated below:

	As at March 31, 2025	As at March 31, 2024
Opening provision at the beginning of the year	268.52	475.63
Addition during the year	-	18.38
Utilised during the year	(262.68)	(225.49)
Closing provision as at the end of the year	5.84	268.52

NOTE 23 TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	125.67	90.38
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,966.76	2,383.11
Total trade payables	2,092.43	2,473.49

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 March 31, 2025	Outstanding for following periods from date of transaction						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	52.83	-	58.13	6.61	1.17	6.94	125.67
(ii) Others	542.69	790.72	360.93	15.90	18.94	237.57	1,966.76
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
	595.52	790.72	419.06	22.51	20.11	244.51	2,092.43

As at March 31, 2024	Outstanding for following periods from date of transaction						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

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 24 OTHER CURRENT LIABILITIES

	As at March 31, 2025	As at March 31, 2024
a) Due to customers [Refer note 25.2(c)]	20.69	424.24
b) Advance received from contractee	877.01	1,122.41
c) Statutory dues payable	86.12	73.61
d) Other liabilities	43.32	30.91
Total other current liabilities	1,027.14	1,651.17

NOTE 25 REVENUE FROM OPERATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
a) Sale of products and services:		
- Construction revenue	5,398.65	6,623.98
b) Other operating revenue:		
- Fair valuation gain on subsequent measurement of financial assets	-	275.80
- Interest on arbitration awards (Refer note 25.1)	141.88	6.29
- Royalty income	6.48	4.30
- Provision no longer required written back	23.00	64.94
- Service fees	32.85	31.47
- Others	0.51	-
	204.72	382.80
Total revenue from operations	5,603.37	7,006.78

Note 25.1 : During the previous year, the Holding Company has recognized interest income on arbitration awards of ₹77.49 crore. 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) Performance obligations

The aggregate amount of transaction price allocated to performance obligations that are unsatisfied as at the end of reporting period is ₹11,852 crore (March 31, 2024: ₹14,382 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 March 31, 2025 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

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 customer)	Net contract balance
As at April 1, 2023	2,924.98	669.19	2,255.79
Net increase/ (decrease)	489.31	(244.95)	734.26
As at March 31, 2024	3,414.29	424.24	2,990.05
Net increase/ (decrease)	(1,091.60)	(403.55)	(688.05)
As at March 31, 2025	2,322.69	20.69	2,302.00

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 ₹410.90 crore (March 31, 2024: ₹255.73 crore).
- (iii) Revenue recognised during the year from the performance obligation satisfied upto previous year amounts to ₹217.23. (March 31, 2024: NIL).
- (iv) Out of the total revenue recognised during the year, ₹5573.38 crore (March 31, 2024: ₹6937.54 crore) is recognised over a period of time and ₹29.99 crore (March 31, 2024: ₹69.24 crore) is recognised at a point in time.
- (v) There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.
- (vi) 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 March 31, 2025 : Nil

NOTE 26 OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
a) Interest income from financial assets at amortised cost	44.34	31.10
b) Other non-operating income:		
- Gain on settlement of debt (Refer note below)	-	55.75
- Profit on disposal of property, plant and equipment (net)	3.59	6.06
- Financial guarantee commission	18.67	5.81
- Plant hire income	11.58	23.78
- Exchange gain (net)	-	1.72
- Dividend from non-current investments	-	0.07
- Profit on sale of non-current investment (net) (refer note 45.1.2)	6.39	-
- Rental Income	0.20	0.54
- Miscellaneous	38.43	8.14
Total other income	123.20	132.97

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 previous 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.

Further, during the previous year, pursuant to an one time settlement by HCC Infrastructure Company Limited (a subsidiary) with its lenders, total outstanding 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 during the previous year.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 27 COST OF MATERIALS CONSUMED

	Year ended March 31, 2025	Year ended March 31, 2024
Stock at beginning of the year	123.42	166.18
Add: Purchases	611.04	854.36
	734.46	1,020.54
Less: Sale of scrap and unserviceable material	(50.56)	(35.07)
	683.90	985.47
Less: Stock at the end of the year (refer note 12)	(119.68)	(123.42)
Total cost of materials consumed	564.22	862.05

NOTE 28 CHANGES IN INVENTORIES

	Year ended March 31, 2025	Year ended March 31, 2024
Opening inventory	309.57	319.73
Impact of deconsolidation (Refer note 45.1.5)	31.85	-
Less: Closing inventory	(4.38)	(309.57)
Total changes in inventories	337.04	10.16

NOTE 29 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	397.77	529.05
Contribution to provident and other funds	71.49	59.14
Staff welfare	23.50	54.07
Share based payment expense	0.08	0.20
Total employee benefits expense	492.84	642.46

NOTE 30 FINANCE COSTS

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on:		
- debentures	363.44	565.22
- term loan/ cash credit facilities	42.43	39.69
- advance from contractee	75.51	91.87
- lease liabilities (Refer note 39)	1.03	2.38
- others	72.82	53.53
Other borrowing costs		
- guarantee commission	34.28	47.15
- others	10.19	13.43
Total finance costs	599.70	813.27

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 31 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
a) Depreciation of tangible assets (Refer note 3A)	79.13	73.50
b) Depreciation on right-of-use assets (Refer note 3B & 39c)	15.46	23.28
c) Depreciation of investment properties (Refer note 4)	-	0.02
d) Amortisation of intangible assets (Refer note 5)	69.39	8.30
Total depreciation and amortisation expense	163.98	105.10

NOTE 32 OTHER EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
a) Stationery, postage, telephone and advertisement	6.14	7.49
b) Travelling and conveyance	40.83	36.63
c) Rates and taxes	69.46	27.18
d) Power, fuel and water	128.51	137.73
e) Insurance	39.72	40.83
f) Rent (Refer note 39)	62.96	81.14
g) Professional fees	122.64	87.93
h) Repairs and maintenance- building	4.99	4.30
i) Repairs and maintenance- others	1.27	4.97
j) Payment to auditors	4.29	6.73
k) Office expenses	1.23	2.92
l) Operation, maintenance and warranty	14.06	57.30
m) Selling and distribution expenses	0.47	3.45
n) IT support and computer maintenance	9.68	9.80
o) Loss allowance on financial assets	4.54	19.33
p) Exchange loss (net)	5.99	-
r) Miscellaneous expenses (Refer note 25.1)	41.77	31.84
Total other expenses	558.55	559.57

NOTE 33 EXCEPTIONAL ITEMS - GAIN

	Year ended March 31, 2025	Year ended March 31, 2024
a) Gain on derecognition of financial liability (Refer note 33.1)	312.75	-
b) Gain on deconsolidation of Steiner AG (net) (Refer note 33.2)	216.90	-
c) Gain on deconsolidation of HREL Real Estate Limited (Refer note 33.3)	-	86.73
d) Gain on deconsolidation of Prolific Resolution Private Limited (Refer note 33.4)	-	1.53
e) Gain on sale of land (Refer note 33.5)	-	87.93
f) Gain on deconsolidation of Steiner Construction SA (Refer note 38.1)	-	564.56
g) Gain on deconsolidation of a erstwhile subsidiary (Refer note 33.6)	-	110.00
Total exceptional items - Gain	529.65	850.75

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 33 EXCEPTIONAL ITEMS - GAIN....Contd.

Note 33.1 : Gain on derecognition of financial liability

HCC Operations and Maintenance Limited ('HOML'), a step-down subsidiary of the Holding Company, had signed a Debenture Sale Purchase Agreement in 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 ₹138.00 crore along with interest at 10.27% p.a. Pursuant to the initiation of insolvency proceedings by National Company Law Tribunal, HOML in earlier years had assumed the liability (including interest) towards the debenture holders. During the current year, HOML entered into a one-time settlement with the debenture holders resulting in a gain of ₹312.75 crore which has been presented as an exceptional item. The above dues have been settled and no due certificate has also been obtained from the debenture holders.

Note 33.2 Gain on deconsolidation of Steiner AG

During the current year, pursuant to moratorium, the Zurich District Court has passed an Order approving a scheme of arrangement in respect of Steiner AG ('SAG'), Switzerland, (including its subsidiaries), a material step down wholly owned subsidiary of the Holding Company. This scheme which is approved by the Court based on recommendation of administrator covers a) Divestment of entire shareholding of SAG held by HCC Mauritius Investment Limited and HCC Mauritius Enterprises Limited, (collectively, 'HMILEL'), the wholly owned subsidiaries of the Holding Company to Uniresolv SA, an affiliate of m3 Geneva ('Uniresolv SA') and, b) Divestment of entire shareholding of Steiner Development AG ('SDAG') by SAG to m3 Steiner Development SA, an affiliate of m3 Geneva ('m3SD') c) Divestment of Steiner India Limited ('SIL'), by SAG to Uniresolv SA, d) Asset transfer (receivables) to SAG's wholly owned subsidiary, Steiner Eagle AG ('SEAG') and the immediate subsequent sale of SEAG to Uniresolv SA. Further, pursuant to the aforesaid Court Order, HMILEL has acquired the entire equity shareholding in SEAG from Uniresolv SA, against a swap of SAG shares and deferred consideration of 5 million CHF. Accordingly, SAG and its subsidiaries, joint ventures and associates ceased to part of the Company and SEAG became direct subsidiary of HMILEL w.e.f. December 20, 2024 and HMILEL has recognised gain on deconsolidation amounting to ₹216.90 crore during year ended March 31, 2025.

Note 33.3 Gain on deconsolidation of HREL Real Estate Limited

During the previous year, the Holding Company has divested its entire equity shareholding in HREL Real Estate Limited ('HREL'), a wholly owned subsidiary, vide Share Purchase Agreement dated March 31, 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 amounting to ₹86.73 has been presented as an exceptional item for the year ended March 31, 2024.

Note 33.4 Gain on deconsolidation of Prolific Resolution Private Limited

During the previous 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. Consequent to the above, w.e.f. September 30, 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 March 31, 2024, which has been presented as an exceptional item.

