HGIEL/HO/COMPLIANCE/2024-25/185 **30-07-2024**

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

Scrip Code- 541019 / 973671

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (East)
Mumbai- 400 051

Scrip Symbol- HGINFRA

Dear Sir/Madam,

Sub: Notice of the 22nd Annual General Meeting and Annual Report for the Financial Year 2023-24

This is to inform you that the 22nd Annual General Meeting ("AGM") of the Members of the Company will be held on **Wednesday, August 21, 2024 at 2:00 p.m.** **(IST)** through Video Conference (VC) / Other Audio-Visual Means (OAVM) in accordance with the applicable circulars issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI") to transact the businesses as listed in the Notice of the AGM.

Pursuant to Regulations 34 and 53 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are submitting herewith the Annual Report of the Company including the Business Responsibility and Sustainability Report and the Notice of the AGM for the financial year 2023-24 which is being sent only through electronic mode to all those Members of the Company whose email addresses are registered with the Company/Company's Registrar and Transfer Agent/Depository Participants.

The Annual Report containing the Notice of the AGM and the Business Responsibility and Sustainability Report is also being made available and can be accessed/downloaded from the Company's website at www.hginfra.com

This is for your information and records.

Thanking you,

Yours faithfully,
For **H.G. Infra Engineering Limited**

ANKITA MEHRA
Digitally signed by ANKITA MEHRA
Date: 2024.07.30 21:48:28 +05'30'

Ankita Mehra
Company Secretary & Compliance Officer
M. No.: A33288

Encl.: As above

HGIEL

We Make People Move...

H.G. Infra Engineering Limited

Potential. Prudence. Performance.

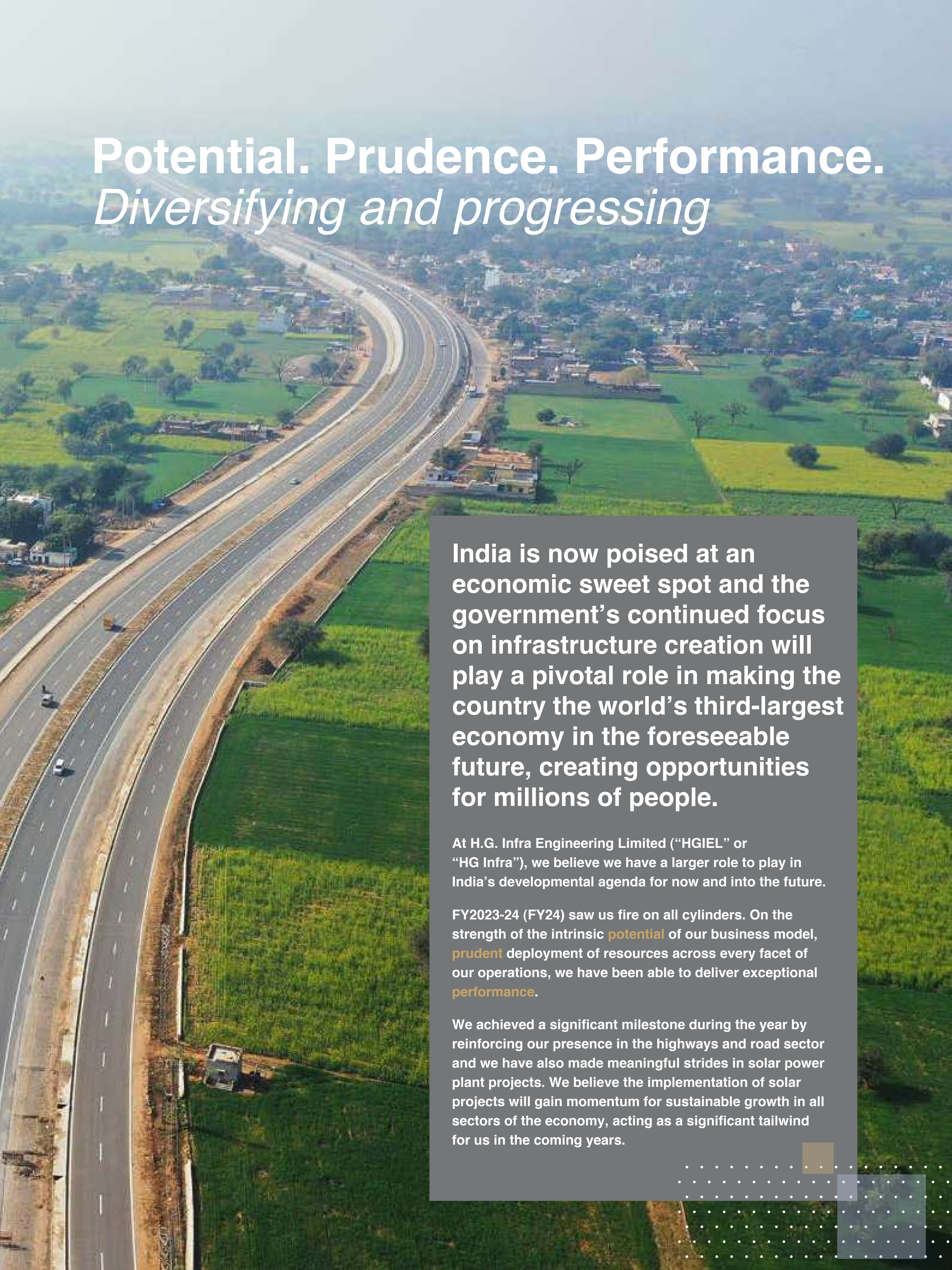
Diversifying and progressing

Annual Report 2023-24

Contents

Forward-looking statement

In this annual report, we have disclosed forward-looking information to enable investors comprehend our prospects and make informed investment decisions. This report and other statements – written and oral – that we periodically produce/publish, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be fully realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Potential. Prudence. Performance.
Diversifying and progressing

India is now poised at an economic sweet spot and the government's continued focus on infrastructure creation will play a pivotal role in making the country the world's third-largest economy in the foreseeable future, creating opportunities for millions of people.

At H.G. Infra Engineering Limited ("HGIEL" or "HG Infra"), we believe we have a larger role to play in India's developmental agenda for now and into the future.

FY2023-24 (FY24) saw us fire on all cylinders. On the strength of the intrinsic potential of our business model, prudent deployment of resources across every facet of our operations, we have been able to deliver exceptional performance.

We achieved a significant milestone during the year by reinforcing our presence in the highways and road sector and we have also made meaningful strides in solar power plant projects. We believe the implementation of solar projects will gain momentum for sustainable growth in all sectors of the economy, acting as a significant tailwind for us in the coming years.

A formidable force in India's infra space

H.G. Infra Engineering Limited has fortified its position as a reliable and important player in India's infrastructure sector, with a successful 21 years track record in constructing roads and highways across the country.

At HG Infra, we have established ourselves as a leader in our core business under experienced guidance and leadership. Recognised as one of the nation's fastest-growing infrastructure construction companies, we are well positioned for significant expansion.

We are strategically diversifying our portfolio beyond roads and highways, by venturing into promising new areas such as railways and metro projects, solar power plant projects, and water sector projects.

HGIEL's leadership team aims to generate approx. 40% of its order book from non-road projects within the next 2 to 3 years. This strategy shift positions HGIEL for an exciting future, allowing it to graduate to the next level and create enduring value for all stakeholders.

21+
Years of Execution

21
Active Projects

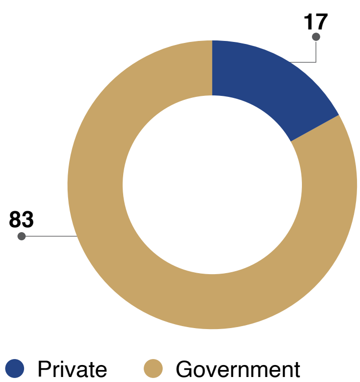
10
HAM Projects

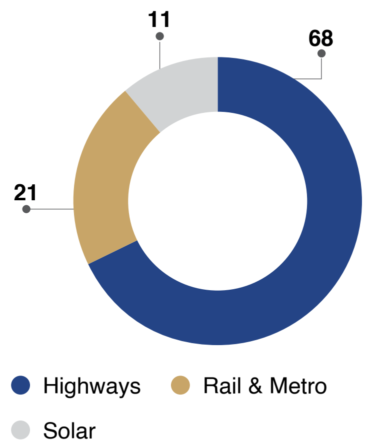
12
Indian States

2800+
Fleet of Modern Equipment

Order book Break up

in %





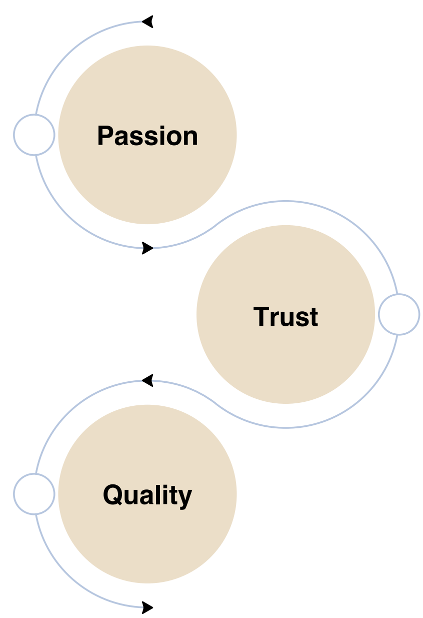
Vision

To be amongst the most admired and trusted infrastructure companies in the country, delivering qualitative, reliable and quality "creations & services" to all customers at competitive costs, with the highest standards of infrastructure creations, setting new benchmarks in standards of corporate performance and governance through the pursuit of operational and financial excellence, responsible citizenship and profitable growth, thereby creating superior value for all the stakeholders and contribute significantly in the growth of this sector.

Mission

- To create world-class assets and infrastructure to provide the platform for faster & consistent growth for India to become the world's economic power.
- To earn the trust and confidence of all customers and stakeholders, exceeding their expectations and making the company a respected household name.
- To consistently achieve high growth with the highest levels of productivity holding guiding principles of trust, integrity and transparency in all aspects of interactions and dealings.
- To be a technology-driven, efficient and financially sound organisation.
- To promote a work culture that fosters individual growth, team spirit and creativity to overcome challenges and attain goals, encourage ideas, talent and value systems.

Values



We have built a formidable legacy spanning decades of experience in India's infrastructure space, with intrinsic **potential** to succeed, **prudence** to remain resilient against macro risks and delivering exceptional **performance** across all fronts in FY24.

Legacy
that inspires

H.G. Infra Engineering Limited (HGIEL) is one of the leading players in the infrastructure domain of roads & highways space with an execution track record of over 21 years. The Company was established and grounded by our founder Chairman Shri Hodal Singh, having over 45 years of experience in the construction space. The Company was incorporated as private limited in 2003. Today, the Company is led by Mr Harendra Singh, our Chairman and Managing Director, who has taken this Company to another height with his engineering exuberance and guidance factor on all executional, operational and business development front of the organisation. The Company provides EPC services on a fixed sum turnkey basis, HAM and undertakes civil construction and related infrastructure projects. Recognising the evolving needs of India's infrastructure landscape, the Company has diversified its portfolio of projects by expanding into railways & metro, solar power plant and water sector projects.

Strengths we rely on

Efficiency and Expertise

Effectively managing the entire road infrastructure and rail extension projects, consistently completing them on time or even ahead of schedule, demonstrates our efficiency and expertise. This efficiency comes from smooth running systems and a deep understanding of the industry's complexities.

Evolving Portfolio

Roads, Highways, Bridges and Flyovers remain our main fortified segment. Our strategic diversification into projects including railways & metro and solar power plant projects has helped us expand our portfolio and demonstrate our ability and commitment to offering comprehensive infrastructure solutions.

Skilled Workforce

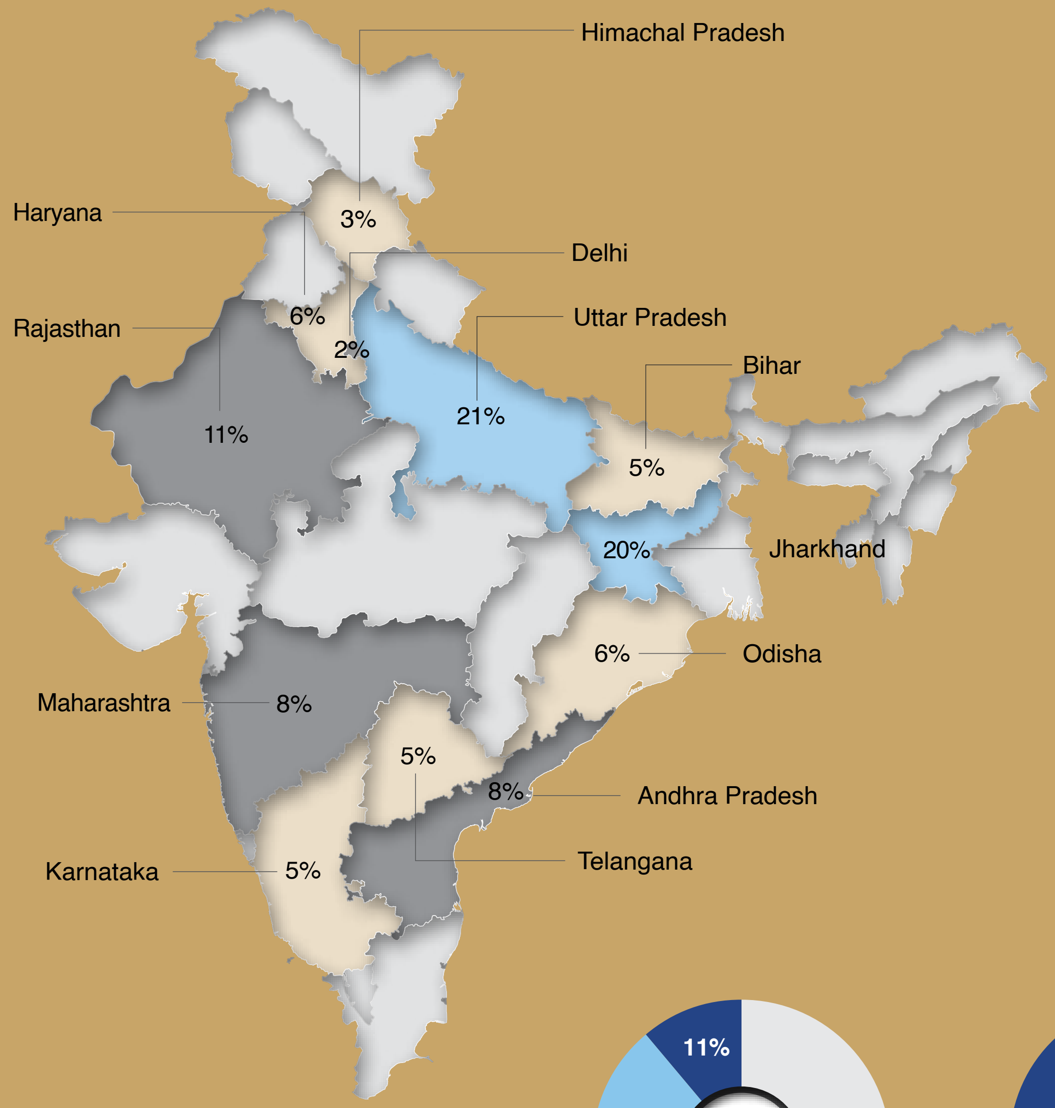
Our dedicated employees are the backbone of our success. We have a large workforce of 4800+ employees strategically assembled in teams with diverse skillsets.

