



HCC/SEC/RESULT/2024

August 05, 2024

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

Dear Sir,

Sub.: **Unaudited Financial Results for the quarter ended June 30, 2024**

As per Regulations 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2024 which were approved and taken on record by the Board of Directors of the Company at its Meeting held today i.e. August 05, 2024 along with Limited Review Report thereon submitted by the Statutory Auditors.

A copy of the press release is also enclosed herewith.

The meeting of the Board of Directors of the Company commenced at 2.00 p.m. and concluded at 5.15 p.m.

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

Thanking you,

Yours Faithfully,
For Hindustan Construction Company Ltd.

Nitesh Kumar Jha
Company Secretary

Encl. : As above

Hindustan Construction Co Ltd

Hincon House,
LBS Marg, Vikhroli (West),
Mumbai - 400 083, India
Tel : +91 22 2575 1000 Fax : +91 22 2577 7568
CIN : L45200MH1926PLC001228

www.hccindia.com

HCC Net Profit at ₹22.7 Cr for Q1 FY25**Construction Business records turnover of ₹1,265.7 Cr in Q1 FY25**

Mumbai: August 05, 2024: HCC E&C reported standalone turnover and net profit of ₹1,265.7 crore and ₹22.7 crore, respectively, in Q1 FY25, as against ₹1,230.9 crore and ₹19 crore, respectively, in Q1 FY24. The Company's order book stood at ₹9,534 crore as of June 30, 2024. HCC reported consolidated revenue of ₹1,816 crore in Q1 FY25 versus ₹1,926.5 crore in Q1 FY24. The consolidated loss was at ₹2.5 crore in Q1 FY25 versus a net profit of ₹43.6 crore in Q1 FY24.

Financial highlights – HCC unaudited standalone results

- Turnover of ₹1,265.7 crore in Q1 FY25 versus ₹1,230.9 crore in Q1 FY24
- Net Profit of ₹22.7 crore in Q1 FY25 versus ₹19 crore in Q1 FY24
- EBITDA margins at 12.6% in Q1 FY25 compared to 12.6% in Q1 FY24

During the quarter, the company has received project completion certificates for its Numaligarh Jorhat and NH34 Pkg 3 road projects, defect liability period completion and performance certificates for its DGNP Dry Dock project, substantial completion certificate for Punatsangchhu HEP and part completion certificate for Tunnel T-49A. Phase 2 of the Mumbai Coastal Road project, connecting one carriageway to Bandra Worli Sea link, was inaugurated earlier this year. Significant progress has been achieved on Anji Khad Bridge, DMRC DC06, Mumbai Metro Line 3, Tehri Pumped Storage and Vishnugad Pipalkoti HEP.

The Company's focus is now on accelerated order booking. It is the lowest bidder in projects worth ₹4,633 crore, and work is well underway on a future bid pipeline of ₹40,000 crore. The Company plans to raise equity of up to ₹600 crore through a Qualified Institutional Placement to support its accelerated growth plan.

Performance of HCC subsidiary, Steiner AG:

Steiner AG reported revenues of CHF 60.3 million (₹546.4 crore) in Q1 FY25 as compared to CHF 62.6 million (₹561.2 crore) in Q1 FY24 (restated) and loss of CHF 1.9 million (₹17.5 crore) in Q1 FY25 as compared to a net profit of CHF 0.2 (₹1.9 crore) in Q1 FY24 (restated). The Company secured fresh orders worth CHF 4.3 million (₹39.3 crore). The Company has a development portfolio of over CHF 4.37 billion.

About HCC:

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With an engineering heritage of nearly 100 years, HCC has executed a majority of India's landmark infrastructure projects, having constructed 26% of India's Hydro Power generation and 60% of India's Nuclear Power generation capacities, over 4,036 lane km of Expressways and Highways, more than 402 km of complex Tunnelling and 403 Bridges. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. The HCC Group, with a group turnover of ₹7007 crore, comprises of HCC Ltd., HCC Infrastructure Co. Ltd., and Steiner AG in Switzerland.

Hindustan Construction Co Ltd

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

To the Board of Directors of Hindustan Construction Company Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Hindustan Construction Company Limited and its joint operations (together referred to as 'the Company') (Refer Annexure 1 for the list of joint operations included in the Statement) for the quarter ended 30 June 2024, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'). Attention is drawn to the fact that the Note 3 to the Statement regarding 'total balance value of work on hand' as at 30 June 2024, as included in the Statement has been approved by the Company's Board of Directors, but has not been subjected to audit or review.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. As stated in:
 - i) Note 6 to the accompanying Statement, the Company's investments in subsidiaries as at 30 June 2024 includes non-current investment in HCC Infrastructure Company Limited ('HICL'), its wholly owned subsidiary, amounting to ₹ 1,294.33 crore, stated at cost. The subsidiary's consolidated net-worth as at 30 June 2024 is substantially eroded but, the said investment is considered fully recoverable by the management on the basis of factors stated in the aforesaid note including a valuation report obtained from an independent valuer.



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

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

- ii) Note 7 to the accompanying Statement, the Company has recognised net deferred tax assets amounting to ₹ 603.45 crore as at 30 June 2024, which mainly includes deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. However, in view of the history of losses recorded by the Company, we are unable to obtain sufficient appropriate audit evidence with respect to the projections for future taxable profits prepared by the management and therefore, are unable to comment on any adjustments that may be required to the carrying value of aforesaid net deferred tax assets as at 30 June 2024.

Our audit report dated 24 May 2024 on the standalone financial results of the Company for the quarter and year ended 31 March 2024 and our review report dated 3 August 2023 on the standalone unaudited financial results of the Company for the quarter ended 30 June 2023, were also qualified in respect of the above matters.