Note 33.5 Gain on sale of land

During the previous 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 33.6 Gain on deconsolidation of a erstwhile subsidiary

During the previous years, As part of the sale agreement with Cube, the HCC Infrastructure Company Limited (HICL) 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 previous year, pursuant to the earn-out threshold being met, the earn-out consideration of ₹110 crore have been recognised as well as realised by HICL and disclosed as exceptional item.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 34 EARNINGS/ (LOSS) PER SHARE (EPS)

			Year ended March 31, 2025	Year ended March 31, 2024
Basic and diluted earnings per share has been computed as under:				
Earnings/(loss) per share (Face value of ₹1 each) - for continuing operations				
a)	Net profit/ (loss) as per the Consolidated Statement of Profit and Loss available for equity shareholders	₹ crore	112.63	529.42
b)	Weighted average number of equity shares for calculating basic earning per share	Nos.	1,715,612,310	1,582,709,741
c)	Effect of dilution on account of employee stock option issued	Nos.	122,704	186,562
d)	Weighted average number of equity shares for calculating diluted earning per share (b+c)	Nos.	1,715,735,014	1,582,896,303
e)	Earning per share (Refer note 18.6)			
-	Basic (a/ b)	₹ per share	0.66	3.35
-	Diluted (a/ d)	₹ per share	0.66	3.34
Earnings/ (Loss) per share (Face value of ₹1 each) - for discontinued operations				
a)	Net profit/ (loss) as per the Consolidated Statement of Profit and Loss available for equity shareholders	₹ crore	-	(51.26)
b)	Weighted average number of equity shares for calculating basic earning per share	Nos.	1,715,612,310	1,582,709,741
c)	Effect of dilution on account of employee stock option issued	Nos.	122,704	186,562
d)	Weighted average number of equity shares for calculating diluted earning per share (b+c)	Nos.	1,715,735,014	1,582,896,303
e)	Earning per share (Refer note 18.6)			
-	Basic (a/ b)	₹ per share	-	(0.32)
-	Diluted (a/ d)	₹ per share	-	(0.32)
Earnings/ (Loss) per share (Face value of ₹1 each) - for total operations				
a)	Net profit/ (loss) as per the Consolidated Statement of Profit and Loss available for equity shareholders	₹ crore	112.63	478.16
b)	Weighted average number of equity shares for calculating basic earning per share	Nos.	1,715,612,310	1,582,709,741
c)	Effect of dilution on account of employee stock option issued	Nos.	122,704	186,562
d)	Weighted average number of equity shares for calculating diluted earning per share (b+c)	Nos.	1,715,735,014	1,582,896,303
e)	Earning per share (Refer note 18.6)			
-	Basic (a/ b)	₹ per share	0.66	3.03
-	Diluted (a/ d)	₹ per share	0.66	3.02

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 35 CONTINGENT LIABILITIES AND COMMITMENTS

	As at March 31, 2025	As at March 31, 2024
A. CONTINGENT LIABILITIES		
a) Claims against the Group not acknowledged as debts	3.65	101.63
b) Income tax liability that may arise in respect of matter in which the Group is in appeals	35.18	74.92
c) Indirect tax liability that may arise in respect of matter in which the Group is in appeals	161.54	181.51
d) Stamp duty	11.66	11.66

Note 35.1.a 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 March 31, 2025	As at March 31, 2024
B. COMMITMENTS		
Capital Commitment (net of advances)	14.41	4.43

NOTE 36 Unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivable includes ₹308.59 crore, ₹214.27 crore and ₹57.52 crore, respectively, outstanding as at March 31, 2025, 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 With regard to land parcels at Vikhroli (East), Mumbai held by the Panchkutir Developers Limited ('PDL'), a subsidiary of Holding Company, the Notification under Section 3C(1) under the Maharashtra Slum Area (Improvement & Redevelopment) Act, 1971 declaring the said property as "Slum Rehabilitation Area" has been challenged by some persons and appeals preferred by both the parties 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.

PDL has filed suit for vacant and peaceful possession of part of the said land in Small Causes Court, Mumbai. On 01.12.2021, Small Causes Court passed ex-parte Decree & Judgement in PDL's favour. The application filed by opposite party to set aside the order of Decree and Judgement was allowed on 04.03.2023 and suit restored to the stage of further cross examination of its Witness, meanwhile amendment application is taken out by PDL to add party as Defendant to the suit, is pending for hearing.

NOTE 38.1 : During the previous year, Steiner AG ('SAG'), a step down subsidiary of the Holding Company, executed a Share Purchase Agreement (SPA) for 100% stake sale in Steiner Construction SA ('SCSA'), a wholly owned subsidiary of SAG. The sale was completed on January 18, 2024 and SCSA ceased to be a subsidiary w.e.f. January 18, 2024. Pursuant to the aforesaid sale the SCSA has been deconsolidated and resultant gain on deconsolidation amounting to ₹564.56 crore has been recognised during the previous year and shown as exceptional gain under note 33.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

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 Ind AS 105 are given below:

	Year ended March 31, 2025	For the period April 1, 2023 to January 18, 2024
Statement of profit and loss		
Total Income	-	1,780.16
Total Expenses	-	1,831.42
Profit/ (Loss) before tax	-	(51.26)
Tax expenses	-	-
Profit/ (Loss) after tax	-	(51.26)
Other comprehensive income	-	-
Total comprehensive income/ (loss)	-	(51.26)
Cash flow statement		
Net cash (used in)/ generated from operating activities	-	(143.87)
Net cash used in investing activities	-	-
Net cash generated from financing activities	-	92.01
Net cash generated from discontinued operations	-	(51.85)

NOTE 39 LEASES - IND AS 116

a) Right-of-use assets:

The net carrying value of right-of-use assets as at March 31, 2025 is Nil (March 31, 2024 : ₹93.62 crore) have been disclosed on the face of the balance sheet. (Refer note 3B).

b) Lease liabilities:

As at March 31, 2025, the obligations under leases amounts to Nil (March 31, 2024 : ₹114.07 crore), which have been classified as lease liabilities NIL [(March 31, 2024 : non-current ₹96.89 crore and current ₹17.18 crore)].

The following is the movement in lease liabilities:

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	114.07	217.05
Additions during the year	-	-
Finance cost accrued during the year (Refer note 30)	1.03	2.38
Payment of lease liabilities	(27.93)	(33.05)
Translation difference	(9.01)	(0.56)
Impact of deconsolidation (Refer note 45.1.4)	(78.16)	-
Termination of lease	-	(71.75)
Balance at the end of the year	-	114.07

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 March 31, 2025	-	-	-	-	-
As at March 31, 2024	114.07	118.06	18.16	74.47	25.43

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 39 LEASES - IND AS 116....Contd.

c) During the year ended March 31, 2025, the Group recognised the following in the Statement of Profit and Loss:

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation expense from right-of-use assets (Refer note 3B & 31)	15.46	23.28
Finance cost on lease liabilities(Refer note 30)	1.03	2.38
Rent Expenses(Refer note 32)	62.96	81.14

d) Cash outflow in respect of lease liabilities for the year ended March 31, 2025 amounts to ₹27.93 crore (March 31, 2023: ₹33.05 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 March 31, 2025	As at March 31, 2024
a)	Joint ventures			
	Prolific Resolution Private Limited (Refer note 33.4)	India	49.00	49.00
b)	Associates			
	Evostate AG (Upto December 20, 2024, refer note 45.1.4)	Switzerland	-	30.00
	MCR Managing Corp. Real Estate (Upto December 20, 2024, refer note 45.1.4)	Switzerland	-	30.00
	Evostate Immobilien AG (Subsidiary of Evostate AG) (Upto December 20, 2024, refer note 45.1.4)	Switzerland	-	30.00
	Hegias AG, Zurich (Upto December 20, 2024, refer note 45.1.4)	Switzerland	-	23.20
	Highbar Technocrat Limited	India	49.00	49.00

c) Other related parties with whom the Company has transactions during the year

Name	Relationship
Mrs. Shalaka Gulabchand Dhawan	Daughter of Chairman and Non-Executive Director and Wife of Executive Vice Chairman
Seeberg Private Limited	Other related party
Seamarine Investments Private Limited	Other related party
HCC Employee's Provident Fund	Post-employment contribution plan
Stiftung der Steiner AG (Steiner pension foundation), upto December 20, 2024 (Refer note 45.1.4)	Post-employment benefits plan
Maharani Holdings Private Limited	Entities over which key management personnel/ their relatives having control

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(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 Non-Executive Director
Mr. Arjun Dhawan	Executive Vice Chairman
Mr. Mukul Sarkar	Nominee Director
Mr. N. R. Acharyulu	Independent Director (upto September 17, 2024)
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. June 7, 2023)
Mr. Jaspreet Bhullar	MD & CEO
Mr. Ramesh Subramanyam	Independent Director (w.e.f. December 16, 2024)
Mr. Aditya Jain	Non-Executive Non-Independent Director (w.e.f. June 7, 2023)
Mr. Girish Gangal	Chief Financial Officer (w.e.f. April 18, 2024)
Mr. Rahul Rao	Chief Financial Officer (upto April 18, 2024)
Mr. Nitesh Kumar Jha	Company Secretary

C. Nature of transactions

	Year ended March 31, 2025	Year ended March 31, 2024
Transactions with related parties:		
Interest income on inter corporate deposits		
Entities over which key management personnel/their relatives having control		
- Maharani Holdings Private Limited	-	0.04
Rental Income		
Entities over which key management personnel/their relatives having control		
- Seeberg Private Limited	0.02	-
Service Income		
Joint ventures		
- Prolific Resolution Private Limited	32.58	31.22
Services received		
Associates		
- Highbar Technocrat Limited	3.32	0.05
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
Sale of Investment		
- Other Related Party		
- Seamarine Investments Private Limited	11.00	-

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 40 DISCLOSURE IN ACCORDANCE WITH IND AS 24 - RELATED PARTY DISCLOSURES....Contd.

	Year ended March 31, 2025	Year ended March 31, 2024
Remuneration paid/ accrued to Key Management Personnel(Refer note (i))		
(a) Short-term employee benefits		
- Mr. Ajit Gulabchand	2.79	2.79
- Mr. Arjun Dhawan	5.60	5.13
- Mr. Jaspreet Bhullar	3.79	3.55
- Mr. Girish Gangal	2.40	-
- Mr. Rahul Rao	0.10	1.34
- Mr. Nitesh Kumar Jha	0.69	0.69
	15.36	13.50
(b) Post employment benefits		
- Mr. Ajit Gulabchand	0.21	0.21
- Mr. Arjun Dhawan	0.40	0.37
- Mr. Jaspreet Bhullar	0.31	0.30
- Mr. Rahul Rao	0.00*	0.06
- Mr. Nitesh Kumar Jha	0.02	0.02
	0.95	0.96
(c) Total remuneration [(a) + (b)]		
- Mr. Ajit Gulabchand	3.00	3.00
- Mr. Arjun Dhawan	6.00	5.50
- Mr. Jaspreet Bhullar	4.10	3.85
- Mr. Girish Gangal	2.40	-
- Mr. Rahul Rao	0.10	1.40
- Mr. Nitesh Kumar Jha	0.72	0.71
	16.32	14.46
Remuneration paid / accrued		
- Other related parties		
- Mrs. Shalaka Gulabchand Dhawan	1.36	1.31
Directors' sitting fees paid/ accrued		
Key management personnel		
- Mr. Ajit Gulabchand	0.18	0.16
- Mr. N. R. Acharyulu	0.09	0.15
- Mr. Arun V. Karambelkar	0.06	0.04
- Mr. Santosh Jankiram Iyer	0.15	0.07
- Mr. Mahendra Singh Mehta	0.19	0.12
- Mr. Mukul Sarkar	0.06	0.03
- Dr. Mita Dixit	0.13	0.08
- Mr. Aditya Jain	0.10	0.03
- Mr. Ramesh Subramanyam	0.01	-
	0.97	0.68

* Represent amount less than ₹1 Lakh

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 40 DISCLOSURE IN ACCORDANCE WITH IND AS 24 - RELATED PARTY DISCLOSURES....Contd.

Outstanding balances:

	As at March 31, 2025	As at March 31, 2024
Outstanding receivables		
Receivables from related parties		
Other Receivable		
- Joint Venture		
- Prolific Resolution Private Limited	-	17.16
Associate		
- Highbar Technocrat Limited	0.24	0.32
	0.24	17.48
Outstanding payable		
Other payable		
- Joint Venture		
- Prolific Resolution Private Limited	74.50	-
Associates		
- Highbar Technocrat Limited	0.94	1.80
	75.44	1.80
Corporate guarantees given by Holding Company		
- Joint Venture		
- Prolific Resolution Private Limited	3,820.03	3,448.03
	3,820.03	3,448.03
Remuneration payable (net) (Refer note i)		
Key management personnel		
- Mr. Ajit Gulabchand	0.06	0.18
- Mr. Arjun Dhawan	0.25	0.14
- Mr. Jaspreet Bhullar	0.11	0.14
- Mr. Girish Gangal	0.21	-
- Mr. Rahul Rao	-	0.10
- Mr. Nitesh Kumar Jha	0.05	0.04
	0.68	0.60
- Other related parties		
- Mrs. Shalaka Gulabchand Dhawan	0.11	0.11
	0.79	0.71

Notes:

- The above figure does not include gratuity liability valued by an actuary, as separate figures are not available.
- All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

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:

- 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.
- 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 41 FINANCIAL INSTRUMENTS....Contd.