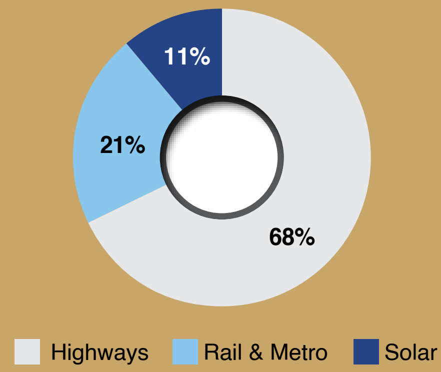
Forward-Thinking Approach

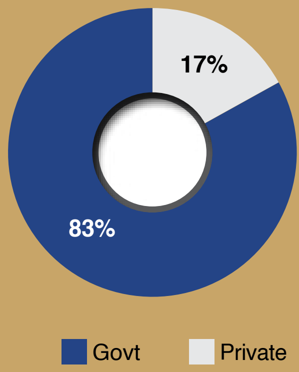
By diversifying our portfolio, we have positioned ourselves as a leader in sustainable and efficient infrastructure development. This forward-thinking approach ensures we remain relevant and impactful in the ever-evolving infrastructure landscape.

Widening our geographic footprint

We have a diverse range of projects in our portfolio across 12 states, contributing to India's journey towards advanced and efficient infrastructure.







Progressing with potential, prudence and performance

- Founded in 2003, HGIEL has grown its presence in the Indian Infrastructure space.
- The Company's experience includes the successful completion of a sub-contract for embankment construction.
- Commenced construction of a portion of the Yamuna Expressway (project value: ₹ 1,000 Million).
- With a presence in two states, HGIEL demonstrates a commitment to regional development.

2003-2008

2009-2014

- HGIEL has played a significant role in developing India's road infrastructure across four states.
- The Company's impressive portfolio includes projects like the four-lane expansion of the Jaipur-Tonk-Deoli section on NH-12 (project value: ₹2,500 Million) and the Warora-Bamni section in Maharashtra (project value: ₹2,600 Million).
- The Company's expertise extends to highway rehabilitation projects, exemplified by the four-lane renewal coat of the Jaipur-Kishangarh highway (project value: ₹141 Million).

- HGIEL has secured a robust order book valued at ₹46,071 Million, demonstrating its strong position in the construction sector.
- The Company has a well-equipped workforce of over 2,400+ employees and maintains a vast equipment bank exceeding 1,000+ units, ensuring efficient project execution.
- HGIEL's listing on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) reflects growing trust of investors in its vision and capabilities.
- HGIEL has undertaken significant projects across six states, contributing to India's national infrastructure development.
- The Company's expertise extends to various project types, including the four-lane construction of NH-65 on the Kaithal-Rajasthan border (project value: ₹4,000 Million) and multiple projects for MoRTH in Maharashtra (total project value: ₹19,000 Million)
- The Company's entry into the HAM (Hybrid Annuity Model) project space with the Gurgaon-Sohna Highway (project value: ₹6,060 Million) showcases our willingness to adopt innovative financing models.

2015-2018

2019-2024

- Project Diversification and Growth: The order book as of March 31, 2024 stand at ₹ 1,24,340 Million. This significant growth reflects the company's strategic move beyond roads and highways, venturing into new sectors like railways & metro.
- Landmark Project: HGIEL successfully secured the prestigious Ganga Expressway project, its largest EPC undertaking to date (valued at ₹49,709 Million and spanning 151.70 Km).
- Financial Strength and Recognition: HGIEL maintained strong financial health with a credit rating of ICRA AA- (Positive) / ICRA A1+ for long-term and short-term credit facilities. Additionally, the company's market capitalisation on the BSE witnessed a significant increase, reaching ₹ 5,928.29 Crore by March 31, 2024. This growth was also solidified by HGIEL's inclusion in the MSCI India Small Cap Index in February 2023.
- Enhanced Capacity: HGIEL bolstered its operational capabilities by expanding its workforce to over 4,800+ employees and acquiring a modern equipment fleet exceeding 2800+ units.
- National Presence: The company's footprint expanded to encompass projects in 12 states, solidifying its position as a key player in India's infrastructure development.

Diversifying our portfolio with foresight

The financial year 2023-24 (FY24) saw us foraying into solar power plant projects. Our timely project deliveries highlights our operational efficiencies and capabilities across our diverse project mix. In FY24, we have successfully launched 2 road projects worth ₹ 1,370.11 Crore and 3 Railways projects worth ₹ 1,872.33 Crore.

₹12,434 Crore
Order Book Value

A strategic approach to bolster our order book

As a part of our long-term strategy of diversifying the order book, we continue to make significant progress in the railways & metro segments. The Union Budget continues to enhance focus on multitracking corridors and station remodelling. A significant portion of this allocation is dedicated to multitracking 7 high-speed density corridors, facilitating the expansion of rail networks by 10,959 kilometers over the next decade.

Our performance in FY24 was driven by a strategic growth plan. Our project acquisition efforts yielded significant results, securing new projects not only in our core competencies of highways and railways but also in the promising solar energy sector.

This comprehensive approach reflects our commitment to diversification and long-term sustainability, ensuring a strong foundation for future success. Our forward-thinking approach extends beyond traditional infrastructure as we have leveraged a joint venture consortium to secure solar power plant projects for the coming year, demonstrating our commitment to clean energy.

Projects awarded during FY24	EPC Project Cost (₹ in Crore)	Details
Railway	1,872.33	Total for 3 projects
Dhule to Nardana Railway Project (Maharashtra)	716.11	-
Aurangabad, Karanjgaon Railway Station Project (Maharashtra)	447.11	-
Gaya-Son Nagar Railway Station Project (Bihar)	709.11	-
Highway	1,370.11*	Total for 2 projects
Chennai-Tirupati Package 2 (Andhra Pradesh)	760.00	-
Kalimandir-Dimna Chowk (Jharkhand)	610.11	-
Solar		
Solar Power Plant Projects in Rajasthan (Kusum-C Scheme)	1,307*	Total for 6 projects (543 megawatts DC)

*Excluding of GST

Project Progress

Category	Project	Progress
EPC Projects		
	Ganga Expressway	Achieved a significant milestone of 54.3% completion, adhering to contractual timelines.
	Delhi/UER Projects	Nearing completion at 93.1%, with completion anticipated within the current financial year.
	Neelmangala-Tumkur Project	Facing challenges due to land acquisition delays by NHAI, the current execution status is at 28%
HAM Projects		
	Karnal Ring Road Project	Achieved 23.9% completion and remains on track.
	Raipur-Visakhapatnam OD5 Project	Advanced to 65.9% completion, with targeted completion in Q3 FY25.
	Raipur-Visakhapatnam OD-6 Project	Currently at 73.7% completion, on schedule for completion in Q2 FY25.
	Raipur-Visakhapatnam AP-01 Package	Reached 69.5% completion, with completion anticipated in Q2 FY25.
	Rewari Bypass	Achieved 83.9% completion
	Khammam-Devarapalle Projects	Package 1 is at 50% completion, while Package 2 is at 53.7%. Completion targeted for Q3 and Q4 FY25 respectively.
	Varanasi-Ranchi-Kolkata Package 13 & 10	In the initial stages of land acquisition, momentum is expected in Q2 and Q3 FY25 respectively.
Railway Projects		
	DMRC Metro Projects	Achieved 49.6% completion.
	Bilaspur-Himachal Pradesh Railway Project	Progressed to 10.3% completion, overcoming initial delays caused by heavy rains.
	Kanpur Central Railway Station Project	Recently commenced, with a current completion status at 4.12%.

Tapping into potential with solar power plant projects

We are taking significant strides in our journey towards a sustainable future by expanding into the solar power sector. This strategic move aligns with India's ambitious goal of achieving 450 gigawatts of renewable energy capacity by 2030, with solar energy playing a pivotal role, contributing over 60% of the total capacity. Recent government budget allocations have provided substantial financial support to enhance solar module manufacturing and the broader renewable energy sector, creating a fertile ground for growth and innovation.

Key solar ventures and alliances

The renewable energy sector, particularly solar power, is gaining traction due to its potential to provide clean and sustainable energy. Recognising the opportunities in this sector, we have secured several significant solar power projects. This diversification supports national energy goals and enhances our capabilities in the infrastructure space.

KUSUM scheme projects

Under the KUSUM scheme, we have been awarded solar power projects development work totalling 543 megawatts DC, valued at ₹ 1,307 Crore EPC value (exclusive of GST). These projects are a crucial step in our expansion into the renewable energy sector.

Joint ventures and contracts

We have secured contracts with Jodhpur Vidhyut Vitran Nigam Limited under KUSUM-C Yojana, collaborating with Stockwell Solar Services Private Limited in the JV consortium, totalling 528 megawatts DC.

The scope of work includes procurement, erection, installation, commissioning, and maintenance of the plants over a 12 months period, followed by a 25 years maintenance agreement. These projects will be executed through dedicated project companies.

In addition, we have also won 2 small solar projects of 15 megawatts under the KUSUM-C Yojana, aggregating to a total of 543 megawatts DC of all KUSUM scheme projects.

Expanding horizons

In addition to large-scale projects, we are exploring opportunities in rooftop solar installations and industrial solar solutions. These initiatives aim to provide comprehensive solar energy solutions, catering to various segments. Through partnerships and a focus on innovation, we are set to make meaningful progress in the shift towards a sustainable energy future.

Delivering value for all stakeholders

We engage with stakeholders proactively and integrate their insights into the strategies we formulate to safeguard their interests and create long-term value for them.

Inputs

Financial Capital

The financial capital comprises investments, loans and revenue generated from the projects.

Manufactured Capital

The manufactured capital includes machines, equipment, materials and even concrete plants that are needed for construction purposes.

Intellectual Capital

Intellectual capital stems from the knowledge of the engineers, design plans, ways of construction, and knowledge about environmental regulations to carry out high-quality projects.

Human Capital

Human capital forms the backbone of HGIEL, comprising skilled workers, project managers, and a labor force dedicated to undertaking our projects.

Social and Relationship Capital

Social and relationship capital includes positive community engagement, good supply chain relations with suppliers and contractors, good government relations and effective stakeholder communication.

Natural Capital

Natural capital ensures that the land used for construction is responsibly acquired, raw materials are extracted for the construction process and water usage is minimised and sustainable.

Value for Stakeholders

Employees

Possess diverse expertise driving business growth.

We create a safe, healthy and learning workplace that enhances overall productivity, job satisfaction and the organisation's reputation.

Shareholders

Our Company prioritises generating re-investable free cash flow and undertaking projects with shorter payback periods and improved Return on Capital Employed (RoCE) to ultimately increase shareholder value.

Vendors

Ensure a steady supply of resources.

Our Company optimises material procurement by establishing long-term contracts that prioritise quality while rewarding promptness in remuneration.

Customers

Play a vital role in generating the financial resources for Company growth.

Our Company prioritises expanding its customer base and retaining existing customers to enhance its revenue.

Communities

The Company contributes to social capital (education, culture, security, safety, etc.) by consistently engaging with and supporting the communities it serves.

Governments

Governments play a crucial role in creating and enforcing laws and policies that shape the framework within which businesses operate.

Our Company supports these policies through consistent engagement with governmental bodies and compliance with various applicable regulations.

Focus Areas

Talent

Customer traction

Wide distribution footprint

Increasing shareholder wealth

Responsible citizenship

Community support

Outputs

Financial Capital

We use earnings and loans to finance our large projects and maintain a healthy financial balance.

Manufactured Capital

We rely on physical assets such as buildings, heavy machinery and specialised tools to efficiently execute our projects. These manufacturing resources directly impact our productivity.

Intellectual Capital

Intellectual capital like project management and safety protocols are crucial for infrastructure development. These resources ensure innovative project execution by HGIEL.

Human Capital

Skilled workers, engineers and project managers are vital for infrastructure projects. We prioritise talent retention and provide training to cultivate a high-performing workforce.

Social and Relationship Capital

Building trust and fostering collaboration with communities, governments, customers and suppliers are essential for successful infrastructure projects.

Natural Capital

Construction involves a wide variety of materials such as steel, concrete, along with water and fossil fuels. Infrastructure projects can have significant environmental impacts, so we are mindful of the resources we use.

Guidance for FY25

Increased focus on non-road projects. Our Company aims to secure ₹ 11,000-12,000 Crore of new orders in FY 2025 across following sectors:

- Roads & Highways - ₹ 8,000 Crore
- Railways & Metro - ₹ 2,000 Crore
- Solar and Water Sector - ₹ 1,000 to ₹ 2,000 Crore

Focus on High Margin Projects:

- Prioritise HAM and EPC projects over BOT, aiming to capitalise on the government's push for these models.
- Maintain Standalone margins of 15% - 16% and Consolidated Margins of 18%

Future Strategies:

- Participate in MSRDC Projects planned ₹ 60,000 Crore+ highway tenders.
- Collaborate with established players like Cube Highways, Adani and IRB for BOT projects.
- Pursue opportunities in water projects like Namami Gange and Jal Shakti Abhiyan.
- Leverage existing expertise in EPC to execute solar power projects.

Chairman and Managing Director's Message

Potential, Prudence, Performance.

Diversifying and progressing

FY23-24 has been a period of significant progress for HG Infra, marked by robust financial performance, strategic diversification of our order book, and a steadfast commitment to excellence in infrastructure development. As we continue to capitalise on India's growing infrastructure sector, we are assured for sustainable growth through strategic diversification, operational excellence, technological innovation and a strong focus on sustainability.