5. Based on our review conducted as above and the consideration of the review report of the other auditor referred to in paragraph 7 below, except for the possible effects of the matters described in previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to note 5 to the accompanying Statement regarding uncertainties relating to recoverability of unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables amounting to ₹ 542.36 crore, ₹ 243.59 crore and ₹ 57.52, crore respectively, as at 30 June 2024, which represent receivables in respect of closed/ substantially closed/ suspended projects. The Company is at various stages of negotiation/ discussion with the clients or under arbitration/ litigation in respect of the aforementioned receivables. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the management is confident of recovery of these receivables. Our conclusion is not modified in respect of the above matter.
7. We did not review the interim financial information of one (1) joint operation included in the Statement, where such interim financial information reflects Company's share of total revenues of ₹ 127.91 crore, total net profit after tax of ₹ 2.75 crore, and total comprehensive income of ₹ 2.75 crore, for the quarter ended on 30 June 2024, as considered in the Statement. Such interim financial information has been reviewed by another auditor, whose report has been furnished to us by the management, and our conclusion, in so far as it relates to the amounts and disclosures included in respect of this joint operation, is based solely on the review report of such other auditor.

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

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



Hindustan Construction Company Limited
Independent Auditor's Report on Standalone Unaudited Quarterly Financial Results of the Company
Pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing
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8. The Statement includes the interim financial information of seven (7) joint operations, which have not been reviewed/ audited by their auditors, and whose interim financial information reflects Company's share of total revenues of ₹ 0.18 crore, total net profit after tax of ₹ 0.06 crore and total comprehensive profit of ₹ 0.06 crore, for the quarter ended on 30 June 2024, as considered in the Statement. Such interim financial information has been furnished to us by the Company's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unreviewed/ unaudited interim financial information. According to the information and explanations given to us by the management, the interim financial information of aforesaid joint operations is not material to the Company.

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

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



Rohan Jain
Partner
Membership No. 139536

UDIN: 24139536BKGXMX1010

Place: Mumbai
Date: 5 August 2024

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

Annexure 1

List of joint operations included in the Statement

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



STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

₹ in crore, unless otherwise stated

| Sr. No. | Particulars | Quarter ended | | | Year ended |
|---------|---|-----------------|-----------------|-----------------|-----------------|
| | | 30-Jun-24 | 31-Mar-24 | 30-Jun-23 | 31-Mar-24 |
| | | Unaudited | Refer note 10 | Unaudited | Audited |
| 1 | Income | | | | |
| | (a) Revenue from operations | 1,265.73 | 1,428.35 | 1,230.87 | 5,042.71 |
| | (b) Other income | 20.65 | 45.26 | 17.68 | 124.99 |
| | Total income (a+b) | 1,286.38 | 1,473.61 | 1,248.55 | 5,167.70 |
| 2 | Expenses | | | | |
| | (a) Cost of materials consumed | 183.05 | 234.41 | 222.92 | 862.02 |
| | (b) Subcontracting expenses | 739.10 | 769.87 | 662.87 | 2,725.88 |
| | (c) Employee benefits expense | 83.17 | 83.88 | 77.04 | 323.71 |
| | (d) Finance costs | 125.30 | 139.98 | 134.89 | 542.89 |
| | (e) Depreciation and amortisation expense | 16.18 | 12.30 | 18.15 | 67.77 |
| | (f) Other expenses | 101.08 | 125.62 | 112.97 | 444.13 |
| | Total expenses (a+b+c+d+e+f) | 1,247.88 | 1,366.06 | 1,228.84 | 4,966.40 |
| 3 | Profit before exceptional items and tax (1-2) | 38.50 | 107.55 | 19.71 | 201.30 |
| 4 | Exceptional item - Gain (Refer note 8) | - | 80.63 | - | 168.56 |
| 5 | Profit before tax (3+4) | 38.50 | 188.18 | 19.71 | 369.86 |
| 6 | Tax expense | | | | |
| | (a) Current tax | 7.97 | 39.80 | 0.76 | 62.45 |
| | (b) Deferred tax | 7.78 | 109.62 | - | 128.84 |
| | Total tax expense (a+b) | 15.75 | 149.42 | 0.76 | 191.29 |
| 7 | Net profit for the period/ year (5-6) | 22.75 | 38.76 | 18.95 | 178.57 |
| 8 | Other comprehensive income | | | | |
| | (a) Items that will not be reclassified subsequently to statement of profit or loss (net of tax) | | | | |
| | - Gain on remeasurement of defined benefit plans | 0.32 | 0.54 | 0.46 | 1.94 |
| | - Gain on fair value of equity instruments | 11.91 | 5.73 | 6.32 | 19.45 |
| | (b) Items that will be reclassified subsequently to statement of profit or loss (net of tax) | - | - | - | - |
| | Other comprehensive income for the period/ year, net of tax (a+b) | 12.23 | 6.27 | 6.78 | 21.39 |
| 9 | Total comprehensive income for the period/ year (7+8) | 34.98 | 45.03 | 25.73 | 199.96 |
| 10 | Paid up equity share capital (Face value of ₹ 1 each) (Refer note 4) | 167.97 | 151.31 | 151.31 | 151.31 |
| 11 | Other equity | | | | 769.77 |
| 12 | Earnings per equity share of face value of ₹ 1 each (Refer note 4) (Not annualised for the quarters) | | | | |
| | (a) Basic (in ₹) | 0.14 | 0.24 | 0.12 | 1.13 |
| | (b) Diluted (in ₹) | 0.14 | 0.24 | 0.12 | 1.13 |
| | See accompanying notes to the standalone unaudited financial results | | | | |



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Hindustan Construction Co Ltd