A Financial instruments by category

The carrying value and fair value of financial instruments by categories were as follows:

As at March 31, 2025

	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)	6A	-	-	25.47	25.47
Investments in equity shares (quoted)	6A	-	-	5.60	5.60
Investment in mutual funds (quoted)	13	-	43.56	-	43.56
Trade receivables	7	3,076.94	-	-	3,076.94
Loans	8	79.09	-	-	79.09
Other financial assets	9	826.47	-	-	826.47
Cash and cash equivalents	14	569.48	-	-	569.48
Bank balances other than cash and cash equivalents	15	138.94	-	-	138.94
Liabilities:					
Borrowings (including current maturities of long-term debts)	20	1,653.83	25.28	-	1,679.11
Trade payables	23	2,092.43	-	-	2,092.43
Other financial liabilities	21	2,225.69	68.04	-	2,293.73

The carrying value and fair value of financial instruments by categories were as follows:

As at March 31, 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)	6A	-	-	33.95	33.95
Investments in equity shares (quoted)	6A	-	-	4.61	4.61
Investment in mutual funds (quoted)	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	2,083.86	24.61	-	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

Investments in associates, joint venture & others have been accounted at historical cost. Since these are scope out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the above tables.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 41 FINANCIAL INSTRUMENTS....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:

	As at March 31, 2025			As at March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments in equity shares (quoted)	5.60	-	-	4.61	-	-
Investments in equity shares (unquoted)	-	25.47	-	-	33.38	0.57
Investment in mutual funds (quoted)	43.56	-	-	0.15	-	-
Liabilities						
Borrowing	-	-	25.28	-	-	24.61
Other financial liabilities	-	-	68.04	-	-	77.80

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.

The Group's total debt obligation with floating interest rate as on March 31, 2025 is ₹251.18 crore (March 31, 2024: ₹256.38 crore)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

	As at March 31, 2025	As at March 31, 2024
Increase in basis points	100 basis points	100 basis points
Effect on profit/ (loss) before tax, increase by	(2.51)	(2.56)
Decrease in basis points	100 basis points	100 basis points
Effect on profit/ (loss) before tax, decrease by	2.51	2.56

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....Contd.

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.

The following table analyses foreign currency risk from financial instruments :

As at March 31, 2025

	(currency in crore)				
	USD	EUR	SEK	CHF	Others
Assets					
Advance to suppliers	-	0.01	-	0.01	0.02
Trade receivables	0.00*	0.12	-	-	-
Bank balances (including deposit)	0.00*	-	-	0.01	-
Other Current Assets	0.00*	-	-	-	-
Other financial assets	-	-	-	8.37	-
Unbilled work-in-progress (contract asset)	-	-	-	-	-
	0.01	0.13	-	8.39	0.02
Liabilities					
Borrowings	3.23	-	-	-	-
Advance from contractee	-	0.62	-	-	-
Trade payables	0.05	0.14	0.11	0.01	-
Other Financial Liability	0.55	-	-	-	-
Interest accrued	0.97	-	-	-	-
	4.80	0.76	0.11	0.01	-
Net assets/ (liabilities)	(4.79)	(0.63)	(0.11)	8.38	0.02

* Represent amount less than ₹1 Lakh

As at March 31, 2024

	(currency in crore)				
	USD	EUR	SEK	CHF	Others
Assets					
Inter corporate deposits and interest thereon	-	-	-	-	-
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	-
	0.05	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)	(3.90)	(0.56)	(0.12)	5.48	(0.01)

* Represent amount less than ₹1 Lakh

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....Contd.

Sensitivity analysis

A reasonably possible change in foreign exchange rates by 5% (March 31, 2024 : 5%) would have increased/ (decreased) total 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 March 31, 2025	Year ended March 31, 2024
Increase in basis points	500 basis points	500 basis points
Increase	16.43	4.71
Decrease in basis points	500 basis points	500 basis points
Decrease	(16.43)	(4.71)

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 March 31, 2025, the exposure to listed equity securities including mutual fund at fair value was ₹49.56 crore (March 31, 2024: ₹4.76 crore). A movement (decrease /increase) of 10% in the value of listed securities could have an impact of approximately ₹0.56 crore on the Other Comprehensive Income or equity attributable to owners of parent and impact of approximately ₹4.36 crore on statement of profit and loss.

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 (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.

	As at March 31, 2025		As at March 31, 2024	
	Amount	%	Amount	%
Trade receivables				
- from Government promoted agencies	2,639.02	84.37%	2,138.73	72.27%
- from private parties	488.97	15.63%	820.69	27.73%
Total trade receivables	3,127.99	100.00%	2,959.42	100.00%

The movement of the allowance for lifetime expected credit loss is stated below:

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	52.10	33.31
Allowance for expected credit loss	4.54	19.33
Impact of exchange fluctuation	-	(0.54)
Impact of deconsolidation (Refer note 45.1.4)	(5.59)	-
Balance at the end of the year	51.05	52.10

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(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 March 31, 2025	Year ended March 31, 2024
Revenue from external customers:		
India	4,831.09	5,191.09
Outside India	772.28	1,815.69
Total revenue from operations	5,603.37	7,006.78

The following table gives details in respect of contract revenues generated from the top customer and top 5 customers for the year ended:

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from top customer	1,444.25	1,020.14
Revenue from top five customers	2,867.58	2,814.83

For the year ended March 31, 2025, one (March 31, 2024: one) 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 March 31, 2025				
Borrowings (including interest accrued)	1,185.60	1,936.85	343.08	3,465.53
Trade payables	1,699.56	392.87	-	2,092.43
Other financial liabilities	463.45	-	-	463.45
Total	3,348.61	2,329.72	343.08	6,021.41
As at March 31, 2024				
Borrowings (including interest accrued)	882.23	2,351.30	555.82	3,789.34
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	2,773.28	634.03	7,135.68

[#] 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(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 March 31, 2025	As at March 31, 2024
Total debt	1,679.11	2,108.47
Less : cash and cash equivalents	569.48	398.73
Net debt	1,109.63	1,709.74
Total equity excluding capital reserve	866.00	(208.18)
Total debt to equity ratio (gearing ratio)	1.28	(8.21)

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 ('ESOS'). 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 ESOS 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 April 1, 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 March 31, 2024 (Refer note 18.4)	371,748	13.45
Options outstanding as at April 1, 2024	371,748	13.45
Options granted during the year	-	-
Options forfeited/lapsed/expired during the year	-	-
Options exercised during the year (Refer note 18.8)	185,874	13.45
Options outstanding as at March 31, 2025 (Refer note 18.4)	185,874	13.45

The weighted average of the remaining contractual life is 0.96 years.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 43 CAPITAL MANAGEMENT....Contd.

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	March 16, 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
Weighted average option fair value at grant date	₹	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.

NOTE 45 INTEREST IN OTHER ENTITIES

45.1 : Subsidiaries

The Group's subsidiaries as at March 31, 2025 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 45.1.1.)		Ownership interest held by non controlling interests (%)		Principal activities
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	
Western Securities Limited (Upto August 14, 2024)(Refer note 45.1.2)	India	-	97.87	-	2.13	Others- Insurance auxliary services
HREL Real Estate Limited (Refer note 45.1.3)	India	-	-	-	-	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
HRL Township Developers Limited	India	100.00	100.00	-	-	Real Estate Development
Maan Township Developers Limited	India	100.00	100.00	-	-	Real Estate Development
HRL (Thane) Real Estate Limited (Refer note 45.1.3)	India	100.00	100.00	-	-	Real Estate Development
HCC Infrastructure Company Limited	India	100.00	100.00	-	-	Infrastructure- Toll Management
HCC Operation and Maintenance Limited	India	100.00	100.00	-	-	Infrastructure - Operation and Maintenance of Road

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 45 INTEREST IN OTHER ENTITIES....Contd.

Name of the entity	Country of incorporation	Ownership interest held by the group (%) (Refer note 45.1.1.)		Ownership interest held by non controlling interests (%)		Principal activities
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	
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 (Refer note 45.1.5)	India	-	100.00	-	-	Infrastructure- Toll Management
HCC Mauritius Enterprises Limited	Mauritius	100.00	100.00	-	-	Engineering and construction
HCC Mauritius Investments Limited	Mauritius	100.00	100.00	-	-	Engineering and construction
Steiner AG (Upto December 20, 2024) (Refer note 45.1.4)	Switzerland	-	100.00	-	-	Engineering and construction
Steiner Promotions et Participations SA (Upto December 20, 2024) (Refer note 45.1.4)	Switzerland	-	100.00	-	-	Engineering and construction
VM + ST AG (Upto December 20, 2024) (Refer note 45.1.4)	Switzerland	-	100.00	-	-	Engineering and construction
Manufakt8048 AG (Upto December 20, 2024) (Refer note 45.1.4)	Switzerland	-	100.00	-	-	Engineering and construction
Steiner Projekte AG (Upto December 20, 2024) (Refer note 45.1.4)	Switzerland	-	100.00	-	-	Engineering and construction
Steiner (Deutschland) GmbH (Upto December 20, 2024) (Refer note 45.1.4)	Germany	-	100.00	-	-	Engineering and construction
Steiner India Limited (Upto December 20, 2024) (Refer note 45.1.4)	India	-	100.00	-	-	Engineering and construction
Steiner Construction SA (Upto January 18, 2024) (Refer note 38.1)	Switzerland	-	-	-	-	Engineering and construction
Steiner Eagle AG (w.e.f. December 20, 2024)	Switzerland	100.00	-	-	-	Engineering and construction

Notes:

- 45.1.1 Including through subsidiary companies.
- 45.1.2 During the current year, the Holding Company has sold its entire shareholding in Western Securities Limited ('WSL'), a subsidiary of the Company. Consequently, WSL has ceased to be a subsidiary of the Company w.e.f. August 14, 2024. The Group has recognised a gain of ₹6.39 crore on this transaction which has been presented under the head "other income."
- 45.1.3 During the previous 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.
- 45.1.4 During the current year, pursuant to moratorium, the Zurich District Court has passed an Order approving a scheme of

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 45 INTEREST IN OTHER ENTITIES....Contd.

arrangement in respect of Steiner AG ('SAG'), Switzerland, (including its subsidiaries, joint ventures and associates), a material step down wholly owned subsidiary of the Holding Company. This scheme which is approved by the Court based on recommendation of administrator covers a) Divestment of entire shareholding of SAG held by HCC Mauritius Investment Limited and HCC Mauritius Enterprises Limited, (collectively, 'HMILEL'), the wholly owned subsidiaries of the Company to Uniresolv SA, an affiliate of m3 Geneva ('Uniresolv SA') and, b) Divestment of entire shareholding of Steiner Development AG ('SDAG') by SAG to m3 Steiner Development SA, an affiliate of m3 Geneva ('m3SD') c) Divestment of Steiner India Limited ('SIL'), by SAG to Uniresolv SA, d) Asset transfer (receivables) to SAG's wholly owned subsidiary, Steiner Eagle AG ('SEAG') and the immediate subsequent sale of SEAG to Uniresolv SA. Further, pursuant to the aforesaid Court Order, HMILEL has acquired the entire equity shareholding in SEAG from Uniresolv SA, against a swap of SAG shares and deferred payment of 5 million CHF over 9 months. Accordingly, SAG along with its subsidiaries, joint ventures and associates ceased to be part of the Group and SEAG became direct subsidiary of HMILEL w.e.f. December 20, 2024. Further, pending transfer of shares of SIL by Uniresolv SA to HMILEL, SIL is not part of the Group as on March 31, 2025.