Harendra Singh
Chairman and Managing Director
H.G. Infra Engineering Limited

Dear Stakeholders,

On behalf of the Board of Directors, I am pleased to present H.G. Infra Engineering Limited's (HGIEL) Annual Report for the financial year 2023-2024. This year has been a period of significant progress for the Company, marked by a robust financial performance, strategic diversification of our order book and a continued commitment to excellence in infrastructure development.

The past couple of years have been dedicated to the strategic transformation of our Company. We have expanded beyond our traditional roads and highway segment to explore new opportunities in the railways, metro, and renewables sectors. We have observed that the Indian government is allocating significantly in the infrastructure sector, and this phase of allocation is believed to continue in the coming years. The Indian government envisions robust infrastructure growth as a cornerstone for economic development, focusing on creating a multi-modal transport network, modernizing urban infrastructure and enhancing renewable energy capacities. This presents a significant opportunity for companies like us to contribute to and benefit from this transformative growth. Today we have been recognised as one of the fastest growing EPC companies in India.

How are we leveraging opportunities?

India's infrastructure sector is experiencing a period of unprecedented growth, fueled by a substantial government budgetary allocation of ₹ 5.33 Lakh Crore for FY24 and FY25. This amount includes ₹ 2.78 Lakh Crore allocated to the Ministry of Road Transport and Highways, with a significant boost for the National Highways Authority of India (NHAI) at ₹ 1.68 Lakh Crore, underlining the government's focus on developing national corridors. Additionally, ₹ 2.55 Lakh Crore has been allocated for the Indian Railways, further enhancing the comprehensive infrastructure development strategy.

Vision 2047 further amplifies this commitment with ambitious plans to construct 30,000 to 35,000 kilometres of highways and 50,000 kilometres of high-speed corridors by 2047. This ambitious agenda presents abundant opportunities for companies like HGIEL, which has a proven track record in the EPC and HAM sectors. We are actively exploring opportunities as EPC player to participate in BOT (Build-Operate-Transfer) projects alongside prominent players to further strengthen our presence in highway construction.

Roads and Highway- Keeping a steady pace

India is revving up to be a developed nation by 2047. This vision is providing a big push to the nation's infrastructural development. We, at HGIEL, are well-positioned to capitalise on this trend and ride this tide of change. Being well aligned with India's development strategy we are going steady on the roads and highways segments. While we continue to deliver excellence in EPC projects, we are also broadening our horizons by actively pursuing BOT projects in collaboration with industry leaders. This approach not only strengthens our footprint in highway construction but also diversifies and enriches our project portfolio.

Railways and Metro- Expanding Our Horizons

As part of our long-term diversification strategy, we have been focusing on the railways and metro segments. I am pleased to announce that we are witnessing significant traction in this area. The government's renewed focus on this sector, with an allocation of ₹ 2.55 Lakh Crore, prioritises multi-tracking corridors and station redevelopment. A significant portion of this budget is dedicated to multi-tracking seven high-density corridors which is facilitating the expansion of rail networks by 10,959 kilometres in the next decade. This increased momentum creates ample scope for HG Infra, which is well-positioned with six ongoing railway projects across five states. We possess the requisite capital expenditure (CAPEX), technology and skilled workforce to contribute to network expansion, efficient development and modernisation of existing infrastructure.

Embracing Renewable Energy- A Strategic Move

The renewable energy sector is witnessing exponential growth, aiming for 450 gigawatts of installed capacity by 2030, with solar energy constituting over 60%. Recognising this lucrative potential, HGIEL has successfully secured solar power projects under the KUSUM scheme, totalling 543 megawatts DC with an EPC value of ₹ 1,307 Crore (excluding GST). We are actively exploring further opportunities in solar power development, including rooftop installations. These projects would solidify HGIEL position as a leading EPC company in the infrastructure sector.

Operational Highlights- Delivering Value

FY24 witnessed significant growth and diversification of our order book. As of March 31, 2024, it stands at a robust ₹ 12,434 Crore, with Road & Highway EPC projects contributing 28%, Road and Highway HAM projects contributing 40%, railway projects contributing 21%, and solar projects contributing 11%. Our ongoing EPC projects are progressing well. The Ganga Expressway project has reached a milestone of approximately 54.3%, adhering to contractual timelines.

Our HAM projects are progressing as per plan. The Karnal Ring Road project has achieved 23.9% completion and is well on track. Railway projects are also witnessing steady development, with the DMRC Metro projects reaching a completion stage of approximately 50%. Each of the segments is seeing positive movement and this is a testament to the dedication and hard work of our entire team. Their spirit and expertise are the pillars of HGIEL's continued success.

Looking Ahead- Building a Brighter Tomorrow

FY24 has been a year of remarkable achievements for HG Infra. We have successfully diversified our order book, expanded our presence in new sectors, and delivered strong operational performance. Looking ahead, we are committed to leveraging these strengths to capitalise on the vast opportunities presented by India's booming infrastructure sector.

Order book Diversification: We will actively seek opportunities in promising sectors like renewable energy, water infrastructure and BOT projects through strategic partnerships as EPC player.

Operational Excellence: We are committed to maintaining the highest standards of project execution, ensuring timely completion and adherence to the highest quality standards.

Technological Innovation: We recognise the importance of technology in enhancing efficiency and productivity. We will continuously invest in innovative solutions to optimise project delivery and remain at the forefront of the infrastructure development landscape.

Sustainability: We are committed to integrating sustainable practices into our operations and actively contributing to environmental and social well-being.

I would like to express my sincere gratitude to our employees for their dedication and hard work, which has been instrumental in achieving these milestones. I also extend my appreciation to our esteemed stakeholders, including our clients, partners, investors, bankers, auditors, and vendors for their continued trust and support. As we embark on a new fiscal year, we are confident that HG Infra is well-positioned to achieve sustainable growth and create long-term value for all our stakeholders.

Sincerely,

Harendra Singh
Chairman
H.G. Infra Engineering Limited

Driving growth strategy with potential, prudence and performance

Beyond expanding our order book, we have also taken concrete steps to diversify into solar power plant projects positioning ourselves for long-term success.

Evaluating the operating landscape

India's infrastructure is currently experiencing accelerated activity, driven by massive government investment. Here are the main trends underlying this growth:

Roads and Highways:

The Government of India has allocated a substantial amount of ₹ 2.78 lac Crore for FY 24 & 25 with a focus on developing national corridors and high-speed networks. Vision 2047 takes this further, committing to building thousands of miles of new highways by 2047.

Railways and Metro:

The allocation for railways in the Union Budget is ₹ 2.55 lac Crore with a focus on multitracking key corridors, station redevelopment and expanding the network by over ten thousand kilometres during the next decade.

Solar and Renewable Energy:

A significant amount of money is being invested as a result of the Government's aim to drive solar energy infrastructure. India has a combined renewable energy capacity of about 450GW by 2030. HG Infra has already bagged several solar power projects under the KUSUM scheme and is proactively looking at other opportunities as well.

Water Infrastructure:

The expanded Budget allocation for the Jal Shakti Ministry demonstrates sustained investments in water infrastructure projects. HG Infra has also shown interest in initiatives such as Namami Gange while exploring opportunities in water desalination, wastewater treatment and rural/urban water supply projects.

This surge in infrastructure spending across various sectors presents abundant opportunities for our company. Our strategic approach, existing order book and expertise, position it well to capitalise on these opportunities and contribute to India's infrastructure development.

Initiatives undertaken

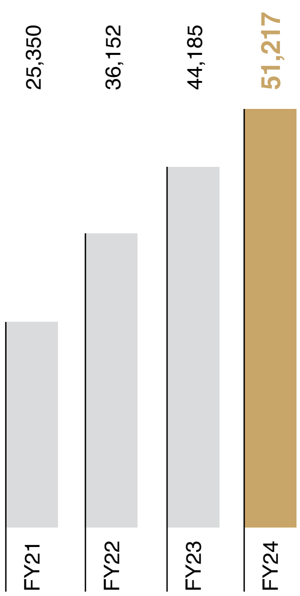
Order Book Diversification	Reduce dependence on any single segment and expand revenue streams.
Growth Through Completion	Free up resources for securing new projects and maintaining a healthy order book.
Top- Line and Margin Growth	Balance revenue expansion with profitability.
Investing in People and Technology	Enhance operational efficiency and cost optimisation.
Business Diversification	Broaden the business base and mitigate risks.

Our potential, prudence and performance are reflected in our robust financials and operational excellence.

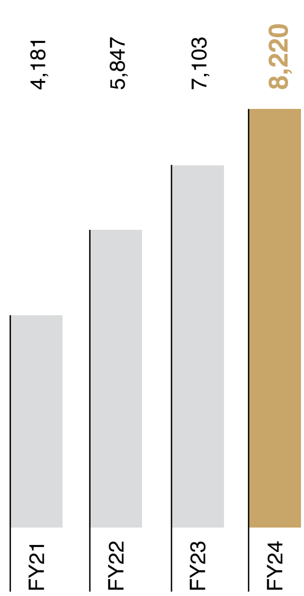
Financial Highlights

Standalone Financials

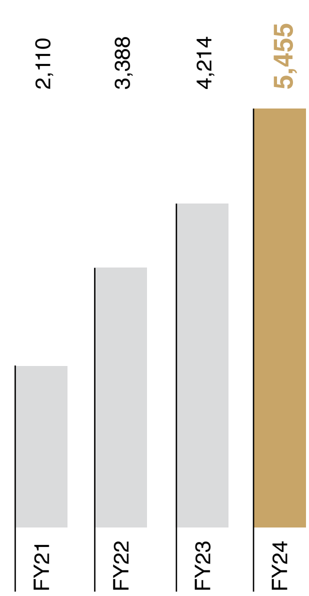
Revenue (₹ Million)



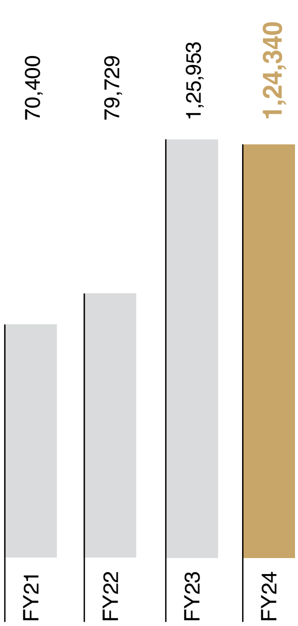
EBITDA* (₹ Million)



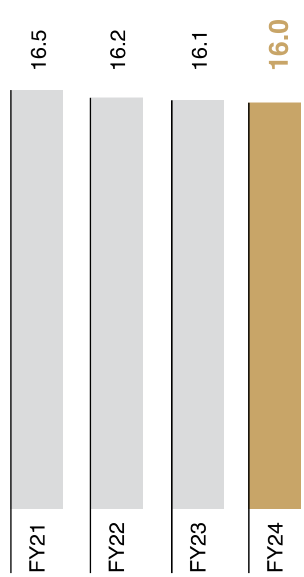
PAT (₹ Million)



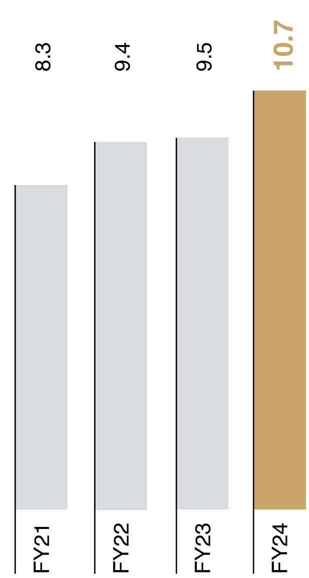
Order Book (₹ Million)



EBITDA Margin* (in %)



PAT margin (in %)



*Excludes other Income

CFO's Statement

Potential, Prudence, Performance.
Diversifying and progressing

We are well-prepared for the Company's next growth phase and are confident that we will achieve our target revenue in the coming years. We aim to sustain a steady margin through business diversification, skilled workforce, innovative think tank team and advanced technology.

Rajeev Mishra,
Chief Financial Officer

Dear Stakeholders,

I am pleased to share that our company has delivered exceptional performance in FY24 across all fronts. We have made substantial progress in diversifying our order book, securing projects across a broader infrastructure spectrum throughout the year.

HGIEL witnessed several significant achievements with pivotal milestones in FY 23-24. In this journey, we reinforced our presence in the highway and road sector by successfully winning two new road projects in Q4FY23. Additionally, we secured three railway projects in the same quarter. Following our strategy to diversify into non-road sectors and recognizing the various opportunities in the renewable energy segment, we proactively pursued bids and successfully received Solar Power Projects for development under the KUSUM Scheme valued at ₹ 1,307 Crore (EPC value excl. GST).

Performance review

As of March 31, 2024, our order book stood at ₹ 12,434 Crores. The composition is as follows: Road and Highway contributing 68%, railway segment 21% and the solar segment adding 11%. This diversification shows our strategic initiatives and robust execution capabilities.

For FY24, consolidated Revenue reached to ₹ 5,378 Crore, growing at 16.4% year-on-year increase from ₹ 4,622 Crore in FY23. EBITDA reached ₹ 1,062 Crore with an EBITDA margin of 19.7%, compared to ₹ 895 Crore and a 19.4% margin in FY 23. PAT for FY24 stood at ₹ 539 Crore with a profit margin of 10%, compared to ₹ 493 Crore and a 10.7% margin in FY23.

Overall, our financial performance demonstrates robust revenue growth, improved EBITDA and steady profitability.

Strategies shaping robust growth

We have successfully monetized three HAM projects in FY24 which is a significant development for this year. The deal, valued at 1.55x Price to Book involves HG completing the first tranche of the share purchase agreement by transferring 100% ownership of Gurgaon Sohna Highway Private Limited, H.G. Ateli Narnaul Highway Private Limited and H.G. Rewari Ateli Highway Private Limited to the Highways Infrastructure Trust for ₹ 375.13 Crore. The final Tranche will be closed in FY25 with an achievable consideration of ₹ 126 Crore.

Despite all-time low awarding by NHAI, we received several new HAM and EPC projects adding a significant value to our growing order book.

As we gear up for the next growth phase, we aim for 15% to 20% growth in revenue in the coming years while maintaining steady margins of 15% to 16%. Our entry into the solar segment and focus on digital transformation, automation and strategic capex will drive sustainable growth.

Additionally, we are strategically managing our equity requirements. The total equity requirement for 10 HAM projects is ₹ 1,461 Crore out of which we have infused ₹ 694 Crore in FY24 and ₹ 459 Crore is estimated to be infused in FY25.

In FY23-24 ICRA reaffirmed / assigned AA- for long-term facilities, AA-/A1 for long-term/Short-term facility (NFB) and AA- for Non-Convertible Debentures (NCDs). Our rating was also upgraded from stable to positive.