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CIN : L45200MH1926PLC001228

Notes:

- 1 The standalone unaudited financial results of Hindustan Construction Company Limited and its joint operations (together referred to as the 'Company' or 'HCC') for the quarter ended 30 June 2024 ('the Statement') have been prepared to comply in accordance with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and in compliance with presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 (as amended). These results have been reviewed and recommended to the Board of Directors by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 5 August 2024. These results have been subjected to limited review by statutory auditors, who have expressed a modified review conclusion.
- 2 The Company is engaged in a single business segment viz. "Engineering and Construction", which is substantially seasonal in character. The Company's chief operating decision makers monitor and review the operating result of the Company as a whole. Therefore, there are no other reportable segments for the Company as per requirements of Ind AS 108 'Operating Segment'. Further, the Company's margins in the quarterly results vary given the nature of its business and consequent to receipt of awards/ claims or events which may lead to revision in cost to completion. Accordingly, the quarterly results may vary and may not be strictly comparable.
- 3 The total balance value of work on hand as at 30 June 2024 is ₹ 9,534 crore (31 March 2024: ₹ 10,475 crore).
- 4 On 13 April 2024, the Company 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 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 quarter and year ended 31 March 2024, and quarter ended 30 June 2023 have been retrospectively adjusted for effect of rights issue.
- 5 Unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivable includes ₹ 542.36 crore, ₹ 243.59 crore and ₹ 57.52 crore, respectively, outstanding as at 30 June 2024, representing receivables from customers based on the terms and conditions implicit in the contracts and other receivables in respect of closed/ substantially closed/ suspended projects. These aforementioned receivables are mainly in respect of cost over-run arising due to client caused delays, deviation in design and change in scope of work, for which Company is at various stages of negotiation/ discussion with the clients or under arbitration/ litigation. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the Company is confident that these receivables are good and fully recoverable.
- 6 As at 30 June 2024, the Company has investments (including deemed investments) in its wholly owned subsidiary, HCC Infrastructure Company Limited ('HICL') aggregating ₹ 1,294.33 crore (31 March 2024: ₹ 1,294.45 crore and 30 June 2023: ₹ 1,424.65 crore) classified as non-current investment ₹ 1,294.33 crore (31 March 2024: ₹ 1,294.45 crore and 30 June 2023: ₹ 1,214.65 crore) and current investment of Nil (31 March 2024: Nil and 30 June 2023: ₹ 210 crore). While the consolidated net worth of HICL as at 30 June 2024 has been substantially eroded, the management has assessed the fair value of HICL based on a valuation report from an independent valuation expert. The valuation includes significant judgements and estimates in respect of future business plans, expected share of future revenues of subsidiaries sold and outcome of litigations for favourable arbitration awards in a step-down subsidiary. Accordingly, based on aforementioned valuation report in earlier years, the management believes that the recoverable amount of investment in HICL is higher than its carrying value. Statutory auditors review report is modified in respect of this matter.
- 7 As at 30 June 2024, the Company has recognised net deferred tax assets amounting to ₹ 603.45 crore (31 March 2024: ₹ 613.09 crore and 30 June 2023: ₹ 741.93 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Company 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.
- 8 Exceptional items includes :

| Particulars | Quarter ended | | | Year ended |
|---|---------------|--------------|-----------|---------------|
| | 30-Jun-24 | 31-Mar-24 | 30-Jun-23 | 31-Mar-24 |
| Gain on sale of land | - | - | - | 87.93 |
| Reversal of impairment on financial asset (net) | - | 80.63 | - | 80.63 |
| Total | - | 80.63 | - | 168.56 |

- 9 The Company's wholly owned subsidiaries namely HCC Mauritius Investment Ltd ('HMIL') and HCC Mauritius Enterprise Ltd ('HMEL') hold 100% shares of Steiner AG ('SAG'). In view of liquidity bottlenecks, SAG has been granted a provisional debt moratorium with effect from 6 June 2024 with the objective to increase value for all stakeholders, which include raising of capital for growth and business reorganization by transitioning its core real estate development business into an independent subsidiary to suit investor requirements. The management is confident about successful implementation of the restructuring plan and accordingly, believes that no adjustment is required to the carrying value of Company's non-current investments, non-current loans, current financial assets and corporate guarantees amounting to ₹ 31.69 crore, ₹ 228.14 crore, ₹ 99.25 crore and ₹ 212.42 crore, respectively, as at 30 June 2024, in HMEL and HMIL.
- 10 Figures for the quarter ended 31 March 2024 is the balancing figures between the audited standalone figures for the year ended on that date and the published unaudited year-to-date figures up to the nine months period ended 31 December 2023, which were subjected to limited review by the statutory auditors.
- 11 Figures for the previous period/ year have been regrouped/ reclassified to conform to the current period's presentation, wherever considered necessary. The impact of such regroupings reclassifications is not material to these standalone unaudited financial results.