- 45.1.5 During the current year, pursuant to Scheme of Amalgamation, the National Company Law Tribunal, Mumbai has approved the merger of Raiganj-Dalkhola Highways Limited (RDHL), a step-down subsidiary of the Holding Company with HCC Infrastructure Company Limited, a subsidiary of the Holding Company with the appointed date as January 1, 2024. As a result RDHL is ceased to be step-down subsidiary of the Company w.e.f. February 14, 2025.

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 March 31, 2025	As at March 31, 2024
NCI percentage (Refer note 45.1.2)	0.00%	2.13%
Summarised balance sheet		
Current assets (A)	-	0.61
Non-current assets (B)	-	1.44
Current liabilities (C)	-	0.49
Non-current liabilities (D)	-	0.14
Net assets (A+B-C-D)	-	1.42
Net assets attributable to NCI	-	0.00*
Summarised statement of profit and loss		
Revenue	0.25	0.59
Profit/ (loss) for the year	0.09	(0.62)
Other comprehensive income/(loss)	0.07	0.10
Total comprehensive income/ (loss)	0.16	(0.52)
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)
Cash flow from investing activities	-	0.57
Cash flow from financing activities	-	-
Net increase/ (decrease) in cash and cash equivalents	-	(0.09)

* Represents amount less than ₹1 lakh

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 45 INTEREST IN OTHER ENTITIES....Contd.

45.3 : Interest in associates and joint ventures

	Note	Carrying amount ^	
		As at March 31, 2025	As at March 31, 2024
Interest in associates	See (A) below	31.55	63.99
Interest in joint ventures	See (B) below	-	142.83
		31.55	206.82

(A) Interest in associates

The Group's associates 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 March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	
Evostate AG	Switzerland	-	30.00	-	13.53	Real estate development
MCR Managing Corporate Real Estate AG	Switzerland	-	30.00	-	2.02	Real estate development
Hegias AG	Switzerland	-	23.20	-	24.69	IT services
Highbar Technocrat Limited	India	49.00	49.00	31.55	23.75	IT services
Total				31.55	63.99	

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 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 March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	
Prolific Resolution Private Limited (Refer note 33.4)	India	49.00	49.00	-	142.83	Others- Services of recovering, assessing Managing claim, awards etc
				-	142.83	

^ Unlisted entity- no quoted price available

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 45 INTEREST IN OTHER ENTITIES....Contd.

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

Note 45.4 : Table below provide summarised financial information for associates

	Evostate AG [#]		MCR Managing Corporate Real Estate AG [#]		Hegias AG [#]		Highbar Technocrat Limited	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Summarised Balance Sheet								
Current assets (A)	-	613.65	-	7.40	-	1.09	79.06	63.50
Non-current assets (B)	-	-	-	-	-	27.60	7.71	5.17
Current liabilities (C)	-	568.96	-	0.67	-	3.17	23.91	18.71
Non-current liabilities (D)	-	-	-	-	-	5.01	3.01	1.57
Net assets (A+B-C-D)	-	44.69	-	6.73	-	20.51	59.85	48.39
Summarised Statement of Profit and Loss								
Revenue from operation	0.04	240.80	-	3.05	-	19.15	110.64	100.11
Profit/ (loss) for the year (A)	0.00*	12.50	0.00*	1.91	(0.03)	(18.53)	13.77	9.04
Other comprehensive income (B)	-	(0.11)	-	-	-	0.42	0.68	(0.35)
Total comprehensive income (A+B)	0.00*	12.38	0.00*	1.91	(0.03)	(18.11)	14.45	8.69

[#] Refer note 45.1.4

* represents amount less than ₹1 lakh

Note 45.5 : Financial information for joint ventures:

	Prolific Resolution Private Limited	
	March 31, 2025	March 31, 2024
Summarised Balance Sheet		
Current assets (A)	159.90	67.00
Non-current assets (B)	3,641.75	3,535.25
Current liabilities (C)	58.80	55.59
Non-current liabilities (D)	3,836.58	3,459.52
Net assets (A+B-C-D)	(93.73)	87.14
Summarised Statement of Profit and Loss		
Revenue from operation	331.61	547.25
Profit/ (loss) for the year (A)	(180.87)	54.90
Other comprehensive income (B)	-	-
Total comprehensive income (A+B)	(180.87)	54.90

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(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 March 31, 2025	As at March 31, 2024			
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 International Civil Engineering AB, Kumagai Gumi Co. Ltd. & Itochu Corporation	India	Construction
Alpine- Samsung- HCC Joint Venture	33.00	33.00	Alpine Bau GMBH & Samsung Corporation	India	Construction
Alpine- HCC Joint Venture	49.00	49.00	Alpine Bau GMBH	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
Werkarena Basel AG (Upto December 20, 2024) (Refer note 45.1.4)	-	50.00	P.A Real Estate AG	Switzerland	Real Estate Development

Note 45.6.1 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 March 31, 2025	As at March 31, 2024
Note 45.6.2 Summarised balance sheet (Group's share)		
Total assets	146.24	444.55
Total liabilities	76.55	372.43
Note 45.6.3 Contingent liability/ capital commitment as at reporting date (Group's share)		
Contingent liability	7.22	18.62
Capital and other commitment	-	-

	Year Ended March 31, 2025	Year Ended March 31, 2024
Note 45.6.4 Summarised statement of profit and loss (Group's share)		
Revenue from operations	321.34	475.47
Other income	0.71	1.57
Total expenses (including taxes)	318.06	473.16

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025
(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 March 31, 2025	Net assets / (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	-	1,916.04	71.49%	84.92	63.37%	(7.10)	-14.53%	77.82	42.55%
Subsidiaries **										
Indian										
HCC Infrastructure Company Limited	India	100.00%	445.12	16.61%	297.89	222.31%	(0.16)	-0.33%	297.73	162.80%
HCC Contract Solutions Limited	India	100.00%	(0.01)	0.00%*	-	0.00%*	-	-	-	0.00%*
Panchkurt Developers Limited	India	100.00%	41.93	1.56%	(0.04)	-0.03%	-	-	(0.04)	-0.02%
Maan Township Developers Limited	India	100.00%	(11.34)	-0.42%	-	0.00%*	-	-	-	0.00%*
HRL Township Developers Limited	India	100.00%	0.16	0.01%	0.71	0.53%	-	-	0.71	0.39%
Western Securities Limited (Upto August 14, 2024)(Refer note 45.1.2)	India	0.00%*	-	0.00%*	0.09	0.07%	0.01	0.02%	0.10	0.05%
Highbar Technologies Limited	India	100.00%	16.82	0.63%	9.35	6.98%	0.01	0.02%	9.36	5.12%
HRL (Thane) Real Estate Limited	India	100.00%	(22.81)	-0.85%	(0.02)	-0.01%	-	0.00%*	(0.02)	-0.01%
Foreign										
HCC Mauritius Enterprises Limited	Mauritius	100.00%	371.91	13.88%	(16.87)	-12.59%	57.57	117.80%	40.70	22.26%
HCC Mauritius Investments Limited	Mauritius	100.00%	65.25	2.43%	(99.20)	-74.03%	(1.45)	-2.98%	(100.65)	-55.04%
Joint Ventures										
Indian										
Prolific Resolution Private Limited (Refer note 33.2)	India	49.00%	(142.83)	-5.33%	(142.83)	-106.60%	-	0.00%*	(142.83)	-78.10%
Total			2,680.24	100.00%	134.00	100.00%	48.87	100.00%	182.88	100.00%
Others										
a) Adjustments arising out of consolidation			(1,774.54)		(21.36)		2.29		(19.08)	
b) Non-controlling interest in subsidiaries			-		-		-		-	
Total			905.70		112.63		51.16		163.79	

* Represents amount less than ₹1 lakh

** Including step-down subsidiaries and their joint ventures/ associates

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(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 March 31, 2025	Year ended March 31, 2024
Segment revenue		
Engineering and construction	5,257.28	6,256.08
Real estate	390.10	938.69
Infrastructure	163.55	94.86
Others	3.18	6.50
Unallocable Revenue	13.62	-
Less: Inter segment revenue	(224.36)	(289.35)
Revenue from continued operations	5,603.37	7,006.78
Revenue from discontinued operations	-	1,780.16
Revenue from total operations	5,603.37	8,786.94
Segment results		
Engineering and construction	324.71	(135.26)
Real estate	(329.44)	67.99
Infrastructure	15.66	23.99
Others	(17.42)	(29.84)
Loss before exceptional items, tax and discontinued operations	(6.49)	(73.12)
Exceptional items- Gain		
Engineering and construction	-	654.02
Real estate	-	86.73
Infrastructure	312.75	110.00
Others	216.90	-
Profit/ (loss) before tax and discontinued operations	523.16	777.63
Profit/ (loss) before tax from discontinued operations	-	(51.26)
Profit/ (loss) before tax from total operations	523.16	726.37

	As at March 31, 2025	As at March 31, 2024
Segment assets		
Engineering and construction	7,532.07	7,041.20
Real estate	64.79	1,110.48
Infrastructure	442.51	442.51
Others	48.96	41.03
Unallocable assets	-	424.16
Total Assets	8,088.33	9,059.38

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 47 SEGMENT REPORTING.....Contd.

	As at March 31, 2025	As at March 31, 2024
Segment liabilities		
Engineering and construction	6,793.39	7,708.56
Real estate	21.80	208.97
Infrastructure	74.13	394.61
Others	293.31	208.21
Unallocable liabilities	-	707.51
Total Liabilities	7,182.63	9,227.86

The Holding Company is domiciled in India. The amount of its assets broken down by location is shown in the below table:

	As at March 31, 2025	As at March 31, 2024
Asset		
- In India	6,871.93	6,259.00
- Outside India	1,216.40	2,800.38
	8,088.33	9,059.38

NOTE 48 OTHER STATUTORY INFORMATION

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with struck off companies.
- (iii) The Group does 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore, unless otherwise stated)

NOTE 49 Figures for the previous year have been regrouped/rearranged, wherever considered necessary, to conform to current period's classification. The impact of such reclassification/ regrouping is not material to the consolidated financial statements.

NOTE 50 * represents amount less than ₹ 1 lakh.

This is a summary of material accounting policies and other explanatory information referred to in our report of even date

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership No.: 111383
Place: Mumbai
Date : May 8, 2025

For and on behalf of the Board of Directors

Ajit Gulabchand	DIN : 00010827	Chairman
Arjun Dhawan	DIN : 01778379	Executive Vice Chairman
Mahendra Singh Mehta	DIN : 00019566	Audit Committee Chairman
Jaspreet Bhullar	DIN : 03644691	MD & CEO
Girish Gangal		Chief Financial Officer
Nitesh Jha	FCS No. 8436	Company Secretary

Place: Mumbai
Date : May 8, 2025

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 March 31, 2025

[See Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016]

(₹ in Crore except earnings per share)

I.	Sr. No.	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/ total income	5,726.57
	2	Total expenditure	5,573.30
	3	Exceptional items	529.65
	4	Profit for the year from continuing operations	112.63
	5	Earnings per share- ₹	0.66
	6	Total assets	8,088.33
	7	Total liabilities	7,182.63
	8	Net worth	905.70
	9	Any other financial item(s) (as felt appropriate by the management)	- -
II. Audit Qualification			
a.	Details of Audit Qualification:	As stated in Note 5 to the accompanying Statement, the Holding Company has recognised net deferred tax assets amounting to ₹204.90 crore as at March 31, 2025, which mainly includes deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. However, we are unable to obtain sufficient appropriate audit evidence with respect to the projections for future taxable profits prepared by the management and therefore, are unable to comment on any adjustments that may be required to the carrying value of aforesaid net deferred tax assets as at March 31, 2025.	
b.	Type of Audit Qualification (Qualified/ Disclaimer of opinion/ Adverse)	Qualified Opinion	
c.	Frequency of Qualification:	Qualification II (a)- Appearing in continuation since the quarter and year ended March 31, 2020;	
d.	For Audit Qualifications where the impact is quantified by the auditor, management views:	Not applicable as the impact is unquantified	

ANNEXURE I....Contd.