This upgrade shows our disciplined approach towards resilient financial growth. This improved financial standing enables us to fund new projects more efficiently, supporting our strategic expansion and diversification. Furthermore, a strong credit rating not only boost investor confidence but also contributes to our long-term growth story.

To address the challenge of cost savings in HGIEL's growth journey, we have undertaken several initiatives including focusing on enhancing collaboration with our suppliers by onboarding new professional parties across various fields such as civil work, electrical work, material transport etc. This effort is complemented by our strategic partnerships with country's top-tier suppliers of major materials like steel, cement, petroleum etc.

In our journey of growth, we are dedicated to maintaining high standards of corporate governance and ethical business practices ensuring that all decisions are supported by robust systems and procedures. Our commitment extends to leveraging advanced technology, including SAP Ariba, S/4HANA, DMS and ERP systems to enhance transparency, control and fair reporting. We are also actively integrating ESG (Environmental, Social, and Governance) principles into our operations focusing on sustainable practices and supply chain management to ensure responsible sourcing and minimise environmental impact.

Looking ahead

We are well-prepared for the company's next growth phase and are confident that we will achieve our target revenue in the coming years. We aim to sustain a steady margin through business diversification, a skilled workforce, an innovative think tank team and advanced technology.

These strategic moves are poised to contribute significant value to our financial indicators, fostering a seamless and transparent real-time working environment and will truly help us in augmenting our operational efficiency and cost optimisation factor will positively impact on our bottom line.

We can assure to all our internal and external stakeholders that we are committed to solidify our success footprints in this financial year.

Thank you for your continued support.

Regards,

Rajeev Mishra
Chief Financial Officer

Elevating our operational efficiency

We focus on operational excellence to deliver high-quality infrastructure projects on time and within budget. Our emphasis is on optimising resource allocation, leveraging data-driven decision-making and maintaining a robust supply chain to ensure efficient project execution and continued growth.

Bolstering operations

Resource Efficiency

We own our required equipment and take data-driven decisions to optimise efficiency and accelerate project execution.

Digital Edge

Our digital network helps us track real-time project data, leverage digital tools, and streamline operations and decision-making through a future scheduling platform.

Robust Supply Chain

Our supply chain leverages a nationwide reach, a large vendor pool and advanced technology to ensure that we get best-in-class materials at competitive prices.

Future Ready

Our diversification into new sectors like railway, solar and water coupled with ambitious revenue targets, positions us for significant growth.

Initiatives

Initiative	Description	Impact
Customised Data Collection App	Implemented a mobile app to gather and monitor real-time project data.	Improved visibility into equipment productivity, project progress, and other key metrics, enabling data-driven decision-making for optimisation.
Data-Driven Approach	Employed a data-centric strategy to enhance operational efficiency.	Likely involved using data from the app and GPS tracking to identify areas for improvement in resource allocation, project execution and overall performance.
Timely Material Supply Focus	Emphasised on-time material supply and effective supply chain management.	Reduced project delays caused by material shortages through improved forecasting, vendor collaboration and potentially optimised logistics.
Equipment Monitoring and Optimisation	Closely tracked equipment productivity and utilisation.	Increased efficiency by reassigning underutilised equipment to projects with higher needs and potentially identifying opportunities for equipment maintenance or replacement.

Staying ahead of the curve with technology

India's infrastructure sector is rapidly undergoing a significant transformation with new technologies being adopted and implemented. While traditional and manual methods remain relevant, modern techniques powered by automation and digitalisation are rapidly changing the infra landscape. Selecting and implementing the right technology with skilled management is the key to timely project completion.

We are transitioning from being largely perceived as a traditional construction company with limited tech exposure to a technology-driven player in the infrastructure sector. This strategic move reflects our understanding that embracing technology is not just about keeping pace with the competition, but about driving innovation and delivering superlative outcomes.

We are adopting new technologies to enhance project efficiency, fostering a culture of innovation and ultimately achieving exceptional outcomes for all stakeholders.

Strengths we rely on

Integration with SAP S/4 Hana

We leverage SAP S4 Hana, an advanced powerful enterprise resource planning (ERP) software, to streamline and optimise various critical modules such as Materials Management (MM), Financial Accounting and Controlling (FICO), Sales and Distribution (SD), Production Planning (PP), Plant Maintenance (PM), Project Systems (PS) and Human Capital Management (HCM).

Private cloud deployment

We utilise private cloud infrastructure to host technology systems, offering enhanced security, scalability and flexibility in addition to providing technological support for our operations.

Public cloud deployment

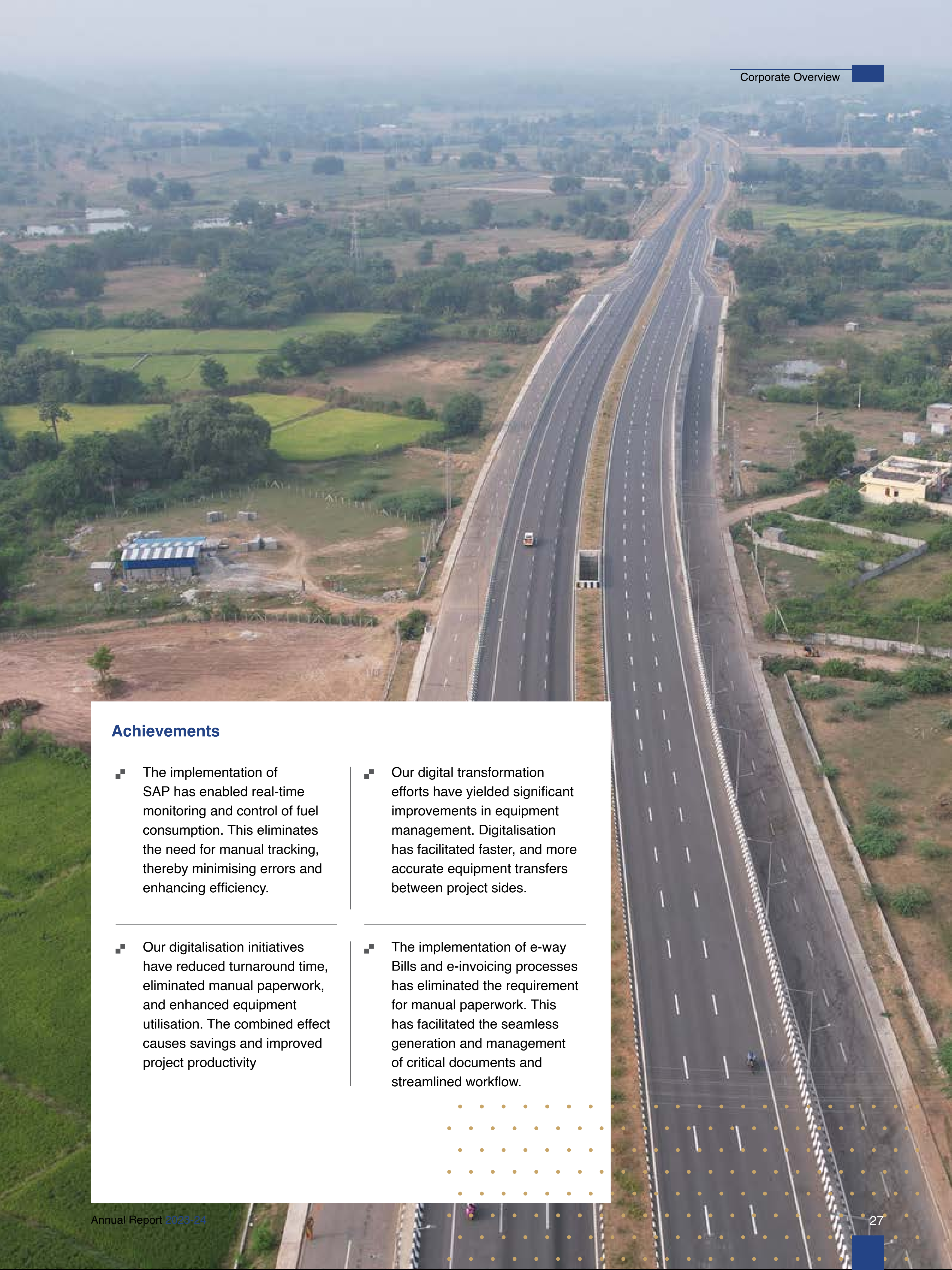
We have deployed SaaS-based public cloud infrastructure to host specialised tools offering extended features of business applications with security, scalability and flexibility compared to traditional on-premises solutions.

Robust cybersecurity measures

We also implement a range of cybersecurity measures, including endpoint security solutions, firewalls, antivirus software, email protection systems and other industry-standard security protocols.

Initiatives

Initiative	Description	Impact
E-Waybill & E-Invoice Integration	Developed SAP system for electronic waybill and invoice processes	Streamlined compliance processes, improved efficiency, reduced manual errors
Bank Payment Integration	Developed SAP system for integration with various banks for payments	Enhanced payment convenience and speed, improved visibility into transactions
Fuel Consumption Monitoring App	Developed web and mobile app integrated with SAP S/4 Hana to automate and monitor fuel consumption	Reduced fuel wastage, improved cost control and enhanced data-driven decision-making.
Budget Control via SAP S/4 Hana	Developed systems for budget control using SAP S/4 Hana	Enhanced financial visibility and control, improved decision-making for project budgeting
HCM with SAP SuccessFactors	Implemented SAP SuccessFactors integrated with SAP S/4 Hana for comprehensive human capital management	Improved employee onboarding, performance management, and talent retention
Expense & Travel Management with SAP Concur	Implemented SAP Concur integrated with SAP S/4 Hana for digitised expense and travel management.	Streamlined expense reporting and travel booking processes and reduced administrative burden.
Supplier Lifecycle Management with SAP Ariba	Implemented SAP Ariba integrated with SAP S/4 Hana for digitised supplier lifecycle management and e-sourcing	Enhanced supplier collaboration, improved procurement efficiency, optimised costs



Achievements

- The implementation of SAP has enabled real-time monitoring and control of fuel consumption. This eliminates the need for manual tracking, thereby minimising errors and enhancing efficiency.
- Our digital transformation efforts have yielded significant improvements in equipment management. Digitalisation has facilitated faster, and more accurate equipment transfers between project sides.
- Our digitalisation initiatives have reduced turnaround time, eliminated manual paperwork, and enhanced equipment utilisation. The combined effect causes savings and improved project productivity
- The implementation of e-way Bills and e-invoicing processes has eliminated the requirement for manual paperwork. This has facilitated the seamless generation and management of critical documents and streamlined workflow.

Prudently navigating risks in a dynamic environment

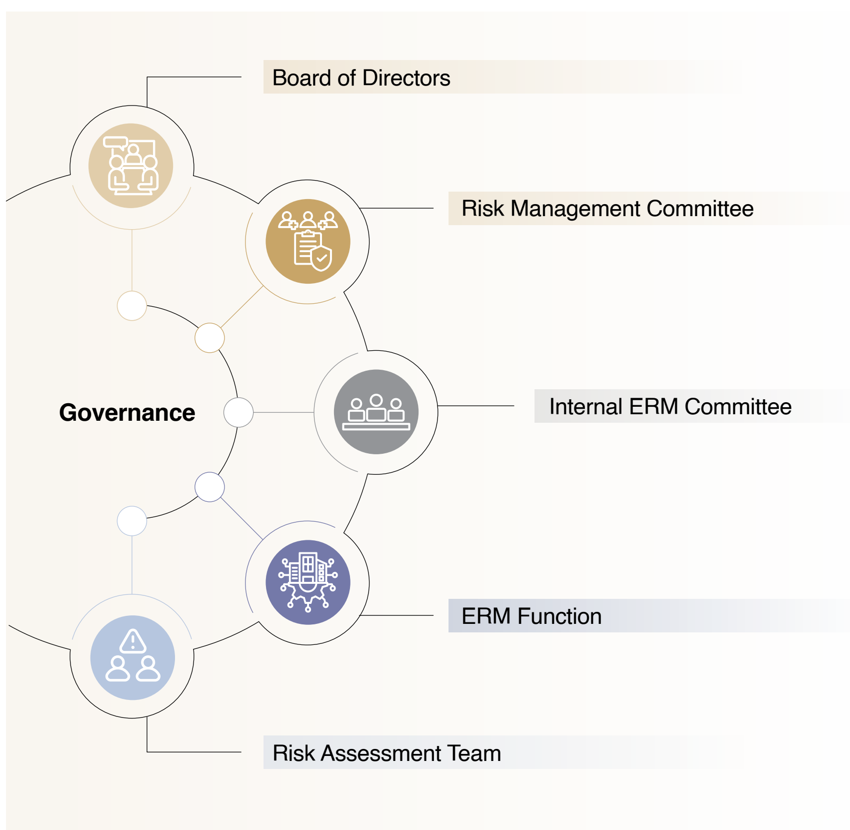
In an era of rising uncertainties, traditional risk management approaches often fall short in recognising the intricate interactions among various risks. Therefore, Enterprise Risk Management (ERM) has emerged as a critical component for the governance of enterprises. At HG Infra, the adoption of ERM is part of strategic measures that enhance our Company's value and fortify our organisational resilience. By embedding ERM into our operations, we are better equipped to handle uncertainties, capitalise on opportunities, and maintain regulatory compliance.

HG Infra Focus

- Transform Risk in Opportunities
- Effective Risk Mitigation Mechanism

Risk governance

To ensure effective risk management at all levels of our organisation, we have established key risk governance and oversight committees. These committees play a vital role in overseeing our ERM activities and ensuring that risk management is integrated into our decision-making processes.



ERM approach

Adopting Enterprise Risk Management (ERM) is essential for enhancing decision-making through comprehensive risk insights, aligning risk culture with organisational strategy, and establishing robust governance and oversight frameworks. Our commitment to continuous improvement in ERM practices ensures that we remain resilient and adaptable in the face of emerging risks.

Effectual ERM Structure

Tendering Team	Risk Assessment Team	Risk Co-ordinators
Pre-bid stage Risk Assumptions	Risk Assessment (Pre-Execution & Execution Phase)	Risk Identification & Update of Risk Register (Monthly)

Internal ERM Committee	Risk Management Committee	Board of Directors
Discussion on Risk Register & Priotise Risks (Quarterly)	Accessing Risk priotised by Internal ERM Committee Committee (Half Yearly)	Review & Direction (Half Yearly)

Embedding sustainability at our core

At every step of our operations, we prioritise sustainability and responsible business practices. Safeguarding the environment, ensuring the well-being of our employees and stakeholders, and contributing positively to the communities we serve are our constant priorities.