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

| Particulars | Unit of measurement | Quarter ended | | | Year ended |
|--|---------------------|---------------|-----------|-----------|------------|
| | | 30-Jun-24 | 31-Mar-24 | 30-Jun-23 | 31-Mar-24 |
| Debt Equity ratio : Total Debt/ (Equity Share Capital + Other equity less capital reserve) | Times | 1.36 | 1.92 | 2.68 | 1.92 |
| Debt Service Coverage ratio : (Earnings before interest [^] , depreciation and amortisation, exceptional items and tax expense)/ (Interest [^] on debt for the period/ year + Principal repayment of borrowings and lease liabilities within one year) - Annualised | Times | 0.95 | 1.34 | 0.95 | 1.02 |
| Interest Service Coverage ratio : [(Earnings before interest [^] , depreciation and amortisation, exceptional items and tax expense)/ Interest [^] on debt for the period/ year] - Annualised | Times | 1.61 | 2.23 | 1.39 | 1.69 |
| Outstanding redeemable preference shares | ₹ in crore | - | - | - | - |
| Debenture redemption reserve | ₹ in crore | 54.99 | 54.99 | 54.99 | 54.99 |
| Net Worth (Equity Share Capital + other equity less capital reserves) | ₹ in crore | 1,272.88 | 905.89 | 731.46 | 905.89 |
| Net Profit after tax | ₹ in crore | 22.75 | 38.76 | 18.95 | 178.57 |
| Basic earnings per share (Not annualised for the quarter) | ₹ | 0.14 | 0.24 | 0.12 | 1.13 |
| Diluted earnings per share (Not annualised for the quarter) | ₹ | 0.14 | 0.24 | 0.12 | 1.13 |
| Current Ratio (Current assets/ Current liabilities) | Times | 1.20 | 1.10 | 1.14 | 1.10 |
| Long-term debt to working capital (Non-current borrowings + Current maturities of long-term debt)/ Net working capital | Times | 1.97 | 3.85 | 3.21 | 3.85 |
| Bad debts to accounts receivable ratio (Bad debts/ Average trade receivables) | % | - | - | - | - |
| Current liability ratio (Current liabilities/ Total liabilities) | Times | 0.59 | 0.59 | 0.57 | 0.59 |
| Total debts to total assets ratio [(Non-current borrowings + Current borrowings)/ Total assets] | Times | 0.20 | 0.21 | 0.23 | 0.21 |
| Debtors Turnover [(Revenue from operations/ Average trade receivable)] - Annualised | Times | 2.03 | 2.25 | 1.87 | 1.95 |
| Inventory Turnover [(Cost of Goods Sold/ Average inventory)] - Annualised Cost of Goods sold = Cost of materials consumed + Subcontracting expenses | Times | 31.68 | 31.14 | 21.59 | 24.18 |
| Operating Margin [(Earnings before finance costs, depreciation and amortisation, exceptional items and tax expense less other income)/ Revenue from operations] | % | 12.59% | 15.02% | 12.60% | 13.62% |
| Net Profit Margin [Profit after tax/ Revenue from operations] | % | 1.80% | 2.71% | 1.54% | 3.54% |

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

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



for Hindustan Construction Company Limited

Jaspreet Bhullar
Managing Director & Chief Executive Officer
DIN : 03644691

Date: 5 August 2024
Place: Mumbai

Walker ChandioK & Co LLP

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

To the Board of Directors of Hindustan Construction Company Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results ('the Statement') of **Hindustan Construction Company Limited** and its joint operations ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates, joint venture and joint operation (refer Annexure 1 for the list of subsidiaries, associates, joint venture and joint operations included in the Statement) for the quarter ended 30 June 2024, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India ('ICAI'). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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



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

4. As stated in Note 3 to the accompanying Statement, the Holding Company has recognised net deferred tax assets amounting to ₹ 603.45 crore as at 30 June 2024, which mainly includes deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. However, in view of the history of losses recorded by the Holding Company, we are unable to obtain sufficient appropriate audit evidence with respect to the projections for future taxable profits prepared by the management and therefore, are unable to comment on any adjustments that may be required to the carrying value of aforesaid net deferred tax assets as at 30 June 2024.

Our audit report dated 24 May 2024 on the consolidated financial results for the quarter and year ended 31 March 2024 and review report dated 03 August 2023 on the consolidated unaudited financial results for the quarter ended 30 June 2023, were also qualified in respect of this matter.

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

6. We draw attention to:

- (i) Note 4 to the accompanying Statement, regarding uncertainties relating to recoverability of unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivables amounting to ₹ 542.36 crore, ₹ 243.59 crore and ₹ 57.52 crore, respectively, as at 30 June 2024, 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.
- (ii) The matter as described in Note 7 to the Statement and the following Material Uncertainty Related to Going Concern paragraph included in the review report dated 18 July 2024, issued by another auditor, on the interim condensed consolidated financial information of Steiner AG, a step-down subsidiary of the Holding Company, is reproduced by us as under:

"We draw attention to the explanatory comment to the interim condensed consolidated financial information describing the fact that Steiner AG has been granted a provisional debt-restructuring moratorium with effect as of 6 June 2024. This is in line with the application submitted by the Company in view of the current liquidity bottlenecks and as a measure to its debt-restructuring plan. Steiner maintains a bank facility with a syndicate with the objective to provide guarantees for its construction projects. As at 24 June 2024 Steiner received a note of acceleration, indemnification and set-off (consisting of an indemnity claim of CHF 16.5 million and a security of CHF 8.5 million). In addition, as of 21 May 2024, another guarantor demanded from Steiner AG irrevocable and unconditional indemnification of CHF 7.8 million. Furthermore, Steiner is party to other guarantee contracts, which due to cross-default clauses are entitled to demand cash or equivalent security for the outstanding guarantees (CHF 25.3 million). However, for the period of the debt moratorium there is no impact on liquidity of the Company resulting from such actual or potential demands, the final treatment of which will be addressed as part of the company's final debt-restructuring agreement. Due to these developments and the tightening liquidity situation, the company's ability to continue as a going concern depends on whether it can achieve the proposed debt-restructuring and liquidity measures and therefore there exists a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern."

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



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

7. We did not review the interim financial information of fourteen (14) subsidiaries and one (1) joint operation included in the Statement, whose financial information reflects total revenues of ₹ 546.36 crore, net loss after tax of ₹ 33.01 crore and total comprehensive loss of ₹ 29.77 crore, for the quarter ended 30 June 2024, as considered in the Statement.