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 March 31, 2025, the Holding Company has net deferred tax assets amounting to ₹204.90 crore (March 31, 2024: ₹613.09 crore), which mainly represents deferred tax assets on carried forward unused tax losses and other taxable temporary differences. The Holding Company is confident of generating sufficient taxable profits from the unexecuted orders on hand/future projects and expected realisation of claims/arbitration awards against which such deferred tax assets can be utilised and therefore considered good and recoverable. Statutory auditors' review 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 **Mukund M. Chitale & Co**
Chartered Accountants
(Firm Registration No. 106655W)

S. M. Chitale
Partner
Membership No.: 111383

Date: May 8, 2025
Place: Mumbai

For **Hindustan Construction Company Limited**

Jaspreet Bhullar
MD & CEO
DIN : 03644691

Girish Gangal
Chief Financial Officer

Date: May 8, 2025
Place: Mumbai

Mahendra Singh Mehta
Audit Committee Chairman
DIN : 00019566

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

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-25	INR	NA	0.05	(0.06)	0.02	-	-	(0.01)	-	-	100%
2	Highbar Technologies Limited	31-Mar-25	INR	NA	6.25	(19.98)	20.65	1.01	3.18	1.54	-	-	100%
3	Panchkurtir Developers Limited	31-Mar-25	INR	NA	1.40	40.52	102.64	-	-	(0.04)	-	-	100%
4	HCC Operations & Maintenance Limited	31-Mar-25	INR	NA	0.05	45.91	97.38	-	5.32	106.54	28.59	-	100%
5	HCC Infrastructure Company Limited	31-Mar-25	INR	NA	0.25	406.05	576.88	4784	148.40	31.37	1.93	-	100%
6	Narmada Bridge Tollway Limited	31-Mar-25	INR	NA	0.05	0.03	0.12	-	0.01	(0.01)	-	-	100%
7	Badarpur Faridabad Tollway Limited	31-Mar-25	INR	NA	98.00	(105.14)	0.30	-	1.27	1.15	-	-	100%
8	HRL (Thane) Real Estate Limited (Refer note 4)	31-Mar-25	INR	NA	0.10	(22.92)	18.96	-	-	(0.03)	-	-	100%
9	HRL Township Developers Limited	31-Mar-25	INR	NA	0.10	0.06	15.63	-	0.71	0.71	-	-	100%
10	Maan Township Developers Limited	31-Mar-25	INR	NA	0.10	(11.44)	25.71	-	0.00	(0.00)	-	-	100%
Foreign Subsidiary													
1	HCC Mauritius Investment Limited	31-Mar-25	USD	85.25	8.53	(67.44)	285.05	150.04	-	(26.92)	-	-	100%
2	HCC Mauritius Enterprises Limited	31-Mar-25	USD	85.25	42.67	(186.03)	291.44	291.25	-	(26.84)	-	-	100%
3	Steiner Eagle AG	31-Mar-25	CHF	95.42	0.95	805.54	806.99	-	0.86	(376.72)	-	-	100%

Notes

- All above subsidiaries has commenced the operation.
- Western Securities Limited and Steiner AG sold during the year.
- No subsidiaries liquidated during the current year.
- During the current year, pursuant to moratorium, the Zurich District Court has passed an Order approving a scheme of arrangement in respect of Steiner AG ('SAG'). This scheme covers a) Divestment of entire shareholding of SAG held by HCC Mauritius Investment Limited and HCC Mauritius Enterprises Limited, (collectively, 'HMILEL'), the wholly owned subsidiaries of the HCC to Uniresolv SA and b) Divestment of Steiner India Limited ('SIL'), by SAG to Uniresolv SA, c) Asset transfer to SAG's wholly owned subsidiary, Steiner Eagle AG ('SEAG') and the immediate subsequent sale of SEAG to Uniresolv SA. Further, pursuant to the aforesaid Court Order, HMILEL has acquired the entire equity shareholding in SEAG from Uniresolv SA, against a swap of SAG shares. Accordingly, SAG and its subsidiaries, joint ventures and associates ceased to part of the HCC and SEAG became direct subsidiary of HMILEL w.e.f. December 20, 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	Prolific Resolution Private Limited
1	Latest audited balance sheet date	March 31, 2025	March 31, 2025
2	Date on which the associate or joint venture was associated or acquired	July 21, 2016	September 30, 2023
3	Shares of associate/joint ventures held by the Company at the year end		
	- Number	99,940	50,000
	- Amount of investment in associates/joint venture	15.97	0.05
	- Extend of holding %	49.00%	49.00%
4	Description of how there is significant influence	Associate - Significant Influence over Share Capital	Joint Venture - Significant Influence over Share Capital
5	Reason why the associate/joint venture is not consolidated	Consolidated - Equity Method	Consolidated - Equity Method
6	Weather company has commenced the operations	Yes	Yes
7	Networth attributable to shareholders as per latest audited balance sheet	59.85	(93.73)
8	Profit / Loss for the year/ period	14.45	(180.87)
	i. considered in consolidation	708	(142.83)
	ii. Not considered in consolidation	737	(38.04)

Notes:

- 1 All above joint ventures and associates has commenced the operation
- 2 No joint ventures and associates liquidated during the current year
- 3 SAG and its subsidiaries, joint ventures and associates ceased to part of the HCC w.e.f. December 20, 2024

NOTICE

NOTICE is hereby given that the 99th Annual General Meeting of the Members of Hindustan Construction Company Ltd. ("the Company") will be held on Tuesday, August 12, 2025, 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, 2025 including the Audited Standalone Balance Sheet as at March 31, 2025 and the Standalone Statement of Profit and Loss 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, 2025, including the Audited Consolidated Balance Sheet as at March 31, 2025 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."

SPECIAL BUSINESS

3. Payment of revised 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 Sections 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, approval of the Members of the Company be and is hereby granted for payment of revised remuneration of ₹1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) as approved and recommended by the Nomination and Remuneration Committee, Audit Committee, and Board for the financial year 2025-26 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."

4. Appointment of Mr. Arjun Dhawan, Executive Vice Chairman as Vice Chairman & Managing 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 Schedule V read with Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any amendments thereto or statutory modifications or re-enactment thereof for the time being in force) read with Regulations 17(1C), 17(6)(e) and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on recommendations made by the Nomination and Remuneration Committee and Audit Committee, approval of the Members be and is hereby granted for appointment of Mr. Arjun Dhawan (DIN: 01778379), Executive Vice Chairman as the Vice Chairman & Managing Director of the Company, designated as a Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013, for a period of five years with effect from June 26, 2025, not

liable to retire by rotation, at the following remuneration for a period of 3 years and upon such terms and conditions as contained in the draft agreement to be entered into with Mr. Arjun Dhawan, material terms of which are set out in the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

(Amount in ₹)			
Financial Year	Remuneration (per annum)		Total (per annum)
	Fixed	Variable**	
2025-26*	7,00,00,000	2,00,00,000	9,00,00,000
2026-27	7,50,00,000	2,25,00,000	9,75,00,000
2027-28	8,50,00,000	2,50,00,000	11,00,00,000

* Remuneration for the period April 1, 2025 to June 25, 2025 as Executive Vice Chairman and for the period June 26, 2025 to March 31, 2028 as the Vice Chairman & Managing Director of the Company.

**Variable component forming part of the total remuneration of Mr. Arjun Dhawan shall be determined by the Nomination and Remuneration Committee based on the Company's performance on defined parameters and his individual performance (leadership, strategic direction, organization buildup) for the relevant financial year. At the time of payout of the variable component, Company will duly disclose the performance parameters based on which the payout is made.

RESOLVED FURTHER THAT Mr. Arjun Dhawan be provided the following perquisites for the said financial years, which are not included in the computation of remuneration:

- provision for use of Company's car for office duties and telephone and other communication facilities at residence.
- contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, presently ₹7,50,000/- per annum or any amendments thereto or any modifications or statutory re-enactment thereof and/or any rules/regulations made there under.
- one month's leave for every eleven months of service and such other benefits in accordance with the rules of the Company.
- encashment of leave at the end of the tenure.

RESOLVED FURTHER THAT for the purpose of calculating perquisites & allowances as a part of the remuneration of Mr. Arjun Dhawan, the same be evaluated as per the Income Tax Rules, 1962 for valuation of perquisites read with the Income Tax Act, 1961 or any amendments thereto or any modifications or statutory re-enactment thereof and/or any other rules or regulations framed for the said purpose. In the absence of any such provision for valuation of any perquisites & allowances in the said rules, the same be evaluated at its actual cost to the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during his tenure, the aforesaid remuneration, including perquisites, shall be paid as minimum remuneration in accordance with the

provisions of Schedule V and Section 197 of the Companies Act, 2013.

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. Ratification of Remuneration of Cost Auditors for the financial year 2024-25

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 2024-25 amounting to ₹2,85,000/- (Rupees Two Lakhs Eighty-Five Thousand 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."

6. Appointment of M/s. BNP & Associates, Practicing Company Secretaries as Secretarial 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 Section 204 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

other applicable laws, rules and regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation made by the Audit Committee and the Board of Directors of the Company, M/s. BNP & Associates, Company Secretaries, (Firm Registration No. P2014MH037400) be and are hereby appointed as the Secretarial Auditors of the Company for a term of five (5) years, to hold office from the conclusion of the 99th Annual General Meeting until the conclusion of the 104th Annual General Meeting of the Company at a remuneration as may be mutually agreed between the Board of Directors and the Secretarial Auditors as per details set out in the Explanatory Statement annexed hereto to carry out secretarial audit for the financial year ending on March 31, 2026 to March 31, 2030.

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. Approving the enhancement in the borrowing limits 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 Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) subject to such approvals, consents, sanctions and permissions and in accordance with enabling provisions in the Articles of Association of the Company and in supersession of the earlier resolutions passed by the Members of the Company in this regard, the approval of the Members be and is hereby granted to the Board of Directors to borrow monies in excess of the aggregate of the Paid-up Share Capital, Free Reserves and the Securities Premium of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of ₹12,500 crore (Rupees Twelve Thousand Five Hundred Crore Only) and the increased borrowing limit will primarily be utilized for Non-Fund based facilities, such as bank guarantees and letters of credit, as well as a working capital facility through cash credit. It is clarified that the total Fund-based exposure will not exceed the Fund-based debt as of March 31, 2025.

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."