Our Key Pillars

Environmental protection

Minimising ecological impact through sustainable practices such as reducing energy consumption and waste.

Employee safety

Fostering a safe work environment with comprehensive training, strict safety protocols and regular inspections.

Community engagement

Contributing to local communities through outreach programs and partnerships focused on areas such as education, public health and infrastructure developments.

Continuous improvement

Constantly reviewing and enhancing ESG practices by embracing new technology and setting high benchmarks.

Transparency and accountability

Communicating performance, challenges and achievements through regular reporting to stakeholders.

ESG performance

Our approach is tailored to our business model, resources, and sustainability goals, recognising that a one-size-fits-all solution does not apply.

Increasing ESG reporting requirements from SEBI have led us to establish clear roles and accountability to ensure transparency and accuracy. Our internal metrics and targets align with our Vision and Goals, adhering to our Values. We prioritise ESG activities across various sites and regions, focusing on material issues.

In the early stages of our ESG journey, we aimed to transform reporting and compliance into value creation.

In the coming years, we will deepen a culture that prioritises ESG principles by fulfilling the following ESG targets:

ESG targets

- Spread awareness on evolving mandate need towards sustainable practices
- Train employees on assurance readiness and standardised data management system
- Identification of scope for improvement and gathering suggestions towards environment-friendly and best social practices from all business locations
- Conduct training and assessments of all projects around ESG Policies
- Increase average training hours per employee to elevate skilled manpower
- Increase the use of alternative materials in road construction
- Augment Renewable Energy capacity around project sites and offices
- Increase tree plantation & bio-diversity, and develop rainwater harvesting and ground water recharge systems
- Leverage digitalisation to enhance ESG data and practices

Environment

We drive sustainability by making tangible, positive impacts on the environment and society. Our sustainable practices include using alternative raw materials, switching to grid electricity to reduce diesel generator use, implementing effective waste management, and upgrading our vehicle fleet. By replacing conventional soil with inert materials and establishing Sewage Treatment Plants (STPs) at construction sites, we support ecological sustainability. Our green procurement strategy uses recycled materials like fly ash, pond ash, and plastic in road construction, aligning with environmental goals and conserving resources. Additionally, we organise plantation drives, successfully planting over 100,000 saplings in FY24 across various locations.

Environment initiatives taken in FY24

Initiative	Description
Alternate Fuel & Go Green Initiative	Initiatives are being taken to reduce harmful NOx emissions by converting diesel engines to CNG-based engines. Also, we are exploring additives to fuels for complete combustion and updating with new BS-VI fleets.
Replacement of BS-IV Equipments With BS-VI Equipment	BS-VI engines have significantly stricter emission norms, resulting in lower levels of pollutants released into the environment than BS-IV engines. We are replacing our construction equipment with BS-VI complied vehicles.
Fuel Catalyst	Fuel Catalysts reformulate gasoline, diesel, fuel oil, propane, and natural gas, causing the reformulated fuels to produce more energy during combustion than they otherwise would.
Alternate Raw Material	Increasing use of alternate raw material for saving natural soil (i.e. inert waste, milling material, Fly/Pond ash, GBFS, use of polymer & crumbed rubber in bituminous laying etc.)

Social

At HG Infra, the safety of our employees and workers is our top priority. This focus has earned us numerous awards and recognitions from the National Highways Authority of India and Delhi Metro Rail Corporation Limited for our exceptional safety initiatives and achievements. We conduct regular risk assessments and implement emergency response plans to ensure a safe working environment.

Our approach to corporate social responsibility (CSR) is rooted in our commitment to making a positive impact on the community. Through the HG Foundation, we actively participate in initiatives that drive social, economic, and environmental development. Whether supporting education, healthcare, animal welfare, or environmental sustainability, we strive to make a meaningful difference in the lives of those around us.

Social initiatives taken in FY24

Initiative	Description
Comunity Awareness On Monsoon Safety	Public announcement to create mass awareness about potential hazards and safety measures during monsoon season, specially focused on children.
Baricating Borrow Area Post NOC	After completion of borrow work NOC has been obtained from landowner, we barricaded the borrow area and installed pictorial signboards for the safety of public.
Task Specific Safety Training	Developed task-specific safety training modules focusing on construction activities. Incorporated hands-on demonstrations and practical exercises to reinforce key safety principles.
Flexi Hours	Flexible timing at workplace allows employees to maintain the balance of their professional & personal commitments to navigate from occasional deviations from office timings.
Coffee With CHRO	To promote effective communication and cultivate a supportive workplace culture, Interaction with CHRO is organised to hear employees, recently joined the organisation.
Operator Training and Certification	We provide comprehensive training programs for crane operators focusing on safe operation techniques and hazard recognition to minimise the risk of accidents.

Teams enhancing our potential, prudence and performance

We recognise the importance of our hardworking teams and consider them one of the most valuable assets of our Company. In FY24, the Company implemented a multi-pronged strategy —attracting top-tier talent; fostering a culture of continuous learning and keeping the teams engaged.

We continue to focus on recruiting senior professionals with substantial experience in the infrastructure sector to spearhead diversification into multiple domains. Our commitment is reflected in the significant increase in the training budget and the adoption of new technologies is as digital learning management systems and HR management apps. We strive to provide our employees with learning opportunities while focusing on their overall development and well-being.

4,800+
Total employees

1,59,000+ followers
LinkedIn

18,000+ followers
Facebook

1,84,000+ subscribers
YouTube

1.12 Crore
Training budget

Strengths we rely on

Strong Focus on Talent Acquisition

We employ a robust strategy utilising diverse innovative platforms such as LinkedIn and YouTube to attract top-tier talent relevant to our industry.

Employee Training and Development

Our dedication to employee growth is highlighted by substantial investments in training, including an increased training budget and the implementation of advanced internal learning management systems. These initiatives ensure our workforce remains informed about industry trends and equipped with the necessary skills to seize future opportunities. We consistently customise and modify our training programs to align with the specific requirements of our organisation.

Innovative Employee Engagement

Our advanced digital systems not only streamline HR processes but also showcase our proactive approach to exceeding traditional methods. By leveraging cutting-edge technologies, we continuously enhance employee engagement, fostering a workplace where every team member feels valued and motivated.

Transparent Communication

Our open-door policies facilitate effective communication across all levels of the organisation. Supported by robust mechanisms such as grievance redressal, whistleblower policies and suggestion box initiatives, we promote trust and psychological safety among employees. These efforts ensure that every team member feels heard, valued and empowered to contribute to our collective success.

Initiatives

Initiative	Description
Strategic Talent Acquisition	Our Strategic Talent Acquisition is a tailored approach to finding, evaluating and securing the best talent for senior leadership and critical roles. We conduct 100% in-house recruitment without involving external agencies. This ensures a focused and direct engagement with potential candidates, maintaining our commitment to quality and precision in talent acquisition.
Ashraya	Provides financial support to the family members of HGIEL employees for 5 years in case of an unfortunate event such as death of the employee.
Gyanshala	The Online Learning Management System is one of the industry's first initiatives. Employees have access to 430+ courses and can engage with world-class content while participating in periodic assessments.
Focused Tailor-Made Training Programs	Designed to elevate HGIEL employees' skills, knowledge and overall performance through personalised and strategic training programs which are conducted in collaboration with India's top 10 institutes.
Process Digitalisation & Automation	Implemented one of the industry's first digital platforms called Samiksha for our Performance Management System (PMS) and introduced the HGI-EL pad, an advanced digital letterhead for all Company. These initiatives ensure transparency in our communication processes across the organisation, aligning with our goal to streamline our operations through paperless and automated processes.
Open Communication & Employee Engagement Initiatives	Designed to cultivate a vibrant and inclusive work environment that emphasises the importance of open communication. Through Town halls, L.I.F.E (Living In Full Empowerment), and other activities, we promote transparency, collaboration, openness and employee satisfaction.

Training Imparted

7,170	10,782	2,681	1,276
Functional Training	Safety Training	Mandatory Compliances	Behavioural Training

21,909

Grand Total

Safety Statistics

By adopting best Industrial practices for our construction projects i.e. Roads & Highways and Railways & Metro, we have achieved a significant number of millions of safe man hours and several awards from private and government clients. This we have achieved by adopting and delivering job-specific training, pre-job briefing, conducting mock drills, awareness campaigns, motivational programmes, and different first-day EHS induction and orientation to all newcomers.

Sl. No.	Particulars	FY 22-23	FY 23-24
1.	Total Man Days	1,37,602	1,52,919
2.	Man-hours worked during this month	3,63,26,928	4,37,34,834
3.	Total safe man hours achieved	3,63,26,928	4,37,34,834
4.	Number of Mock drills conducted (MOCK)	20	33
5.	No. of EHS training programme conducted	1,896	4,254
6.	No. of employees trained	26,487	57,537
7.	No. of Toolbox Talk conducted	4,329	6,528
8.	No. of employees attended	48,945	97,675
9.	No. of employees/Workmen inducted	**12,413**	**16,950**

Safety Key Challenges and Solutions

Sl. No.	Safety Challenge	Strategies and Solutions Implemented	Best Practices and Lessons Learned
1	Equipment Failure and Structural Collapse	Equipment Safety Measures • **Regular inspection and maintenance of equipment:** Implement a stringent maintenance schedule for all construction equipment, including cranes, to detect and address potential issues before they lead to accidents. • **Operator training and certification:** Provide comprehensive training programs for crane operators focusing on safe operation techniques and hazard recognition to minimise the risk of accidents. • **Enhanced monitoring systems:** Install advanced monitoring systems on equipment to detect signs of malfunction or structural weakness, allowing for timely intervention to prevent accidents.	**Proactive Safety Culture:** Foster a culture of safety where all workers are encouraged to report potential hazards and participate in safety training programs to mitigate risks effectively. **Continuous Improvement:** Regularly review and update safety protocols based on lessons learned from past incidents, incorporating feedback from workers and supervisors to enhance safety measures. **Collaboration and Communication:** Maintain open communication channels between project stakeholders, including contractors, workers, and local authorities, to coordinate safety efforts and address emerging challenges collaboratively.

Sl. No.	Safety Challenge	Strategies and Solutions Implemented	Best Practices and Lessons Learned
2	Reckless Driving Near Work Sites	Road Safety Measures • **Implementation of strict traffic regulations:** Work with local authorities to enforce strict traffic regulations around construction sites, including speed limits and prohibitions against reckless driving, especially during peak construction hours. • **Increased signage and barriers:** Install clear signage and physical barriers to delineate work zones and deter unauthorised access, minimising the risk of collisions between vehicles and workers. • **Awareness campaigns:** Conduct regular safety awareness campaigns to educate both workers and the general public about the dangers of reckless driving near construction sites and the importance of adhering to traffic laws	**Community Engagement:** Engage with local communities to raise awareness about construction-related safety issues and foster cooperation in implementing safety measures to protect both workers and the public.
3	Vehicle Mechanical Failures	Vehicle Maintenance and Emergency Response • **Routine vehicle inspections:** Implement a comprehensive vehicle inspection program to identify and address potential mechanical issues before they cause accidents, with a particular focus on critical components such as brakes and steering systems. • **On-site medical response capabilities:** Equip construction sites with trained medical personnel and emergency response equipment to provide immediate assistance in the event of accidents or injuries, ensuring timely medical care for affected individuals. • **Collaboration with medical facilities:** Establish partnerships with nearby medical facilities to facilitate rapid transport and treatment of injured workers in the event of emergencies, ensuring access to appropriate medical care and minimising the impact of accidents.	

Initiatives

Initiative	Description	Impact
Daily Toolbox Talks & Site Walks	Structured program with EHS representatives discussing hazards, procedures, and best practices, followed by site inspections to address immediate concerns.	Improved awareness of site-specific risks and promoted proactive safety measures.
Task-Specific Safety Training	Training modules focused on common construction activities with hands-on demonstrations to reinforce key safety principles.	Enhanced worker competency and reduced risk of accidents during specific tasks.
Enhanced PPE Program	Reviewed and updated the PPE program to ensure proper fitting and access to appropriate safety gear, with regular inspections for compliance.	Increased worker protection by providing essential personal protective equipment.
Site-Specific Emergency Response Planning	Comprehensive emergency response plans tailored to site hazards, with regular drills to test effectiveness and worker familiarity.	Improved preparedness and response capabilities in case of emergencies.
Safety Audits and Inspections	Routine inspections by EHS personnel to identify potential hazards and ensure compliance with safety regulations, with corrective actions taken for identified deficiencies.	Proactive identification and mitigation of safety risks through regular monitoring.
Collaboration with Contractors/ Subcontractors	Regular safety meetings involving all stakeholders to discuss work activities, identify hazards and coordinate safety efforts.	Fostered a unified approach to safety management across the entire project workforce.
Continuous Improvement through Lessons Learned	Captured and analysed information from safety incidents, near misses, and observations to identify trends, implement corrective actions, and continuously improve safety performance.	Leveraged past experiences to prevent future incidents and enhance overall safety culture.
Empowerment of Safety Champions	Identified and empowered safety champions who demonstrate a commitment to safety excellence, providing them with additional training and resources to act as mentors on the construction site.	Promoted a culture of safety ownership and peer-to-peer learning among the workforce.

Empowering the communities we serve

We acknowledge the importance of giving back to the communities we work with as a responsible corporate citizen and grow our societal impact. In FY24 we focused on various CSR and Social welfare initiatives, aligned with our core values and the needs of the communities we serve, through our philanthropic arm 'H.G. Foundation'.

5 Lakh+
Beneficiaries

75+
Locations

11+
Projects

Our Initiatives

CSR Projects

Holistic Rural Development Program - Adoption of Villages

This initiative aims to transform villages into "model villages" through holistic and sustainable development efforts that focus on infrastructure, government schemes, livelihood, skill development, and environmental initiatives.

Road School Program

The program is aimed at imparting fundamental numeracy and literacy skills to children in remote areas alongside highways through container classrooms under HG Ki Pathshala initiative.

HG Community Development Program

This program contributes to community development by supporting education, healthcare, and infrastructure development initiatives across India.

HG Ki Pathshala - Adoption of Schools

This initiative focuses on transforming government schools into "model schools" by improving academics, extracurricular activities, life skills, technology integration, and infrastructure.

HGIEL Scholarship Program

This program aims to improve literacy levels by providing scholarships to deserving students for higher education.

Tribal Hostel Transformation Project - Adoption of Hostels

It is a unique holistic intervention designed under HG Ki Pathshala initiative to impact the ecosystem at tribal hostels in a multi-dimensional way to develop these residential hostels into 'model hostels' by building better infrastructure and creating an innovative learning ecosystem.