The Statement also includes the Group's share of net profit after tax of ₹ 12.74 crore and total comprehensive income of ₹ 12.74 crore, for the quarter ended 30 June 2024, as considered in the Statement, in respect of four (4) associates and one (1) joint venture, whose interim financial information have not been reviewed by us.

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

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

8. We did not review the interim financial information of one (1) joint operation included in the Statement, where such interim financial information reflects group's share of total revenues of ₹ 127.91 crore, net profit after tax of ₹ 2.75 crore and total comprehensive income of ₹ 2.75 crore, for the quarter ended on 30 June 2024, as considered in the Statement. Such interim financial information has been reviewed by another auditor, whose report has been furnished to us by the management, and our conclusion, in so far as it relates to the amounts and disclosures included in respect of this joint operation, is based solely on the review report of such other auditor and procedure performed by us as stated in paragraph 3 above.

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

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

9. The Statement includes the interim financial information of six (6) subsidiaries, which have not been reviewed/ audited by their auditors, whose interim financial information reflects total revenues of ₹ 0.66 crore, net loss after tax of ₹ 0.08 crore and total comprehensive income of Nil for the quarter ended 30 June 2024 as considered in the Statement. The Statement above includes the Group's share of net profit after tax of ₹ 0.69 crore and total comprehensive income of ₹ 0.69 crore for the quarter ended 30 June 2024, in respect of one (1) associate, based on their interim financial information, which have not been reviewed/ audited by their auditors, and have been furnished to us by Holding Company's management.

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



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

10. The Statement includes the interim financial information of seven (7) joint operations, which have not been reviewed/ audited by their auditors, whose interim financial information reflects group's share of total revenues of ₹ 0.18 crore, net profit after tax of ₹ 0.06 crore and total comprehensive income of ₹ 0.06 crore for the quarter ended 30 June 2024 as considered in the Statement. Such interim financial information has been furnished to us by the Holding Company's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unaudited/ unreviewed interim financial information. According to the information and explanations given to us by the Holding Company's management, such interim financial information is not material to the Group.

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

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



Rohan Jain
Partner
Membership No. 139536

UDIN: 24139536BKGXMY4954

Place: Mumbai
Date: 5 August 2024

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

Annexure 1

List of entities included in the Statement

| Subsidiary Companies | |
|---|--|
| HCC Contract Solutions Limited | HRL (Thane) Real Estate Limited |
| Western Securities Limited | Steiner AG |
| HREL Real Estate Limited (upto 31 March 2024) | HCC Realty Limited (upto 31 March 2024) |
| Panchkutir Developers Limited | HCC Operation and Maintenance Limited |
| HCC Mauritius Enterprises Limited | Steiner Promotions et Participations SA |
| Highbar Technologies Limited | Steiner (Deutschland) GmbH |
| HCC Infrastructure Company Limited | VM + ST AG |
| HCC Mauritius Investments Limited | Steiner Leman SAS (upto 17 May 2023) |
| HRL Township Developers Limited | Steiner India Limited |
| HCC Aviation Limited (upto 31 March 2024) | Powai Real Estate Developer Limited (upto 31 March 2024) |
| Nashik Township Developers Limited (upto 31 March 2024) | Raiganj - Dalkhola Highways Limited |
| Maan Township Developers Limited | Steiner Construction SA (upto 18 January 2024) |
| Manufakt8048 AG | Prolific Resolution Private Limited (upto 30 September 2023) |
| Narmada Bridge Tollways Limited | Steiner Projekte AG (w.e.f 19 February 2024) |
| Badarpur Faridabad Tollways Limited | |
| Associates | |
| Highbar Technocrat Limited | Evostate Immobilien AG |
| Evostate AG | MCR Corporation Real Estate AG |
| Hegias AG, Zurich | |
| Joint Operations | |
| Kumagai - Skanska - HCC - Itochu Group | Alpine - HCC Joint Venture |
| HCC - L&T Purulia Joint Venture | HCC - Samsung Joint Venture CC 34 |
| Nathpa Jhakri Joint Venture | HCC - VCCL Joint Venture |
| Alpine - Samsung - HCC Joint Venture | HCC - HDC Joint Venture |
| Werkarena Basel AG | |
| Joint Venture | |
| Prolific Resolution Private Limited (w.e.f 30 September 2023) | |