8. To authorise the Board of Directors to create security interests over the undertaking or substantially the whole of the undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with enabling provisions in the Articles of Association of the Company and in supersession of the earlier resolutions passed by the Members of the Company in this regard, the approval of the Members of the Company be and is hereby granted to the Board of Directors of the Company to pledge, hypothecate, mortgage and/or create charge over all or any immovable and movable properties/receivables, arising out of loan, lease, hire-purchase transactions, book debts, current assets, investments of the Company wheresoever situated, both present and future, and/or the whole or substantially the whole of the undertaking or undertakings of the Company of every nature and kind whatsoever for the purpose of securing following borrowings (availed/to be availed): (i) any outstanding amounts under any loan availed /to be availed or obtained/to be obtained from any banks, companies, bodies corporate and such other Financial Institutions as may be participating in the proposed loans, mutual funds, venture capital funds or other lending institutions, firms, trusts, or person(s), etc.; and/or (ii) any outstanding amounts/proposed borrowings under any debt securities whether convertible or non-convertible which may be / have been issued/to be issued and or allotted/ to be allotted from time to time to any of the aforesaid or to the Members or to any other person(s) together with interest, cost, charges, expenses and any other money payable by the Company under such outstanding amounts, in that respect, in such manner and upon such terms and conditions as the Board, may, in its sole discretion deem fit, provided that the maximum limit of the outstanding amounts secured by such security interest created by the Company does not exceed the limit set out under the resolution passed by the Members of the Company from time to time under Section 180(1)(c) of the Companies Act, 2013 and 180(1)(a) and any other applicable provisions if any of the Companies Act, 2013, as may be amended or modified or rescinded from time to time.

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."

9. To Increase in Authorised Share Capital and Alteration to the Capital Clause of Memorandum of Association 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 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any amendments thereto or statutory modifications or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company the approval of the Members of the Company be and is hereby granted to increase the Authorised Share Capital of the Company from ₹210,00,00,000 (Rupees Two Hundred Ten Crore Only) divided into ₹200,00,00,000 (Rupees Two Hundred Crore Only) Equity Shares of ₹1/- each and ₹1,00,00,000 (Rupees One Crore Only) Redeemable Preference Shares of ₹10/- to ₹300,00,00,000 (Rupees Three Hundred Crore Only) divided into ₹290,00,00,000 (Rupees Two Hundred Ninety Crore Only) Equity Shares of ₹1/- each (Rupee One Only) and ₹1,00,00,000 (Rupees One Crore Only) Redeemable Preference Shares of ₹10/- each (Rupees Ten Only) with the power to the Board of Directors of the Company to increase and reduce the share capital of the Company within the overall limit and to divide and subdivide the shares into several classes and to attach thereto respectively such rights, privileges or conditions as may be permitted by the applicable laws in force and in accordance with the Articles of Association of the Company for the time being in force.

RESOLVED FURTHER THAT pursuant to the increase in the Authorised Share Capital of the Company, and provisions of Sections 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any amendments thereto or statutory modifications or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company, the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof with the following Clause V:

V: The Authorised Share Capital of the Company is ₹300,00,00,000 (Rupees Three Hundred Crore Only) divided into ₹290,00,00,000 (Rupees Two Hundred Ninety

Crore Only) Equity Shares of ₹1/- each (Rupee One Only) and ₹1,00,00,000 (Rupees One Crore Only) Redeemable Preference Shares of ₹10/- each (Rupees Ten Only), with the power of the Board of Directors of the Company to increase and reduce the share capital of the Company within the overall limit and to divide or subdivide the shares into several classes and to attach thereto respectively such rights, privileges or conditions as may be permitted by the applicable laws in force and in accordance with the Articles of Association of the Company for the time being in force."

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."

10. 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 ₹1500 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 Depositary Receipts ("ADRs") or Global Depositary Receipts ("GDRs"), pursuant to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depositary 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: June 26, 2025

NOTES – FORMING PART OF THE NOTICE

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 3 to 10 forming part of this Notice is attached as Annexure to this Notice.

Details of the Directors pursuant to the Companies Act, 2013 and the Regulation 36(3) and other relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Secretarial Standard-2 on General Meetings, as applicable are annexed to this Notice.

2. Pursuant to the Ministry of Corporate Affairs Circular No (s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, 09/2024 dated September 9, 2024 and all other relevant circulars issued from time to time ("MCA Circulars"), physical attendance of the Members at 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 99th 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 8, 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 1, 2019. In view of the above and to avail various benefits of dematerialization, 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, MUFG Intime India Private Limited ("MUFG") (Formerly Link Intime India Private Limited) for assistance in this regard.
8. 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, August 12, 2025. Members seeking to inspect such documents can send an email to secretarial@hccindia.com.
9. 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.
10. **The Members are requested to:**
 - a) Intimate change in their registered address, if any, to MUFG Intime India Private Limited ("MUFG") (Formerly Link Intime India Private Limited) 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 MUFG immediately of the change in residential status on return to India for permanent settlement.

- 11.** Please note that in accordance with the provisions of Section 72 of the Companies Act, 2013, 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 MUFG and have it duly filled, signed and sent back to them, in respect of shares held in physical form. Members holding shares in dematerialized 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 October 3, 2024, the copy of the Annual Report for the financial year 2024-25 including the Audited Financial Statements, Board's Report etc. and Notice of the 99th 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 MUFG 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 MUFG 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 99th AGM and the Annual Report for the financial year 2024-25 of the Company are also available on the Company's website www.hccindia.com.

13. Appointment / Re-appointment of Directors

Relevant details of the Directors seeking appointment / 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 B to the Explanatory Statement to this 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), 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, August 5, 2025, 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, August 5, 2025 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 (s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5,

2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, and 09/2024 dated September 9, 2024.

16. The Instructions for Members for remote e-Voting and joining General Meeting are as under:

The remote e-Voting period begins on Friday, August 8, 2025 at 9:00 a.m. and ends on Monday, August 11, 2025 at 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, August 5, 2025 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, August 5, 2025.

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.	<ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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. 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. 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

Type of Shareholders	Login Method
	<p>4. 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.</p> <p>5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>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.</p>

Type of Shareholders	Login Method
	<p>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.</p> <p>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.</p> <p>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.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>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.</p>

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.com or call at 022- 4886 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. 1800-21-09911

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 use 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, Sr. 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 Thursday, August 6, 2025 (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 by the Company to the Stock Exchanges i.e., BSE and NSE within two working days of conclusion of the AGM.
- 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 99th Annual General Meeting i.e Tuesday, August 12, 2025.

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: June 26, 2025

ANNEXURE TO THE NOTICE

AS PER SECTION 102 (1) OF THE COMPANIES ACT, 2013, THE FOLLOWING EXPLANATORY STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS MENTIONED UNDER ITEM NUMBERS 3 TO 10 OF THE NOTICE DATED JUNE 26, 2025

Item No. 3

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 1, 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 shall be 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.

The Board, based on the recommendations of the Nomination and Remuneration Committee and Audit Committee in its Meeting, held on June 26, 2025, has approved the proposal to revise the remuneration of Mr. Ajit Gulabchand, Non-Executive Chairman of the Company for the financial year 2025-26 from ₹3,00,00,000 (Rupees Three Crore Only) to ₹1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) after taking into consideration the industry benchmarks, fees paid to other Non-Executive Directors and to align the remuneration with his current level of involvement and responsibilities.

Apart from the above remuneration, he shall be 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 subject to the 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 ("SEBI Listing Regulations"), the approval of the Members of the Company by way of a Special Resolution is hereby sought for payment of the aforesaid revised remuneration to Mr. Ajit Gulabchand, Non-Executive Chairman of the Company for the financial year 2025-26 as the same is exceeding 50% (fifty percent) of the total annual remuneration/compensation payable to all Non-Executive Directors of the Company.

Relevant details pursuant Secretarial Standard-2 on General Meetings are provided in Annexure B to the Explanatory Statement to this AGM Notice.

Except Mr. Ajit Gulabchand, who is interested to the extent of his remuneration as set out at Item No. 3 of this Notice and Mr. Arjun Dhawan, Vice Chairman & Managing Director 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 Personnel (KMPs) or their respective relatives are in any way concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 3 of this Notice, except to the extent of their respective shareholding in the Company, if any.

Item No. 4

The Board of Directors, based on the recommendations made by the Nomination and Remuneration Committee and the Audit Committee, at its Meeting held on June 26, 2025, approved the appointment of Mr. Arjun Dhawan (DIN: 01778379), Executive Vice Chairman as the Vice Chairman & Managing Director of the Company, designated as a Key Managerial Personnel under Section 203 of the Companies Act, 2013, for a period of five years with effect from June 26, 2025 not liable to retire by rotation and also recommended payment of following remuneration for a period of 3 years, subject to approval of the Members of the Company in accordance with the provisions of Schedule V read with Sections 196 and 197 of the Companies Act, 2013 and Regulations 17(1C) and 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Financial Year	Remuneration (per annum)			(Amount in ₹)
	Fixed	Variable**	Total	(per annum)
2025-26*	7,00,00,000	2,00,00,000	9,00,00,000	
2026-27	7,50,00,000	2,25,00,000	9,75,00,000	
2027-28	8,50,00,000	2,50,00,000	11,00,00,000	

* Remuneration for the period April 1, 2025 to June 25, 2025 as Executive Vice Chairman and for the period June 26, 2025 to March 31, 2028 as Vice Chairman & Managing Director of the Company.

**Variable component forming part of the total remuneration of Mr. Arjun Dhawan shall be determined by the Nomination and Remuneration Committee based on the Company's performance on defined parameters and his individual performance (leadership, strategic direction, organization buildup) for the relevant financial year. At the time of payout of the variable component, Company will duly disclose the performance parameters based on which the payout is made.

In addition, Mr. Arjun Dhawan will be provided the following perquisites for the said financial years, which are not included in the computation of remuneration:

- provision for use of Company's car for office duties and telephone and other communication facilities at residence.
- contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put

together are not taxable under the Income Tax Act, 1961, presently ₹7,50,000/- per annum or any amendments thereto or any modifications or statutory re-enactment thereof and /or any rules/regulations made there under.

- c) one month's leave for every eleven months of service and such other benefits in accordance with the rules of the Company.
- d) encashment of leave at the end of the tenure.

For the purpose of calculating perquisites & allowances as a part of the remuneration of Mr. Arjun Dhawan, the same shall be evaluated as per the Income Tax Rules, 1962 for valuation of perquisites read with the Income Tax Act, 1961 or any amendments thereto or any modifications or statutory re-enactment thereof and/or any other rules or regulations framed for the said purpose. In the absence of any such provision for valuation of any perquisites & allowances in the said rules, the same shall be evaluated at its actual cost to the Company.

In the event of loss or inadequacy of profits in any financial year during his tenure, the abovementioned remuneration shall be paid as minimum remuneration under Section 197 read with Schedule V of the Companies Act, 2013.

Relevant details pursuant to Regulation 30(3) of the SEBI Listing Regulations as amended read with Secretarial Standards-2 on General Meetings are provided in Annexure B to the Explanatory Statement to this AGM Notice.

The draft appointment agreement to be entered between the Company and Mr. Arjun Dhawan in this regard is available for inspection by the Members at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on any working day of the Company, excluding Saturday, till the date of the Annual General Meeting.

Pursuant to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of Members by way of Special Resolution is sought for the appointment of Mr. Arjun Dhawan as Vice Chairman & Managing Director of the Company, for a term of 5 years with effect from June 26, 2025 and under Regulation 17(6)(e) for payment of remuneration exceeding the prescribed limits for a period of 3 years starting from April 1, 2025 to March 31, 2028.

The Board noted that Mr. Arjun Dhawan, Executive Vice Chairman has already been proactively and effectively discharging key managerial responsibilities viz. providing strategic oversight, hands-on involvement in project execution, business operations, stakeholder engagement and cross-functional coordination. He has demonstrated strong leadership with deep understanding of the business and a clear commitment to the growth and performance of the Company. In light of the above, the Board proposed that

the role of Vice Chairman and the Managing Director be consolidated and recommends the passing of the Special Resolution set out at Item No. 4 of this Notice for approval by the Members of the Company.