HG Green Drive

This initiative focuses on environmental sustainability by planting trees using traditional and Miyawaki methods and ensuring their survival and growth.

Social Welfare Projects

Project Ananya

The program aimed to spread joy and smiles by providing assistive support to less privileged communities. It distributes happiness kits to shelter homes, NGO/Govt. schools, orphanages, and old age homes. In its new initiative, it also provides care kits for mothers and newborns at govt. hospital.

Project Pattal

As a part of the project, daily free meals are provided to patients and their attendants in government hospitals.

Project Loyal (Animal Welfare)

This project focuses on animal welfare by providing feed-fodder, shelter, rescue, treatment, and rehabilitation for birds and animals.

Project Awareness

The project focuses on various awareness initiative for the benefits of all living being.

Project Women Empowerment

This new initiative is taken for the empowerment of women through skill development programs like stitching training to support them to become financially independent.

Impact of Initiatives

Program Name	Focus Areas	Beneficiaries' Location	Key Achievements
Holistic Rural Development Program (HRDP)	Infrastructure, Government Schemes, Livelihood, Skill Development, Waste management, Health and Awareness, etc.	7 villages in Udaipur, Rajsamand and Sirohi districts of Rajasthan	Increased education & awareness, livelihood, government scheme participation, improved healthcare, skill development, environmental initiatives
Adoption of School Program (HG Ki Pathshala)	Academics, Co-curricular Activities, Life Skills, Health & Wellness, Technology Integration, Career Guidance, etc.	16 schools in Jaipur, Udaipur, Rajsamand and Sirohi districts of Rajasthan	Improved student performance, increased enrolment, extracurricular activities, exposure to digital learning tools and decreased dropout rate
Tribal Hostel Transformation Project (THTP)	Academics, Well-being & Mental Health, Social Skills and Interpersonal Relationships, Career Readiness & Vocational Skills, etc.	6 Government Tribal Hostels in Sirohi, Rajasthan	Improved academics, enhanced life skills, increased extracurricular activities, exposure to digital learning, career guidance, etc.
Road School Program	Literacy & Numeracy, Equal Access to Quality Education, Foundational Skills Development, etc.	1 Container Classroom in Budaun, Uttar Pradesh (new initiative)	Enrolled students, reduced educational inequality, improved learning outcomes
HGIEL Scholarship Program	Scholarship for higher education	Pan India	Supported higher education, focus on girls' education
HG Green Drive	Environmental sustainability	10 villages in Jaipur, Sawai Madhopur, Jodhpur, Pali, Nagaur, Sirohi and Udaipur districts of Rajasthan	Increased green cover, biodiversity conservation, carbon sequestration

Program Name	Focus Areas	Beneficiaries' Location	Key Achievements
Community Development Project	Education, Healthcare, Infrastructure enhancement	11 project sites across India	Increased and better healthcare, drinking water & sanitation facilities, govt. schemes Integration
Project Ananya	Social Welfare	12 locations in Jaipur, Rajasthan	Spread joy and happiness at less privileged communities.
Project Pattal	Food Security	5 Government Hospitals in Jaipur, Rajasthan	Supported in addressing food insecurity by providing nutritious meals
Project Loyal	Animal Welfare	Multiple locations	Rescued & treated animals, increased shelters' capacity, bird treatment camps, save sparrows campaign
Project Women Empowerment	Skill Development & Economic empowerment, promoting gender equality, etc.	2 Stitching training centres in Jaipur, Rajasthan	Trained women to become financial independent
Project Awareness	Well-being of all living beings	Multiple locations	Spread awareness on Reduce, Reuse and Recycle of Single-use plastic for better environment

Amount utilised for CSR projects (Total ₹123.05 Millions)

₹ 19.97

Holistic Rural Development Program

₹ 42.28

HG Ki Pathshala

₹ 6.59

HGIEL Scholarship

₹ 15.31

HG Community Development Program

₹ 38.90

HG Green Drive

Testimonials

"I commend the efforts undertaken by H.G. Foundation in Sirohi. I have personally witnessed the transformation they have achieved in the Tribal Hostels of Sirohi. Observing their unwavering dedication and commitment, I am confident that they will also make a significant impact through their HRDP initiative in Rajsamand"

Mr. Rahul Jain
CEO, Zila Parishad, Rajsamand, Rajasthan
HRDP Project

"I am Saurabh Mishra, pursuing B.E. from MBM University Jodhpur and resident of Jodhpur, Rajasthan. I shall always be grateful to the H.G. Foundation and their CSR team for providing me this scholarship. Now I am in final year, and I am very glad to tell you that I am placed in Hindustan Zinc Limited (HZL) of Vedanta group. Thank you so much for your support"

Mr. Saurabh Mishra
Student, MBM University, Jodhpur, Rajasthan
HGIEL Scholarship

"Thank you H.G. Foundation for supporting us with the computer lab. Our children with special needs are learning a new skill and a heading forward in the digital era. Heartfelt Gratitude once again for empowering our students and bringing in confidence and smile in their life."

Ms. Komal Sharma
Management Trustee - Bhawani Vidhyalay Trust, Jaipur, Rajasthan
Project Ananya

"Deeply moved by the remarkable generosity of our donor H.G. Foundation, whose gift of a state-of-the art gas anesthesia machine has revolutionised our approach to avian surgeries. This invaluable contribution has elevated the standard of care we can provide to our feathered patients, ensuring safer and more precise procedures. The impact of this donation is immeasurable, allowing us to soar to new heights in avian healthcare"

Dr. Stefan Harsch
Senior Veterinary Surgeon - Wildlife Vets International, Australia
Project Loyal (Animal Welfare)

"The Road School Program by H.G. Foundation is a great initiative for the children in our village. The little ones will now study safely close to their home. The school also has a projector and other facilities that the students do not get at the primary schools"

Mr. Dharampal Singh Yadav
Village Elderly, Kundra Majhra, Uttar Pradesh
HG Ki Pathshala Project

"HG Infra team visited in our hospital and discussed over the further requirements in our hospital, we requested them for providing office room, oxygen store room and waiting area etc., they suggested us to have prefab structured rooms which can fulfil our requirements. All prefab structured required rooms are assembled and will definitely be useful for our patients and their attendant. Thank you H.G Infra for their valuable support for us."

Dr. Hemant Kumar
In-charge, CHC, Bonli,
Sawai Madhopur, Rajasthan
Community Development Project

"H.G. Foundation team is distributing Mother & Child Care Kits at our Hospital and I would say It is a very grateful step to help these needy patients, If we are giving the required care kits just after the child's birth so nothing can be more helpful than this. Thanks to H.G. Foundation team, keep it up"

Mr. Shugar Singh
In-charge, Gangori Hospital, Jaipur, Rajasthan
Project Ananya
Mother & Child Care Program

"H.G. Foundation has opened women stitching training centers at our village, and the 60 women enrolled in the center are from 18 to 35 age group. Foundation has assured me and these women that they will provide all raw material to them as well as will provide selling platforms to sell their hand made product after completion of their 6 month training. This is very good initiative has been taken by H.G. Foundation, a heartful thanks to entire team"

Mr. Ramnarayan jajra
Pradhan, Jothwara, Jaipur, Rajasthan
Project Women Empowerment

"By adopting our hostel, you have not only blessed 100 students but also realised the dreams of over 1000 families deprived of quality education. We will fully utilise the complete renovation of the hostel and the benefits of modern amenities will continue to be enjoyed by students for many years to come. Facilities such as toilets, drinking water, playgrounds, lighting, fans, computer labs, etc., have been arranged, resulting in students staying in the hostel and studying regularly"

Mr. Virendra Singh
(Warden, Rana Punja Govt Ashram Hostel
Santpur THTP Project, Rajasthan

"H.G. Foundation's initiative to plant 25,000 trees in collaboration with our college at Marwar Junction is truly commendable. Their commitment to environmental conservation has not only enhanced the green cover of our campus but has also inspired our students to take proactive steps towards sustainability"

Mr. Ronak Sharma
Principal, Government P.G. College,
Marwar Junction, Pali, Rajasthan
HG Green Drive Project

"We learned in this session that plastic is harmful. It's often discarded after a single use, ending up in our food chain and affecting animals like cows. This plastic pollution harms our soil and marine life. Even in villages, the use of single-use plastic is prominent. Unfortunately, only a small proportion of it is disposed of properly; most of it is either thrown"

Mrs. Rama Sharma
Principle - Govt. Sr. Sec. School,
Mangyawas, Jaipur, Rajasthan
Project Awareness

Governance

At HG Infra, strong governance underpins our ESG initiatives. The Board of Directors leads ESG decision-making, supported by an ESG Council composed of department heads.

We prioritise metrics that enhance business performance and have developed a robust data structure to support these efforts. To foster inclusive growth, we have introduced several new policies. Over the past year, we have also reinforced our governance framework through a reliable management system, digitisation, and effective communication. Our structured approach ensures transparency, accountability, and continuous improvement in our governance practices.

Governance initiatives taken in FY24

Initiative	Description
Logbook Digitalisation	To capture real time data and entry lapses from various stake holders and sync. digital log sheets through mobile application and SAP is implemented.
Digital Letter Pad	Digital Letter Pad is initiative which has replaced manual printing of letters, mailers. This initiative shall allow user to create letters with approval process from authorised signatory and shall also give tracking of letters, mailers.
Tappet Box (Mobility Application)	Mobility and web application for integration with SAP for real time data update and monitoring.
Disaster Recovery System & Cyber Crime Management Policy	System has been developed for data backup and restoration in case of disaster. Also, end-to-end cyber crime management policy has also been implemented in parallel.
Goals & Targets	Established ESG performance metrics to help monitor progress and adapt strategies for continuous improvement.
ESG Governance Through Board	Centralised management system has been developed with group-wide coordination ensuring that group-wide perspectives are covered in the business units. All the activity is monitored by the ESG council and governed by the Board.

Board of Directors

Mr. Harendra Singh
Chairman and Managing Director

He has over 30 years of experience in the construction industry. He has been on the Board of the Company since its incorporation and is appointed as Managing Director of the Board with effect from May 15, 2017. He holds a Bachelor's degree in Engineering (Civil) from Jodhpur University.

Mr. Vijendra Singh
Executive Director

He has been on the Board of the Company since its incorporation. After garnering a basic education, he aggregated more than 32 years of experience in the construction industry. He is appointed as a Whole-time Director on the Board with effect from May 15, 2017.

Mr. Dinesh Kumar Goyal
Executive Director

He is a retired IAS officer, last serving as Additional Chief Secretary to Govt. of Rajasthan in 2013. He has 40 years of experience at top level in Finance, Energy, Public Works, Roads & Highway, Mines, Industries, Urban Development, and Labour.

After retirement from IAS, he has been Adviser to Solar Energy Corp. of India, Senior Consultant for the World Bank funded Road Sector Project, and Advisor to Hindustan Zinc Ltd. He has been on the Board of the Company with effect from May 23, 2018 and currently designated as a Whole-time Director on the Board for a term of five years with effect from June 24, 2020. He is a Ph.D. from Birla Institute of Tech. & Science, Pilani, M.Sc. from London School of Economics, M.Sc. (I) from IIT Delhi and an Eisenhower Fellow.

Mr. Ashok Kumar Thakur
Independent Director

He has over 39 years of experience in the banking industry. He has been an Independent Director on the Board of the Company with effect from May 15, 2017. Prior to this, he has held various positions at Union Bank of India, including General Manager (HR) at Corporate Office, General Manager (Kolkata zone) and Deputy General Manager (regional head) at Kolkata and Chandigarh. He has also been chairman at the Rewa Siddhi Gramin Bank. He holds a master's degree in commerce from Lucknow University.

Ms. Pooja Hemant Goyal
Independent Director

She has over 14 years of experience in the legal industry and as a legal practitioner. She has been an Independent Director on the Board of the Company with effect from May 15, 2017. Prior to this, she was associated with the law firm N.V. Vechalekar & Co. in Mumbai. She holds a bachelor's degree in commerce and a master's degree in law, from Jiwaji University, Gwalior, Madhya Pradesh.

Mr. Manjit Singh
Independent Director

He is a retired IAS officer, last serving as Additional Chief Secretary, Department of Local Self Government (UDH) of Government of Rajasthan. He has over 31 years of experience at top level in various departments including Urban Development, Tourism, Transport, Social Sector, Finance, Excise amongst other. After retirement from IAS, he has been consultant/Senior Advisor to Indus Tower Ltd. (Joint Venture of Vodafone, Idea & Airtel) and Senior Advisor for the SMC Infrastructure Private Limited. He has been on the Board of the Company as an Independent Director with effect from May 13, 2022. He is a MBBS from Government Medical College, Patiala, Punjab University, Executive MBA in Quality Management from International Institute of Enterprises, Ljubljana, Slovenia and completed Urban Management Course from IIM Ahmedabad.

Ms. Sharada Sunder
Independent Director

She is a professional with over 25 years of corporate experience in senior leadership roles. She is a Chartered Accountant with a rich and diverse experience of finance and business management. Her areas of experience span business growth strategy, execution excellence, financial management, team building, consumer engagement, creativity and innovation. She is a leadership coach. She has been on the Board of the Company as an Independent Director with effect from February 08, 2023.

Ms. Monica Widhani
Independent Director

She is a Chartered Accountant and has worked at the Leadership level across various functions in Bharat Petroleum Corporation Limited. Her last role was as Executive Director Aviation SBU. Her strengths include Finance, Strategy, Marketing, and Business Management. She has been on the Boards of various large companies and is currently an Independent Director on the Boards of ABB India Limited and Gujarat Pipavav Port Limited(APM Terminals). She has been on the Board of the Company as an Independent Director with effect from February 08, 2023.