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| STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2024 | | | | | |
|--|---|-----------------|-----------------|-----------------|-----------------|
| ₹ in crore, unless otherwise stated | | | | | |
| Sr. No. | Particulars | Quarter ended | | | Year ended |
| | | 30-Jun-24 | 31-Mar-24 | 30-Jun-23 | 31-Mar-24 |
| | | Unaudited | Refer note 8 | Unaudited | Audited |
| | Continuing operations | | | | |
| 1 | Income | | | | |
| | (a) Revenue from operations | 1,815.95 | 1,773.13 | 1,926.52 | 7,006.71 |
| | (b) Other income | 19.70 | 39.92 | 16.71 | 132.66 |
| | Total income (a+b) | 1,835.65 | 1,813.05 | 1,943.23 | 7,139.37 |
| 2 | Expenses | | | | |
| | (a) Cost of materials consumed | 183.05 | 234.44 | 222.92 | 862.05 |
| | (b) Subcontracting expenses | 1,218.93 | 1,272.46 | 1,106.05 | 4,261.65 |
| | (c) Changes in inventories | 0.36 | 40.96 | (2.98) | 10.16 |
| | (d) Employee benefits expense | 145.41 | 173.19 | 164.02 | 640.33 |
| | (e) Finance costs | 146.03 | 164.78 | 246.16 | 813.27 |
| | (f) Depreciation and amortisation expense | 25.77 | 17.91 | 29.00 | 105.10 |
| | (g) Other expenses | 115.71 | 169.59 | 140.31 | 561.32 |
| | Total expenses (a+b+c+d+e+f+g) | 1,835.26 | 2,073.33 | 1,905.48 | 7,253.88 |
| 3 | Profit/ (loss) before share in profit of associates and joint venture, exceptional items and tax (1-2) | 0.39 | (260.28) | 37.75 | (114.51) |
| 4 | Share in profit of associates and joint venture (net) | 13.43 | 18.84 | 3.86 | 41.39 |
| 5 | Profit/ (Loss) before exceptional items and tax (3+4) | 13.82 | (241.44) | 41.61 | (73.12) |
| 6 | Exceptional items - Gain (Refer note 5) | - | 651.29 | - | 850.75 |
| 7 | Profit before tax (5+6) | 13.82 | 409.85 | 41.61 | 777.63 |
| 8 | Tax expense/ (credit) | | | | |
| | (a) Current tax | 8.86 | 40.67 | (2.80) | 89.64 |
| | (b) Deferred tax | 7.42 | 122.95 | 0.82 | 158.57 |
| | Total tax expense/ (credit) (a+b) | 16.28 | 163.62 | (1.98) | 248.21 |
| 9 | Profit/ (loss) for the period from continuing operations (7-8) | (2.46) | 246.23 | 43.59 | 529.42 |
| 10 | Discontinued Operations (Refer note 6) | | | | |
| | Profit/ (loss) before tax from discontinued operations | - | (0.30) | 13.08 | (51.26) |
| | Tax expense of discontinued operations | - | - | 3.94 | - |
| | Profit/ (loss) from discontinued operations (after tax) | - | (0.30) | 9.14 | (51.26) |
| 11 | Other comprehensive income | | | | |
| | (a) Items that will not be reclassified subsequently to statement of profit or loss (net of tax) | | | | |
| | - Gain on remeasurement of defined benefit plans | 0.32 | 48.52 | 0.46 | 49.92 |
| | - Gain on fair value of equity instruments | 11.91 | 5.74 | 6.32 | 19.46 |
| | (b) Items that will be reclassified subsequently to statement of profit or loss (net of tax) | | | | |
| | - Translation gain/ (loss) relating to foreign operations | 5.89 | (24.46) | 11.07 | (1.84) |
| | Other comprehensive income for the period/ year, net of tax (a+b) | 18.12 | 29.80 | 17.85 | 67.54 |
| 12 | Total comprehensive income for the period/ year (9+10+11) | 15.66 | 275.73 | 70.58 | 545.70 |
| | Profit/ (loss) for the period/ year attributable to: | | | | |
| | - Owners of the parent | (2.46) | 245.93 | 52.73 | 478.16 |
| | - Non - controlling interest | 0.00* | (0.00)* | (0.00)* | (0.00)* |
| | Other comprehensive income for the period/ year attributable to: | | | | |
| | - Owners of the parent | 18.12 | 29.80 | 17.85 | 67.54 |
| | - Non - controlling interest | 0.00* | (0.00)* | (0.00)* | (0.00)* |
| | Total comprehensive income for the period/ year attributable to: | | | | |
| | - Owners of the parent | 15.66 | 275.73 | 70.58 | 545.70 |
| | - Non - controlling interest | 0.00* | (0.00)* | (0.00)* | (0.00)* |
| 13 | Paid up equity share capital (Face value of ₹ 1 each) (Refer note 2) | 167.97 | 151.31 | 151.31 | 151.31 |
| 14 | Other equity (excluding revaluation reserves) | | | | (319.79) |
| 15 | Earnings/ (loss) per share (Face value of ₹ 1 each) (Refer note 2) | | | | |
| | (Not annualised for the quarters) | | | | |
| | (a) for continuing operations | | | | |
| | - Basic EPS (in ₹) | (0.01) | 1.56 | 0.28 | 3.35 |
| | - Diluted EPS (in ₹) | (0.01) | 1.56 | 0.28 | 3.34 |
| | (b) for discontinued operations | | | | |
| | - Basic EPS (in ₹) | - | (0.00)* | 0.06 | (0.32) |
| | - Diluted EPS (in ₹) | - | (0.00)* | 0.06 | (0.32) |
| | (c) for total operations | | | | |
| | - Basic EPS (in ₹) | (0.01) | 1.56 | 0.34 | 3.03 |
| | - Diluted EPS (in ₹) | (0.01) | 1.56 | 0.34 | 3.02 |
| | * represents amount less than ₹ 1 lakh | | | | |
| | See accompanying notes to the consolidated unaudited financial results | | | | |