Except for Mr. Arjun Dhawan, who is interested to the extent of remuneration payable to him under Resolution placed under Item No. 4, Mr. Ajit Gulabchand, Chairman of the Company relative of Mr. Arjun Dhawan who is deemed to be directly/indirectly concerned or interested in the said Resolution, none of the other Directors, Key Managerial Persons or their respective relatives are in any way concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 4 of this Notice, except to the extent of their respective shareholding in the Company, if any.

Item No. 5

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, 2025.

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, 2025, as recommended by the Audit Committee, and approved by the Board of Directors at its Meeting held on August 3, 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. 5 of this Notice to ratify the remuneration payable to the Cost Auditors for the financial year ended March 31, 2025.

The Board considers it in the best interest of the Company to continue the engagement of M/s. Joshi Apte & Associates, Chartered Accountants as Cost Auditors of the Company.

Accordingly, the Board of Directors recommends the Ordinary Resolution set out at Item No. 5 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. 6

The Members are informed that as per the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed Company is required to annex with its Board's Report, a Secretarial Audit Report issued by a Company Secretary in Practice in the prescribed form and also provides that the Secretarial Auditor shall be appointed by the Members for a continuous period of five years, based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company.

Accordingly, in compliance with the above requirements, the Board of Directors, at its Meeting held on May 8, 2025, based on the recommendation made by Audit Committee, approved the appointment of M/s. BNP & Associates, Company Secretaries, as the Secretarial Auditors of the Company for a term of five (5) years, to hold office from the conclusion of the 99th Annual General Meeting until the conclusion of the 104th Annual General Meeting of the Company to carry out secretarial audit for the financial year ending on March 31, 2026 to March 31, 2030.

M/s. BNP & Associates have been serving as the Secretarial Auditors of the Company since financial year 2013-14 and have expressed their willingness to continue as Secretarial Auditors. They have submitted their consent letter along with confirmation of eligibility under the applicable provisions of the Companies Act, 2013 and rules made thereunder. Professional fees for conducting the Secretarial Audit for FY 2025-26 shall be ₹1,25,000 (Rupees One Lakh Twenty-Five Thousand Only) plus applicable taxes and out-of-pocket expenses, with a provision of an annual increment of 5% thereon.

The Board considers it in the best interest of the Company to continue the engagement of M/s. BNP & Associates, Company Secretaries as the Secretarial Auditors of the Company.

Accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 6 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice except to the extent of their respective shareholding in the Company, if any.

Item No. 7

The Members of the Company at their Annual General Meeting held on June 20, 2014 approved, by way of Special Resolution pursuant to Section 180(1)(c) of the Companies Act, 2013, empowering the Board to borrow over and above the aggregate

of paid up share capital, free reserves and securities premium of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹10,000 crore (Rupees Ten Thousand Crore Only).

The company is borrowing funds to meet its anticipated future business requirements, including potential investments, expansion initiatives, and operational needs.

The provisions of Section 180(1)(c) of the Companies Act, 2013 and requires that the Board of Directors shall not borrow monies in excess of the Company's Paid up Share Capital, Free Reserves and Securities Premium apart from temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution and therefore, it is necessary for the members to pass a Special Resolution under Section 180(1) (c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as set out at Item No. 7 of the Notice, to enable the Board of Directors to borrow monies not exceeding ₹12,500 crore (Rupees Twelve Thousand Five Hundred Crore Only).

The increased borrowing limit will primarily be utilized for Non-Fund based facilities, such as bank guarantees and letters of credit, as well as a working capital facility through cash credit. It is clarified that the total Fund-based exposure will not exceed the Fund-based debt as of March 31, 2025.

The Board considers it in the best interest of the Company and accordingly, the Board recommends the Special Resolution as set out at Item No. 7 of the Notice for 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. 7 of this Notice except to the extent of their respective shareholding in the Company, if any.

Item No. 8

In order to facilitate the securing of following borrowings (availed/to be availed) (i) any outstanding amounts under any loan availed / to be availed or obtained from/to be obtained from any banks, companies, bodies corporate and such other Financial Institutions as may be participating in the proposed loans, mutual funds, venture capital funds or other lending institutions, firms or trusts, person(s), etc; and/or (ii) any outstanding amounts under any debt securities whether convertible or non-convertible which may be / have been /to be issued and / or allotted/to be allotted from time to time to any of the aforesaid or to the shareholders or to any other person(s) together with interest, cost, charges, expenses and any other money payable by the Company under such outstanding amounts, it will be necessary to create charge on the assets or whole of the undertaking of the Company.

Section 180(1)(a) of the Companies Act 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting. Accordingly, the approval of the Members of the Company at the Annual General Meeting is sought under Section 180(1) (a) of the Companies Act, 2013 and to empower the Board of Directors of the Company to take all necessary steps in this regard.

The Board considers it in the best interest of the Company and accordingly, the Board recommends the Special Resolution as set out at Item No. 8 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice except to the extent of their respective shareholding in the Company, if any.

Item No. 9

The Board of Directors of the Company in its Meeting held on June 26, 2025 have recommended to increase the Authorised Share Capital of the Company from ₹210,00,00,000 (Rupees Two Hundred Ten Crore Only) divided into ₹200,00,00,000 (Rupees Two Hundred Crore Only) Equity Shares of ₹1/- each and ₹1,00,00,000 (Rupees One Crore Only) Redeemable Preference Shares of ₹10/- to ₹300,00,00,000 (Rupees Three Hundred Crore Only) divided into ₹290,00,00,000 (Rupees Two Hundred Ninety Crore Only) Equity Shares of ₹1/- each (Rupee One Only) and ₹1,00,00,000 (Rupees One Crore Only) Redeemable Preference Shares of ₹10/- each (Rupees Ten Only) with the power to the Board of Directors of the Company to increase and reduce the share capital of the Company within the overall limit and to divide and subdivide the shares into several classes and to attach thereto respectively such rights, privileges or conditions as may be permitted by the applicable laws in force and in accordance with the Articles of Association of the Company for the time being in force.

The Company is planning to raise funds by way of issuing equity shares on Rights Basis or any other capital issues that may be considered by the Board in the future or the allotments pursuant to exercise of employee stock options or other convertible securities issued to lenders, so as to ensure availability of sufficient headroom for such capital issuances.

Alteration to the Capital Clause of Memorandum of Association of the Company is proposed in consequence of the above increase in the Authorised Share Capital of the Company.

Pursuant to Section 13 and 61 of the Companies Act, 2013, any increase in the Authorised Share Capital and consequent amendment to the Memorandum of Association of the Company requires approval of the Members of the Company.

The Board considers it in the best interest of the Company and accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 9 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice except to the extent of their respective shareholding in the Company, if any.

Item No. 10

The Special Resolution contained in the Notice under Item No.10 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 (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other applicable laws, rules and regulations.

The resolution also enables the Board to issue Securities for an aggregate amount not exceeding ₹1500 crore or its equivalent in any 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., will 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. 10 of this Notice for issuance of securities of the Company.

Accordingly, approval of the Members is sought for passing Special Resolution as set out at Item No. 10 of this Notice for issuance of securities of the Company.

The Special Resolution as set out at Item No. 10 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. Accordingly, the Board of Directors recommends the Special Resolution set out at Item No. 10 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. 10 of this Notice except to the extent of their respective shareholding in the Company, 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: June 26, 2025

ANNEXURE A

STATEMENT CONTAINING REQUIRED INFORMATION PURSUANT TO SECTION II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. General information:

- | | | |
|-----|---|------------------------------|
| (1) | Nature of industry | Engineering and Construction |
| (2) | Date or expected date of commencement of commercial production | Not Applicable |
| (3) | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable |

- (4) Financial performance based on given indicators:

Financial Year 2024-25	₹ in Crore
Revenue from Operations:	4801.05
Profit after Tax	84.90

- (5) Foreign investments or collaborations, if any.

As on June 30, 2025, the Foreign Portfolio Investments (FPIs) holds 17,87,64,743 (9.83%) Equity Shares of the Company of ₹1 each. There is no foreign collaboration for any equity investment.

II. Information about the managerial person

(1) Background details

The Board of Directors at its Meeting held on March 23, 2022, had re-appointed Mr. Arjun Dhawan as a Whole-time Director of the Company, for a period of 5 years w.e.f. April 1, 2022, and same was approved by the Members in their Extra Ordinary General Meeting held on June 22, 2022. He was re-designated as Executive Vice Chairman by the Board of Directors with effect from December 1, 2022. He has been appointed as Vice Chairman & Managing Director of the Company, designated as a Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013, for a period of five years with effect from June 26, 2025.

(2) Past remuneration:

The details of remuneration paid to Mr. Arjun Dhawan for the last three financial years is as given below:

Financial Year	Total Remuneration, Perquisites, Allowances and Retirals (in ₹)
2022-23	5,00,00,000
2023-24	5,50,00,000
2024-25	6,00,00,000

(3) Recognition or awards

As an active Member of the World Economic Forum (WEF), Mr. Dhawan serves on the Global Commission on Nature Positive Cities and is part of the E&C Industry Strategy Officers group. As part of WEF's strategic initiatives, he is involved in helping develop actionable frameworks and best practices to resolve global infrastructure bottlenecks, with the goal of advancing well-structured bankable infrastructure projects globally. Mr. Dhawan also serves as a Member of the Confederation of Indian Industry's (CII) infrastructure initiatives.

(4) Job profile and suitability

Mr. Arjun Dhawan is an accomplished business leader and a committed advocate for sustainable development and long-term value creation.

Over the course of his sixteen-year association with the Hindustan Construction Company Ltd. (HCC) Group, Mr. Dhawan has played a pivotal role in shaping the Company's strategic direction and strengthening its foundations. As Group Chief Executive Officer (2017–2025) and currently as Vice Chairman & Managing Director, he has guided led HCC through a period of profound transformation comprising pivotal moments in its century-long history. Under his leadership, the Company navigated significant business challenges, re-established its core EPC operations, and rebuilt the trust of its stakeholders.

Mr. Dhawan has consistently placed clients and execution at the heart of HCC's strategy, with a strong emphasis on quality, safety, and integrity. His tenure has been marked by the completion of several nationally significant infrastructure projects and the resolution of complex legacy commercial matters. He has also strengthened strategic partnerships, enhancing both the Company's commercial outcomes and technical capabilities.

During a period of operational and organisational stress, Mr. Dhawan prioritised talent retention and later spearheaded efforts to reinforce the Company's engineering and construction expertise. These initiatives contributed to HCC achieving its highest-ever turnover and profitability. His leadership has also garnered continued support from lending institutions and both retail and institutional investors, reflecting confidence in the Company's direction. In the past year alone, HCC secured nearly ₹10,000 crore in new orders (including L1 positions), underscoring a renewed focus on sustainable, profitable growth.

At the onset of his leadership, Mr. Dhawan successfully executed a complex debt restructuring, alongside the divestment of non-core assets and

multiple equity capital raises including a QIP and two Rights Issues personally leading these efforts. These transactions, totaling over ₹6,000 crore, significantly reduced group debt and improved liquidity for core operations. Most recently, he oversaw the strategic exit from the Steiner Group as part of HCC's broader realignment.

Before assuming leadership at the Group level, Mr. Dhawan served as President and CEO of HCC Infrastructure Ltd, where he led the development of Public-Private Partnership (PPP) concessions totaling over ₹7,000 crore. These high-yielding assets later played a key role in HCC's deleveraging and capital-raising initiatives.

Mr. Dhawan actively contributes to the global infrastructure dialogue through the World Economic Forum, where he serves on the Global Commission on Nature-Positive Cities and the Engineering & Construction Industry Strategy Officers group. He is also an active member of the Confederation of Indian Industry (CII) and serves on the Governing Council of the Construction Federation of India (CFI).