Corporate Information

Board of Directors

Harendra Singh
Chairman & Managing Director

Vijendra Singh
Executive Director

Dinesh Kumar Goyal
Executive Director

Ashok Kumar Thakur
Independent Director

Pooja Hemant Goyal
Independent Director

Manjit Singh
Independent Director

Sharada Sunder
Independent Director

Monica Widhani
Independent Director

Board's Committees

Audit Committee
Ashok Kumar Thakur-Chairman
Harendra Singh-Member
Sharada Sunder-Member
Monica Widhani-Member

Nomination and Remuneration Committee
Manjit Singh- Chairman
Sharada Sunder- Member
Ashok Kumar Thakur-Member

Stakeholders' Relationship Committee
Manjit Singh- Chairman
Monica Widhani- Member
Harendra Singh-Member
Vijendra Singh-Member

Corporate Social Responsibility Committee
Vijendra Singh-Chairman
Dinesh Kumar Goyal-Member
Harendra Singh-Member
Manjit Singh-Member
Sharada Sunder- Member

Risk Management Committee
Harendra Singh-Chairman
Ashok Kumar Thakur-Member
Manjit Singh-Member
Monica Widhani-Member

Business Strategy and Review Committee
Harendra Singh - Chairman
Dinesh Kumar Goyal - Member
Manjit Singh – Member
Sharada Sunder – Member
Monica Widhani - Member

Finance Committee
Harendra Singh-Chairman
Vijendra Singh-Member
Dinesh Kumar Goyal-Member

Management Committee
Harendra Singh-Chairman
Vijendra Singh-Member
Dinesh Kumar Goyal-Member

Debenture Committee
Harendra Singh-Chairman
Vijendra Singh-Member
Dinesh Kumar Goyal-Member

Chief Financial Officer
Rajeev Mishra

Company Secretary & Compliance Officer
Ankita Mehra

Statutory Auditors

M/s MSKA & Associates, Chartered Accountants
Add.: The Palm Springs Plaza,
Office No.1501-B, 15th floor,
Sector-54, Golf Course Road,
Gurugram, Haryana-122001

M/s Shridhar & Associates, Chartered Accountants
Add.: 101, 1st Floor, Vaibhav Chambers,
Madhusudan Kalekar Marg, BKC Bandra
East, Mumbai, Maharashtra-400051

Secretarial Auditors

M/s Deepak Arora & Associates, Company Secretaries
Add.: 23 KA 4, Jyoti Nagar, Jaipur-
302005

Cost Auditors

M/s Rajendra Singh Bhati & Co. Cost Accountants
Add.: Office No. 10A 2nd Floor
Sanjavani Ananda, Manji
ka Hatta Paota Jodhpur-342003

Internal Auditors

M/s Mahajan & Aibara Chartered Accountants LLP
Add.: B-Wing, 2nd Floor,
Mafatlal Chambers,
N M Joshi Marg, Lower Parel (East)
Mumbai400 013

Registered Office
Add.: 14, Panchwati Colony, Ratanada
Jodhpur-342001, Rajasthan
Tel: 0291-2515327,
Email ID-cs@hginfra.com
Website- www.hginfra.com
CIN- L45201RJ2003PLC018049

Corporate Office
Add.: III Floor, Sheel Mohar Plaza,
A-1 Tilak Marg, C-Scheme Rajasthan,
Jaipur-302001
Tel: 0141-4106040-41

Registrar & Share Transfer Agent

Link Intime India Private Limited
Add.: Noble Heights 1st Floor,
Plot No. NH-2, LSC, C-1 Block,
Near Savitri Market, Janakpuri,
New Delhi 110058
Tel: 011-49411000
Fax: 011-41410591
Email ID-delhi@linkintime.co.in

Bankers
HDFC Bank Ltd
ICICI Bank Ltd.
Punjab National Bank
Union Bank of India
State Bank of India
Yes Bank Ltd.
IDFC First Bank Ltd
IndusInd Bank Ltd.
RBL Bank Ltd.
Axis Bank Ltd.
Federal Bank Ltd.
Kotak Mahindra Bank Limited

Management Discussion and Analysis

Economic overview

Global economy

In the fiscal year 2023, despite facing significant macroeconomic hurdles, the global economy showcased remarkable resilience, achieving a growth rate of 3.2%. Challenges such as geopolitical tensions, fluctuating commodity prices, and elevated inflationary pressures persisted across both advanced and emerging markets.

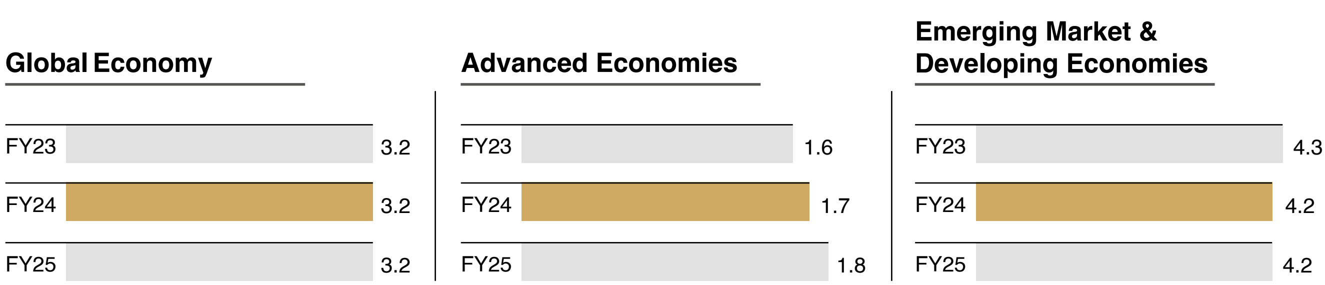
To combat escalating inflation, central banks in major economies implemented measured interest rate hikes. Consequently, inflation declined more rapidly than initially anticipated from its peak in 2022. This fostered gradual economic expansion and bolstered employment opportunities across the United States, Europe and other emerging markets.

However, sustained geopolitical unrest continued to disrupt global supply chains and trade dynamics. China's economic performance remained sluggish throughout 2023, a trend expected to persist into 2024. Given China's substantial manufacturing capacity and extensive supply networks, its struggles could negatively impact the global economy. Conversely, several emerging markets such as India, Vietnam and Mexico demonstrated robust growth trajectories, along with increasing capital inflows from foreign institutional investors.

Outlook

The easing of inflationary pressures and the adoption of more accommodating monetary policies by central banks are expected to favour the outlook. Projections indicate that the GDP growth rate will remain steady at 3.2% in CY 2024, maintaining this rate into CY 2025. Despite ongoing geopolitical tensions in Europe and West Asia, a cautious optimism persists. There is an anticipated gradual rebound and stabilisation of the global economy. The collective efforts by governments and the resilience demonstrated by economies worldwide will be instrumental in shaping a sustainable and inclusive growth trajectory in the years ahead.

Global GDP growth rate[1]



Indian economy

Despite grappling with various global challenges, India maintained its position as one of the world's fastest-growing major economies in FY 2024. With a robust macroeconomic framework, burgeoning domestic demand, and prudent monetary policies implemented by the Reserve Bank of India (RBI), India's real GDP expanded by 8.2%. Headline inflation, as measured by the year-on-year changes in the all-India consumer price index (CPI), stabilised at 5.4% in FY 2024

Merchandise exports experienced a seasonal upsurge in March 2024, coinciding with a peak in industrial production. The manufacturing sector emerged as a key driver of industrial growth, registering a steady 11.6% increase throughout FY 2024. Notably, enhanced capacity utilisation across manufacturing propelled economic expansion further.

Despite the declining inflation rates and increased credit demand, an atmosphere of economic optimism prevailed. Efforts to streamline supply chains and increased government expenditure shielded India from significant economic disruptions. India is increasingly viewed as a viable alternative to China and is projected to become the world's third-largest economy by 2027.

Outlook

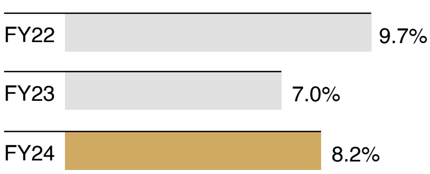
The Indian economy remains optimistic, supported by strong fundamentals such as political stability, heightened government focus on public capital expenditure, a gradual rise in private capital expenditure and growing credit demand. The robust banking and

[1] https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024

financial services sector are expected to strengthen the nation's growth trajectory. India has swiftly established itself as a preferred manufacturing hub, catering to the rising global demand for manufactured products. Leveraging its large domestic market and expanding export prospects, India's growth trajectory is expected to surpass other economies in the foreseeable future.

India GDP growth rate[2]

Global Economy



Union budget FY 2024-25

For the financial year 2024-25, the Ministry of Road Transport and Highways has received a significant increase in funding, totalling around INR 2.78 lakh crores. Out of this, INR 1.68 lakh crores is designated specifically for the National Highways Authority of India (NHAI) for the development of national corridors. The government's commitment to accelerate new project awards in the upcoming months is evident, with plans to revive the Build, Operate and Transfer (BOT) module for 54 projects worth over INR 2.2 lakh crores in the pipeline.

1,46,145 km
National highways

1,79,535 km
State highways

In the interim budget for 2024, INR 2.55 lakh crores has been earmarked for the railway sector, maintaining strong capital expenditure momentum compared to the previous year's allocation of INR 2.41 lakh crores. Notably, the Indian Railways has outlined an ambitious INR 4.2 trillion plan to multi-track seven high-density corridors and expand 10,959 kilometres over the next decade.

Industry overview

Road and highway infrastructure of India

India has one of the largest road networks in the world, spanning approximately 66.71 lakh kilometres and comprising national highways, state highways and rural roads. This extensive network is vital to the country's economic and social development, ensuring efficient transportation and connectivity across diverse regions. Although national highways make up only about 2% of the total road network, they handle over 40% of the traffic, highlighting their significance in the national infrastructure.[3]

2nd largest road network in the world

The construction of national highways has significantly accelerated, with a notable increase in the pace of development. By the end of 2023, the National Highways Authority of India (NHAI) had expanded the national highway network by 60% from its 2014 baseline, reaching 1,46,145 kilometres. This rapid expansion is part of the government's broader initiative to enhance infrastructure, with the NHAI playing a pivotal role in implementing key projects like the Bharat mala Pariyojana, which aims to develop and enhance about 34,800 km of highways nationwide.[4] The pace of construction reached its highest in FY24, with an estimated construction rate of 18.2 km per day.[#]

The length of various categories of roads in India[5]

National highways	1,46,145 km
State highways	1,79,535 km
Other roads	63,345,403 km

The Gati Shakti programme launched by the government, aims to enhance connectivity and logistics efficiency by integrating road, rail and waterways into a seamless transportation network. This initiative contributes to economic development and ease of doing business by improving last-mile connectivity and reducing transit time. By fostering a holistic development environment, Gati Shakti aims to increase the capacity and efficiency of India's transportation networks, supporting the country's ambition to become a $5 trillion economy by FY 2026-27.

Increasing National Highways network[6]

Year	Length (in km)
2019-20	1,32,995
2020-21	1,38,376
2021-22	1,41,345
2022-23	1,45,240
2023-24 (up to Nov 2023)	1,46,145

Financially, the government has continued to prioritise road infrastructure, with the Union Budget for 2024-25 allocating approximately ₹2.78 lakh crore to the Ministry of Road Transport and Highways. This includes a significant portion designated for the NHAI to advance national highway developments under the Bharatmala project and other related initiatives. The budget reflects a modest increase from the previous year, underscoring the government's commitment to sustaining and expanding India's road infrastructure to meet future demands and support economic growth.[7]

[2] https://pib.gov.in/PressReleseDetailm.aspx?PRID=2022323

[3] https://www.investindia.gov.in/sector/roads-highways

[4] https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1993425

[5] https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1993425

[6] https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1993425

[7] https://economictimes.indiatimes.com/news/economy/infrastructure/higher-outlay-for-roads-to-push-ongoing-projects-pvt-funds-to-pave-a-new-path/articleshow/107335461.cms?from=mdr

[#]source: Dolat Capital June 2024- Monthly Update

The infrastructure sector plays a key role in driving India's economic expansion and holistic development. As the country progresses toward becoming a global economic powerhouse, the need for robust infrastructure becomes increasingly apparent. Partnerships with the private sector have emerged as pivotal in this pursuit, bringing essential investment, innovation and efficiency. The synergy between governmental bodies and private enterprises is vital in crafting resilient, forward-looking infrastructure that paves the way for a prosperous and sustainable future for every Indian citizen. The Central Government significantly increased its capital expenditure in the past two budgets, with capital outlay rising from INR 4.1 trillion in FY2021 to INR 10.0 trillion in FY2024.[##]

The infrastructure sector remains a focal point for capital expenditure, primarily driven by investments in roads, bridges, and the power sector, reflecting the government's strong emphasis on infrastructure development. Structural reforms such as the Goods and Services Tax (GST), Insolvency and Bankruptcy Code (IBC), digitization initiatives, corporate tax rationalization, and labor law reforms have further bolstered the investment landscape.

Historically, during election years, state governments tend to accelerate the completion of infrastructure projects and inject additional funds into the economy. Therefore, there is a strong likelihood that a plethora of new infrastructure projects will be announced in the coming twelve months, alongside the completion of ongoing ones. This presents a significant opportunity for infrastructure and construction companies operating in India. [##]

Budget allocation for the Ministry of Road Transport and Highways

(in ₹ Crore)

	FY 2023-24	FY 2024-25
NHAI	1,67,400.00 (RE)	1,68,464.00
Roads and bridges	1,08,520.38 (RE)	1,09,093.19
Total	**2,75,920.38**	**2,77,557.19**

Railway infrastructure of India

India's railway infrastructure remains a cornerstone of its transportation sector, characterised by extensive growth and strategic enhancements. The Indian Railways, one of the world's largest rail networks, has achieved significant milestones in expanding its track length, with 5,100 km of track laid during the fiscal year 2023-24, averaging more than 14 Km per day.[8] This expansion is part of a broader effort to modernise and improve the railway's efficiency and connectivity across the country. As of Feb 2024, 61,813 km of Broad-Gauge network has been electrified.[9]

The government's commitment to this sector is underscored by substantial financial contribution, with a record budgetary allocation of ₹2.55 lakh crore for the fiscal year 2024-25. This represents a 5.8% increase over the previous year aimed at further developing and modernising railway infrastructure.[10]

Indian Railways records 1,434.03 MT freight loading till Feb 2024

Foreign Direct Investment (FDI) has been instrumental in driving the growth of India's railway sector. These investments have facilitated numerous projects, including the introduction of high-speed trains, track modernisation and the enhancement of safety and signalling systems. The government's decision to allow 100% FDI in the railway sector, has paved the way for increased international partnerships and technological advancements.

Looking ahead, the outlook for India's railway infrastructure is robust, driven by ambitious government initiatives and significant capital inflows. The National Rail Plan aims to dramatically expand and upgrade the network by 2030, focusing on high-speed rail corridors, electrification and the development of dedicated freight corridors to enhance logistical efficiency. The plan includes the procurement of 400 Vande Bharat trains, and the redevelopment of over 1,300 stations, which are expected to significantly transform the passenger experience.[11] The Ministry of Railways plans to expand the Vande Bharat train fleet, introduce hydrogen-powered trains, lay new tracks, and complete the Ahmedabad-Mumbai bullet train project. The Vande Bharat Express will continue to be a key focus. In addition to the Perambur Integral Coach Factory, production of the Vande Bharat Express will now also occur at three more factories in Sonepat (Haryana), Latur (Maharashtra), and Raebareli (UP).