| CONSOLIDATED UNAUDITED SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES | | | | | |
|---|---|-----------------|-----------------|------------------|-----------------|
| Sr. No. | Particulars | Quarter ended | | | Year ended |
| | | 30-Jun-24 | 31-Mar-24 | 30-Jun-23 | 31-Mar-24 |
| | | Unaudited | (Refer note 8) | Unaudited | Audited |
| ₹ in crore | | | | | |
| 1 | Segment revenue | | | | |
| | Engineering and construction | 1,707.56 | 1,529.37 | 1,739.85 | 6,256.01 |
| | Real estate | 203.61 | 269.37 | 230.10 | 938.69 |
| | Infrastructure | 26.92 | 81.47 | 1.26 | 94.86 |
| | Others | 0.66 | 4.70 | 0.45 | 6.50 |
| | Less: Inter segment revenue | (122.80) | (111.78) | (45.14) | (289.35) |
| | Revenue from continued operations | 1,815.95 | 1,773.13 | 1,926.52 | 7,006.71 |
| | Revenue from discontinued operations | - | 12.33 | 638.31 | 1,780.16 |
| | Revenue from total operations | 1,815.95 | 1,785.46 | 2,564.83 | 8,786.87 |
| 2 | Segment results | | | | |
| | Engineering and construction | 18.06 | (272.23) | 67.05 | (135.26) |
| | Real estate | 13.94 | 11.09 | (11.55) | 67.99 |
| | Infrastructure | (7.58) | 30.07 | (5.63) | 23.99 |
| | Others | (10.60) | (10.37) | (8.26) | (29.84) |
| | Profit/ (loss) before exceptional items, tax and discontinued operations | 13.82 | (241.44) | 41.61 | (73.12) |
| | Exceptional items - Gain | | | | |
| | Engineering and construction | - | 651.29 | - | 654.02 |
| | Real estate | - | - | - | 86.73 |
| | Infrastructure | - | - | - | 110.00 |
| | Others | - | - | - | - |
| | Total | - | 651.29 | - | 850.75 |
| | Profit before tax and discontinued operations | 13.82 | 409.85 | 41.61 | 777.63 |
| | Loss before tax from discontinued operations | - | (0.30) | 13.08 | (51.26) |
| | Profit before tax from total operations | 13.82 | 409.55 | 54.69 | 726.37 |
| 3 | Segment assets | | | | |
| | Engineering and construction | 7,885.95 | 7,041.20 | 11,167.21 | |
| | Real estate | 978.59 | 1,110.48 | 960.43 | |
| | Infrastructure | 414.84 | 442.51 | 404.32 | |
| | Others | 44.33 | 41.03 | 38.13 | |
| | Unallocable assets | 546.02 | 424.16 | 795.44 | |
| | Total assets | 9,869.73 | 9,059.38 | 13,365.53 | |
| 4 | Segment liabilities | | | | |
| | Engineering and construction | 8,190.01 | 7,708.56 | 12,305.11 | |
| | Real estate | 456.14 | 208.97 | 452.59 | |
| | Infrastructure | 374.70 | 394.61 | 400.68 | |
| | Others | 217.79 | 208.21 | 231.55 | |
| | Unallocable liabilities | 451.90 | 707.51 | 619.63 | |
| | Total liabilities | 9,690.54 | 9,227.86 | 14,009.56 | |



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Notes:

- The consolidated unaudited financial results of Hindustan Construction Company Limited and its joint operations (together referred to as the 'Holding Company' or 'HCC') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and associates and joint venture for the quarter ended 30 June 2024 ('the Statement') have been prepared to comply in accordance with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, from time to time and in compliance with presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These results have been reviewed and recommended to the Board of Directors by the Audit Committee and subsequently approved by the Board of Directors of the Holding Company at their respective meetings held on 5 August 2024. These results have been subjected to limited review by statutory auditors, who have expressed a modified review conclusion.
- On 13 April 2024, the Holding Company 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 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 above, basic and diluted earnings per share for the quarter and year ended 31 March 2024, and quarter ended 30 June 2023 have been retrospectively adjusted for effect of rights issue.
- As at 30 June 2024, the Holding Company has recognised net deferred tax assets amounting to ₹ 603.45 crore (31 March 2024: ₹ 613.09 crore and 30 June 2023: ₹ 741.93 crore), which mainly represents deferred tax assets on carried forward unused tax losses, unused tax credits and other taxable temporary differences. The Holding Company 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.
- Unbilled work-in-progress (contract assets), current trade receivables and non-current trade receivable includes ₹ 542.36 crore, ₹ 243.59 crore and ₹ 57.52 crore, respectively, outstanding as at 30 June 2024, representing receivables from customers based on the terms and conditions implicit in the contracts and other receivables in respect of closed/ substantially closed/ suspended projects of the Holding Company. These aforementioned receivables are mainly in respect of cost over-run arising due to client caused delays, deviation in design and change in scope of work, for which the Holding Company is at various stages of negotiation/ discussion with the clients or under arbitration/ litigation. Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations and as legally advised in certain contentious matters, the Holding Company is confident that these receivables are good and fully recoverable.
- Exceptional items includes :

| Particulars | Quarter ended | | | Year ended |
|---|---------------|---------------|-----------|---------------|
| | 30-Jun-24 | 31-Mar-24 | 30-Jun-23 | 31-Mar-24 |
| Gain on deconsolidation of Steiner Construction SA (Refer note 6) | - | 564.56 | - | 564.56 |
| Gain on deconsolidation of HREL Real Estate Limited | - | 86.73 | - | 86.73 |
| Gain on deconsolidation of Prolific Resolution Private Limited | - | - | - | 1.53 |
| Gain on sale of an erstwhile subsidiary | - | - | - | 110.00 |
| Gain on sale of land | - | - | - | 87.93 |
| Total | - | 651.29 | - | 850.75 |

- 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 of Steiner Construction SA ('SCSA'), a wholly owned subsidiary of SAG. On 18 January 2024, SCSA ceased to be a subsidiary of the Group. Pursuant to the above sale the resultant gain on deconsolidation of ₹ 564.56 crore has been recognised during the quarter and year ended 31 March 2024. Further, the requisite disclosures in accordance with Ind AS 105 are given below:

| Particulars | Quarter ended | For the period | Quarter ended | For the period |
|--|---------------|--------------------------------|---------------|------------------------------|
| | 30-Jun-24 | 01 January 24 to 18 January 24 | 30-Jun-23 | 01 April 23 to 18 January 24 |
| Revenue from operations | - | 12.33 | 638.31 | 1,780.16 |
| Other income | - | - | - | - |
| Total income | - | 12.33 | 638.31 | 1,780.16 |
| Total expenses | - | 12.63 | 625.23 | 1,831.42 |
| Profit/ (loss) before tax | - | (0.30) | 13.08 | (51.26) |
| Tax expense | - | - | 3.94 | - |
| Net profit/ (loss) from discontinued operations | - | (0.30) | 9.14 | (51.26) |