Prior to joining HCC, Mr. Dhawan built a career in investment management and investment banking. He was Managing Director at Arya Capital Management in Mumbai and previously worked with Trellus Management Company and Banc of America Securities in New York, managing portfolios in equity and distressed investments. He began his career as an investment banker in New York with the Leveraged Finance Groups of Donaldson, Lufkin & Jenrette and Credit Suisse First Boston, working on transactions across the automotive, energy, healthcare, media, and telecom sectors.

Mr. Arjun Dhawan holds a Bachelor's degree in Mathematics and Economics from Middlebury College and an MBA from Harvard Business School.

(5) Remuneration proposed

The details of Remuneration proposed to be paid to Mr. Arjun Dhawan, Vice Chairman & Managing Director for the period June 26, 2025 to March 31, 2028, is as given below:

(Amount in ₹)

Financial Year	Remuneration (per annum)		
	Fixed	Variable**	Total (per annum)
2025-26*	7,00,00,000	2,00,00,000	9,00,00,000
2026-27	7,50,00,000	2,25,00,000	9,75,00,000
2027-28	8,50,00,000	2,50,00,000	11,00,00,000

* Remuneration for the period April 1, 2025 to June 26, 2025 as Executive Vice Chairman and for the period June 26, 2025 to March 31, 2028 as the Vice Chairman & Managing Director of the Company.

** Variable component forming part of the total remuneration of Mr. Arjun Dhawan shall be determined by the Nomination and Remuneration Committee based on the Company's performance on defined parameters and his individual performance (leadership,

strategic direction, organization buildup) for the relevant financial year. At the time of payout of the variable component, Company will duly disclose the performance parameters based on which the payout is made.

In addition, Mr. Arjun Dhawan will be provided the following perquisites for the said financial years, which are not included in the computation of remuneration:

- provision for use of Company's car for office duties and telephone and other communication facilities at residence.
- contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, presently ₹7,50,000/- per annum or any amendments thereto or any modifications or statutory re-enactment thereof and /or any rules/regulations made there under.
- one month's leave for every eleven months of service and such other benefits in accordance with the rules of the Company.
- encashment of leave at the end of the tenure.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

While proposing the managerial remuneration for Mr. Arjun Dhawan, the remuneration trends for the private sector industry have been considered and analysis of compensation trends in Indian publicly listed companies has been taken into account. Considering the rich experience and contribution of Mr. Arjun Dhawan as well as additional responsibility undertaken by him as the Vice Chairman & Managing Director of the Company, it is well justified that he be paid proposed remuneration.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any

Mr. Arjun Dhawan, Vice Chairman & Managing Director is son-in-law of Mr. Ajit Gulabchand, Chairman of the Company. Save and except for the remuneration set out in the resolution at Item No. 4 of the AGM Notice, he is not having any other pecuniary relationship, directly or indirectly with the Company or with any other managerial personnel of the Company.

III. OTHER INFORMATION:

(1) Reasons of loss or inadequate profits

Company has earned profit during last three consecutive financial years (including the current year). In its effort to de-risk E&C business, Company had written off its investments in its subsidiary Lavasa

Corporation Limited during FY 2019 and had to book losses amounting to ₹2011.13 crore during the year. This, along with COVID impact led to negative retained earnings over 4 years of period under consideration, thus resulted in inadequate profits for the purpose of Section 198 of the Companies Act, 2013.

(2) Steps taken or proposed to be taken for improvement

Under the leadership of Mr. Arjun Dhawan, the Company is relentlessly focused on achieving operational excellence, divestment of non-core businesses to generate liquidity or derisking of E&C business, accelerated deleveraging and creating foundation for exponential growth in the years to come. Some of the key steps taken by the Company are listed below to improve the performance viz.

- a) Strategic focus on high margin complex projects which have lesser competition.
- b) Divested non-core business to generate liquidity, ensure business de-risking and focus on growth:
 - i. Generated liquidity through bilateral settlement of claims, monetisation of BOT assets and sale of land parcels.
 - ii. Divested stake in Steiner AG, Switzerland (SAG), alongwith its subsidiaries, joint ventures and associates to focus on core operation in India. The Company has recognized a gain on deconsolidation amounting to ₹216.90 crore. Further, while divesting the stake, the Company has retained ownership in H56 Immo AG (formerly Steiner Eagle AG) a subsidiary of SAG, which hold ₹1,174 crore of contractual receivables & claims which are expected to realize in near future.
- c) Re-gained confidence of institutional investors as well as retail investors and successfully raised ₹950 crore by way of Rights Issue (₹350 crore; 2.5x oversubscribed) and qualified institutional placement (₹600 crore).

- d) Secured three contracts worth ₹5,693 crore with JV partners (HCC's share ₹3,472 crore) during FY25 and lowest bidder in projects worth ₹6,079 crore, where contracts are yet to be signed. Furthermore, submitted bids worth ₹30,950 crore which are under evaluation.
- e) Prepaid entire fund-based exposure of three lenders by utilizing proceeds received against certain arbitration awards, facilitated through the issuance of Bank Guarantees. Some other lenders are in process of concluding similar prepayment. This will reduce HCC's debt in an accelerated manner, resulting into lower financial charges.
- f) Company is also in the process of settling some of the large client advances against the claims outstanding in a few projects, which will reduce financing charges and improve profit margin.
- g) Company has achieved investment grade rating during the year, which will enhanced support from lenders and investors.
- h) Lender consortium in-principle agreement to limit HCC Corporate Guarantee on debt of Prolific Resolution Pvt. Ltd. ("PRPL") from 100% to 20%; formal approvals are in progress. Once approved, this will significantly de-risk HCC from over ₹3,600 crore of debt of PRPL.
- i) During FY 2024-25 Company has also opted for New Tax regime, which will result into lower tax.

(3) Expected increase in productivity and profits in measurable terms

The Company has been working on various strategic initiatives to improve operations and profitability of the Company by focusing on its core competence of highly skilled EPC jobs where competitive pressures are less, and margins are higher. Upon implementation of all these initiatives the Company can expect profit margins to improve by 2-3 percent.

IV. DISCLOSURES:

Details of the proposed remuneration to Mr. Arjun Dhawan, Vice Chairman & Managing Director have been fully set out in the Special Resolution at Item No. 4.

ANNEXURE B (FOR ITEM NUMBERS 2, 3 & 4)

Details of the Directors pursuant to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings, as applicable.

1	Name of the Director	Mr. Aditya Pratap Jain
	DIN	08115375
	Date of Birth (Age in years)	June 22, 1962 (63 Years)
	Qualification	Law Graduate and Diploma in Personnel Management from the National Institute of Personnel Management
	Date of Appointment	June 7, 2023
	Brief Resume along with Justification Note	<p>Mr. Aditya Pratap Jain has a rich experience of over 34 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, Process 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.</p> <p>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.</p>
	Relationship with Directors	None
	Terms and conditions of re-appointment and remuneration	Liable to retire by rotation.
	Expertise in specific functional areas	Wide experience in the field of Human Resources.
	No. of Board Meetings attended during the year	6 (Six)
	Directorships held in other Companies and Bodies Corporate	NIL
	Chairman/Member of the Committee of the Board of Directors in other Companies	NIL
	Name of listed Companies from which Director has resigned in past three years	NIL
	Number of Shares held in the Company including Beneficial Owner	NIL
2	Name of the Director	Mr. Ajit Gulabchand
	DIN	00010827
	Date of Birth (Age in years)	June 28, 1948 (77 Years)
	Qualification	Bachelor's degree in commerce
	Date of Appointment	Appointed on the Board of HCC, as Managing Director since April 1, 1983 and later as the Chairman since May 1994 & appointed as a Chairman from April 1, 2023.
	Brief Resume along with Justification Note	<p>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.</p>

	<p>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 India Hume Pipe Co. and Managing Director of Ravalgaon Sugar Farm. He became Managing Director of HCC in 1983 and Chairman & Managing Director in 1994.</p> <p>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 of Climate, United Nations's action platform for business and a signatory member 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.</p>
Relationship with Directors	He is father-in-law of Mr. Arjun Dhawan, Vice Chairman & Managing Director and is not related to any other Director of the Company
Terms and conditions of re-appointment and remuneration	As provided in Explanatory Statement of AGM Notice
Expertise in specific functional areas	Enriched experience in the Construction Industry over 4 decades
No. of Board Meetings attended during the year	5 (Five)
Directorships held in other Companies and Bodies Corporate	<ol style="list-style-type: none"> 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 <p>Bodies Corporate:</p> <ol style="list-style-type: none"> 8. HCC Mauritius Enterprises Limited 9. HCC Mauritius Investment Limited
Chairman/Member of the Committee of the Board of Directors in other Companies	<p>Hincon Holdings Ltd.</p> <ul style="list-style-type: none"> • Stakeholder Relationship Committee – Member • Investment Committee – Chairman <p>Hincon Finance Ltd.</p> <ul style="list-style-type: none"> • Investment Committee – Chairman
Name of listed Companies from which Director has resigned in past three years	NIL
Number of Shares held in the Company including Beneficial Owner	21,17,294

3	Name of the Director	Mr. Arjun Dhawan
	DIN	01778379
	Date of Birth (Age in years)	July 19, 1976 (48 Years)
	Qualification	MBA from Harvard Business School and BA in Mathematics and Economics from Middlebury College
	Date of Appointment	Appointed as Executive Vice Chairman from April 1, 2017 (Re-appointment: April 1, 2022) and appointed as Vice Chairman & Managing Director from June 26, 2025
	Brief Resume along with Justification Note	As provided in Statement containing required information pursuant to Section II of Schedule V of the Companies Act, 2013
	Relationship with Directors	He is son-in-law of Mr. Ajit Gulabchand, Chairman and is not related to any other Director of the Company.
	Terms and conditions of re-appointment and remuneration	As provided in Explanatory Statement of AGM Notice
	Expertise in specific functional areas	An accomplished business leader in engineering, construction, and infrastructure concessions, with a proven track record in delivering nationally significant projects and resolving complex legacy commercial issues. A committed contributor to the global infrastructure dialogue, with deep experience across both project execution and strategic transformation
	No. of Board Meetings attended during the year	6 (Six)
	Directorships held in other Companies and Bodies Corporate	Companies: <ol style="list-style-type: none"> 1. Maharani Holdings Private Limited 2. AVG Hotels Private Limited 3. Dhawan Management Private Limited 4. Arya Capital Management Private Limited 5. HCC Infrastructure Company Limited 6. Seeberg Private Limited Bodies Corporate: <ol style="list-style-type: none"> 7. Steiner Development AG 8. H56 Immo AG (formerly Steiner Eagle AG)
	Chairman/Member of the Committee of the Board of Directors in other Companies	NIL
	Name of listed Companies from which Director has resigned in past three years	NIL
	Number of Shares held in the Company including Beneficial Owner	NIL

IMPORTANT FINANCIAL STATISTICS

Year	Paid Up Capital				Fixed Assets			Dividend paid on Preference and Equity shares		
	Equity ₹ Lacs	Preference ₹ Lacs	Reserves ₹ Lacs	Debentures ₹ Lacs	Gross Block ₹ Lacs	Net Block ₹ Lacs	Turnover ₹ Lacs	Net Profit ₹ Lacs	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	84970.00	—	—
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	—	—
2024-25	18194.00	—	173410.00	70050.00	122977.00	16272.00	480105.00	7782.00	—	—

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This annual report has been printed on eco-friendly paper.

Cover image

Mumbai Coastal Road Project, Maharashtra