- SAG has been granted a provisional debt moratorium by the Zurich District Court with effect as of 6 June 2024. This is in line with the application submitted by the Company in view of liquidity bottlenecks and as a measure to its debt-restructuring plan. SAG maintains a syndicate bank facility to provide guarantees for its legacy construction projects. As at 24 June 2024, SAG received a note of acceleration, indemnification and set-off [consisting of an indemnity claim of CHF 16.5m (₹ 150.93 crore) and a security of CHF 8.5m (₹ 77.75 crore)]. In addition, as of 21 May 2024, another guarantor demanded from SAG irrevocable and unconditional indemnification of CHF 7.8m (₹ 71.35 crore). Furthermore, SAG is party to other guarantee contracts, which due to cross-default clauses are entitled to demand cash or equivalent security for the outstanding guarantees. However, for the period of the debt moratorium, there is no impact on the liquidity of SAG resulting from such actual or potential demands, the final treatment of which will be addressed as part of the SAG's final restructuring agreement. Due to these developments and the tightening liquidity situation, SAG's ability to continue as a going concern depends on whether it can achieve the proposed restructuring and liquidity measures and therefore there exists a material uncertainty that may cast significant doubt about its ability to continue as a going concern. However, the management of SAG is confident about the restructuring plan and liquidity measures in place and believes this will enable the SAG to successfully complete the transition from a general contractor to a real estate development company and is optimistic of successfully seeing through the current situation, in next quarters and beyond.
- Figures for the quarter ended 31 March 2024 is the balancing figures between the audited consolidated figures for the year ended on that date and the published unaudited year-to-date figures up to the nine months period ended 31 December 2023, which were subjected to limited review by the statutory auditors.
- Figures for the previous period/ year have been regrouped/ reclassified to conform to the current period's presentation, wherever considered necessary. The impact of such regroupings/ reclassifications is not material to these consolidated financial results.



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

| Particulars | Unit of Measurement | Quarter ended | | | Year ended | |
|--|---------------------|---------------|-----------|-----------|------------|--|
| | | 30-Jun-24 | 31-Mar-24 | 30-Jun-23 | 31-Mar-24 | |
| Debt Equity ratio : Total Debt/ (Equity Share Capital + Other equity less capital reserve) | Times | 15.08 | (10.13) | (7.75) | (10.13) | |
| Debt Service Coverage ratio : (Earnings before interest [^] , depreciation and amortisation, exceptional items and tax)/ (Interest [^] on debt for the period/ year + Principal repayment of borrowings and lease liabilities within one year) - Annualised | Times | 0.65 | (0.62) | 0.84 | 0.60 | |
| Interest Service Coverage ratio : [(Earnings before interest [^] , depreciation and amortisation, exceptional items and tax)/ Interest [^] on debt for the period/ year] - Annualised | Times | 1.40 | (1.38) | 1.36 | 1.05 | |
| Outstanding redeemable preference shares | ₹ Crore | - | - | - | - | |
| Debenture Redemption reserve | ₹ Crore | 54.99 | 54.99 | 54.99 | 54.99 | |
| Net Worth (Equity Share Capital + other equity less capital reserves) | ₹ Crore | 139.47 | (208.18) | (683.73) | (208.18) | |
| Net Profit/ (Loss) after tax | ₹ Crore | (2.46) | 246.23 | 43.59 | 529.42 | |
| Basic earnings/ (loss) per share (Not annualised for the quarter) | ₹ | (0.01) | 1.56 | 0.28 | 3.35 | |
| Diluted earnings/ (loss) per share (Not annualised for the quarter) | ₹ | (0.01) | 1.56 | 0.28 | 3.34 | |
| Current Ratio (Current assets/ Current liabilities) | Times | 1.09 | 1.16 | 1.09 | 1.16 | |
| Long-term debt to working capital (Non-current borrowings + Current maturities of long-term debt)/ Net working capital | Times | 3.12 | 2.05 | 7.82 | 2.05 | |
| Bad debts to accounts receivable ratio (Bad debts/ Average trade receivables) | % | - | - | - | - | |
| Current liability ratio (Current liabilities/ Total liabilities) | Times | 0.65 | 0.64 | 0.50 | 0.64 | |
| Total debts to total assets ratio [(Non-current borrowings + Current borrowings)/ Total assets] | Times | 0.21 | 0.23 | 0.40 | 0.23 | |
| Debtors Turnover [(Revenue from operations/ Average trade receivable)] - Annualised | Times | 2.53 | 2.53 | 2.76 | 2.23 | |
| Inventory Turnover [(Cost of Goods Sold/ Average inventory)] - Annualised Cost of Goods sold = Cost of materials consumed + Subcontracting expenses | Times | 13.16 | 13.48 | 10.92 | 11.08 | |
| Operating Margin [(Earnings before finance costs, depreciation and amortisation, exceptional items and tax less other income)/ Revenue from operations] | % | 9.14% | -5.56% | 15.58% | 10.17% | |
| Net Profit/ (Loss) Margin : [Profit/ (Loss) after tax/ Revenue from operations] | % | -0.14% | 13.89% | 2.26% | 7.56% | |

Notes:

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

b) Excludes discontinued operations.

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

for Hindustan Construction Company Limited



Jaspreet Bhullar

Jaspreet Bhullar
Managing Director & Chief Executive Officer
DIN : 03644691

Date: 5 August 2024
Place: Mumbai