These developments will enable the railway sector to provide enhanced passenger services and increased freight handling capacity meeting the demands of a growing economy.

[8] https://pib.gov.in/PressReleasePage.aspx?PRID=2014849#:~:text=Total%20Expenditure%20of%20Indian%20Railways,Ministry%20of%20Railways

[9] https://www.investindia.gov.in/sector/railways

[10] https://economictimes.indiatimes.com/industry/transportation/railways/interim-budget-2024-25-allocates-rs-2-55-lakh-crore-to-indian-railways/articleshow/107320918.cms?from=mdr

[11] https://www.business-standard.com/finance/personal-finance/rail-infra-to-power-investment-trends-likely-to-play-a-vital-role-in-2024-123122200152_1.html

[##] *Industrial Reports*

Metro infrastructure of India

India's metro rail network has grown remarkably, positioning it as a key component of urban mobility across the nation. The network has expanded from 248 kilometres in 2014 to 945 kilometres by 2024 across 21 cities, making it the third largest in the world. Significant expansions are underway, with an additional 919 kilometres of metro lines under construction.

This rapid development is part of the broader National Urban Transport Policy, which aims to establish metro systems in cities with populations exceeding two million. This reflects the government's commitment to enhancing urban transportation and reducing congestion.[12]

697 km Metro Rail network added in 10 years.

The government continues to support the expansion of the metro rail network through substantial financial investments, including a notable allocation in the Union Budget 2024-25. The metro construction sector presents a substantial opportunity, with projects valued at over USD 46.5 billion in various stages of planning, approval, tendering, financial closure, and construction

Key projects such as the expansion of the Delhi Metro and the introduction of new metro lines in cities like Pune and Kolkata are set to further enhance connectivity.

The Metro Rail Policy of 2017 and initiatives like the PM Gati Shakti plan are instrumental in driving these developments. These initiatives aim to integrate various modes of transport and improve the overall efficiency of urban transit systems in India.

Renewable energy sector of India

Solar power

India's solar power sector continues to shine brightly as a cornerstone of the country's renewable energy strategy. With an installed capacity that has increased by 30 times in the last nine years, reaching 82.63 GW as of April 2024. India stands as a global leader in solar energy.[13] This remarkable growth is underpinned by supportive government policies, including the ambitious target of achieving 500 GW of renewable energy capacity by 2030, of which solar energy is a significant contributor.[14]

Key government initiatives, such as the National Solar Mission and the Production Linked Incentive (PLI) scheme for solar PV manufacturing, have played pivotal roles in accelerating solar power development. the suspension of the ALMM order to encourage the use of cost-effective modules has further bolstered this growth. Furthermore, the strategic focus on developing solar cities and parks, and the push towards floating PV projects, highlight India's innovative approach to maximizing its solar potential. India's solar energy sector is rapidly expanding, driven by vast potential and robust policy support. With an extraordinary solar potential of 5,000 trillion kWh per year, the country has significant renewable resources. As of February 2024, India's installed solar capacity reached 75.6 GW, with an ambitious target of 200 GW by FY 2028. Approximately 85% of this capacity comes from utility-scale projects, ensuring efficiency and cost reduction. The Production Linked Incentive (PLI) scheme is pivotal in boosting India's solar manufacturing capabilities. *The Indian government has an ambitious plan to achieve 500 GW of clean energy by CY2030 out of which 300 GW will come from solar. Based on recent government announcements, it is projected that India's annual solar capacity additions will likely double over the next two to three years. MNRE launched a program to hold annual auctions for a massive 50 GW of renewable energy ("RE") capacity. This substantial increase aims to rapidly expand India's clean energy infrastructure, 80% of this targeted capacity is specifically earmarked for solar power projects.*

Green hydrogen

The green hydrogen sector in India is on the brink of transformative growth, driven by the National Green Hydrogen Mission with an initial investment of INR 19,744 Cr. This mission aims to establish India as a global hub for green hydrogen production and export, targeting at least 5 million metric tons per year by 2030.[15] This ambitious target is backed by an estimated investment of ₹8 trillion (approximately $100 billion).**

The government's comprehensive strategy includes incentives worth $2.3 billion under the SIGHT programme to stimulate green hydrogen production and electrolyser manufacturing.[16] These efforts are complemented by policy measures designed to reduce the cost of green hydrogen and promote its adoption across various sectors, including transportation and industry, positioning green hydrogen as a key drive of India's decarbonisation goals.

The government's unwavering commitment to renewable energy is evident in its enhanced targets and substantial investments, aiming to catalyse green investments, create green jobs and ensure a sustainable future. With an estimated requirement of around USD 500 billion to achieve the 2030 renewable energy targets, India is actively encouraging private sector participation and international collaboration to meet these ambitious goals.[17] Initiatives like the PLI scheme, dedicated green funds and targeted

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[12] https://pib.gov.in/PressNoteDetails.aspx?ModuleId=3&NoteId=151870

[13] https://www.investindia.gov.in/sector/renewable-energy

[14] https://energy.economictimes.indiatimes.com/news/renewable/india-powers-up-set-for-record-renewable-surge-in-2024-as-solar-costs-plummet/106306382

[15] https://www.investindia.gov.in/sector/renewable-energy

[16] https://www3.weforum.org/docs/WEF_Green_Hydrogen_Enabling_Measures_Roadmap_for_Adoption_in_India_2024.pdf

[17] https://indianexpress.com/article/business/budget/union-budget-2024-need-to-catalyse-indias-green-energy-transition-9113499/

source: Frost and Sullivan report

***source: (https://mnre.gov.in/, https://pib.gov.in/)*

incentives for MSMEs further support the growth of the renewable sector.

As India progresses in enhancing its renewable energy capabilities, the integration of solar power and green hydrogen into the energy mix not only bolsters energy security and environmental sustainability but also establishes India as a leader in the global shift towards a low-carbon economy.

Government Initiatives

Bharat mala Pariyojana

The budgetary allocation continues the implementation of the National Infrastructure Pipeline (NIP). Major ongoing infrastructure projects include the $130 billion Bharatmala Pariyojana, the $30 billion Narmada Valley Development, the $90 billion Delhi-Mumbai Industrial Corridor, the $2.2 billion Mumbai Trans Harbour Link project, the $600 million Navi Mumbai International Airport, the $600 million Inland Development Waterways project, and the $100 million Chenab River Railway Bridge.

The project was launched with the primary focus on optimising the efficiency of the movement of goods and people across the country. This was achieved by bridging critical infrastructure gaps through effective interventions such as the development of Economic Corridors, Inter Corridors and Feeder Routes, along with initiatives for National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity, Roads and Green-field expressways.

As part of the Bharatmala Pariyojana, 25 greenfield high-speed corridors are set for development. In Phase I of the project, which involves constructing 34,800 km of national highways, substantial progress has been achieved. By December 2023, contracts for constructing 26,418 km have been awarded, and around 15,549 km have been completed.[18]

National Rail Plan Vision 2030

The National Rail Plan (NRP) 2030 for India aims to create a "future ready" railway system by 2030. The primary objective of the NRP is to proactively create capacity ahead of demand. It seeks to formulate strategies based on operational capacities and commercial policy initiatives to increase modal share of the Railways in freight to 45%.

The National Infrastructure Pipeline (NIP) has allocated a cumulative ₹ 13.67 trillion to railway projects from FY20 to FY25, aiming to enhance passenger and freight transport efficiency.

Gati Shakti Master Plan

This initiative aims to integrate the planning and execution of infrastructure projects across multiple sectors including roads, railways, airports and ports with a holistic vision. The goal is to enhance multi-modal connectivity and logistics efficiency, ultimately reducing the cost of goods and services.

National Infrastructure Pipeline (NIP)

It is a five-year programme in India aimed at enhancing the quality of life for citizens by constructing world-class infrastructure across the country. With as initial sanctioned amount of ₹102 lakh crore and aims to attract both domestic and foreign investments into infrastructure projects. The NIP is considered crucial for India to achieve its goal of becoming a $5 trillion economy by 2025.[19]

The extensive array of road projects underscores the government's commitment to modernizing Indian highways and improving road quality. Government projections indicate a planned expenditure of USD 270.0 billion over the next five years under the National Infrastructure Pipeline initiative. The National Infrastructure Pipeline (NIP) was launched to oversee 6,835 infrastructure projects aimed at attracting around INR 111 trillion in investments from FY2020-25. Its key goals include providing a comprehensive view of India's infrastructure development, ensuring top-level government oversight for timely project completion, and offering investors a clear investment pipeline.

As per the India Investment Grid website, the NIP has expanded to over 9,358 projects across 57 sub-sectors, with a total project value of INR 158.9 trillion (USD 1910.2 billion) as of September 30, 2023. These projects, jointly funded by the Central Government, State Governments, and the private sector, encompass economic and social infrastructure.With extensive linkages both forward and backward, the development of physical infrastructure under the NIP is set to significantly boost the economy's productivity in the medium term.

National Green Hydrogen Mission

This government initiative aimed at making India a global hub for the production, utilisation and export of green hydrogen. The mission supports the establishment of green hydrogen production capacities nationwide, aligning with global energy transition goals and India's commitments to achieving net-zero targets.

The mission aims to help India's self-reliance through clean energy and reduce its dependence on fossil fuel imports. The NGHM aims to achieve a green hydrogen production capacity of 5 million metric tonnes per year by 2030 and to add 125 GW of renewable energy capacity.

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[18] https://pib.gov.in/PressNoteDetails.aspx?NoteId=151870&ModuleId=3#_ftn4

[19] https://www.business-standard.com/finance/news/national-infrastructure-pipeline-outlay-stands-at-rs-109-trillion-finmin-123122101247_1.html

source: https://www.mcrhrdi.gov.in/images/samriddhi/number2/3.PPP%20is%20the%20Right%20Path%20for%20National%20Infrastructure%20Pipeline.pdf

source:https://www.mcrhrdi.gov.in/images/samriddhi/number2/3.PPP%20is%20the%20Right%20Path%20for%20National%20Infrastructure%20Pipeline.pdf pg 4

Growth drivers

Government initiatives and budget allocations

Significant government funding and strategic initiatives like the Bharatmala Pariyojana and the Gati Shakti Master Plan serve as major catalysts for driving progress. These projects are geared towards enhancing road connectivity and infrastructure across the country, with substantial budget allocations ensuring continued expansion and upgrades.

Public-Private Partnerships (PPPs)

The encouragement of PPP models in road construction and maintenance projects allows for more efficient capital utilization and innovation in construction practices, thereby stimulating growth in this sector.

Increased motor vehicle penetration

As vehicle penetration increases in India, the demand for improved and more extensive road networks grows, driving further development in the highway sector.

High-speed and dedicated freight corridors

The development of high-speed passenger corridors and dedicated freight corridors aims to reduce travel time and enhance cargo capacity representing another significant growth area within the railway sector.

Growing focus on renewable energy inclusion

India's ambitious targets for renewable energy expansion, including specific goals for solar energy and green hydrogen production, are backed by supportive policies and incentives. Initiatives such as the Production Linked Incentive (PLI) scheme for solar PV manufacturers and the National Green Hydrogen Mission play a crucial role in this endeavour. Diversifying energy sources to include renewables not only enhances energy security but also reduces dependence on imported fossil fuels, further driving growth.

Company overview

H.G. Infra Engineering Limited (HGIEL) is a prominent player in India's infrastructure construction industry, offering a wide range of services nationwide. Founded in 2003, the Company has established itself as a leader in the development of roads, highways, bridges, runways, and civil construction projects.

Expanding its scope, HGEIL now offers comprehensive engineering, procurement, and construction (EPC) services on a turnkey basis, alongside projects under the Hybrid Annuity Model (HAM). Prioritising excellence, safety and reliability, HGIEL upholds the highest standards across its operations.

Benefitting from an extensive in-house equipment fleet and a skilled workforce, HGEIL executes projects efficiently across 12 states in India.

12

States presence across India

HGIEL's business model emphasises diversification across multiple Roads and Highways, infrastructure sectors, spanning railways & metro and solar power projects. This approach is geared towards fostering growth and making significant contributions to India's evolving infrastructure landscape.

The Company has a robust order book, serving as a testament to its strong position in the market. The Company's consistent delivery of high-quality projects has earned from HGIEL has consistently won and executed high quality projects from both government and private entities alike.

21+

Years of execution

Partnerships with major clients like the Ministry of Road Transport and Highways (MoRTH), the National Highways Authority of India (NHAI) and the Delhi Metro Rail Corporation (DMRC) underscore HGIEL's solid reputation and credibility in the industry. With a commitment to innovation and sustainable development, HGIEL continues to focus on EPC and HAM projects in the road and highway sectors. Additionally, the Company actively explores new opportunities in other infrastructure domains to further diversify its portfolio and drive sustained growth.

2,800+

Fleet of modern equipment

Outlook

The government has launched numerous initiatives, such as Vision 2047 in roads and highways and substantial opportunities in the railways sector. HGIEL has fortified its position as a formidable force in the infrastructure sector. The company's extensive experience in the EPC (Engineering, Procurement and Construction) and HAM (Hybrid Annuity Model) sectors has prepared it to capitalize on these government initiatives.

As part of its long-term strategy to diversify the order book, HGIEL has gained considerable ground in the railways and metro segment. The government's budget allocation of ₹ 2.55 lakh crores, focusing on multitracking corridors and station remodelling, presents substantial opportunities. Currently, HG Infra has six railways projects in the order book across five states.

Additionally, HGIEL is keen to participate in projects like Namami Gange to clean and rejuvenate the Ganga river, and other infrastructure development projects related to water desalination, wastewater treatment plants, and water supply projects in rural and urban areas under schemes like the Jal Jeevan Mission (JJM).

HGIEL is geared for the next growth phase of the company, projecting a 15% to 20% growth in Revenue in the coming years while maintaining steady margins in the range of 15% to 16%. With all senior leadership in place, skilled manpower and strategies for digital transformation and automation, HGIEL is well-prepared to explore diverse business opportunities.

For the coming year, HGIEL is aiming for around ₹ 11,0000-12,0000 million in order inflows. Despite a low ordering period from NHAI last year, HGIEL anticipates strong bidding pipelines post-elections, with opportunities in HAM and EPC highway projects.

HGIEL is targeting around ₹ 80,000 million of orders from highway projects, with the balance coming from water, solar, and railways sectors. Specifically, the company anticipates ₹ 20,000 million from railways and metro, and ₹ 10,000 to 20,000 million from Solar and Water Sector.

In the next 2-3 years, HGIEL revenue mix is expected to evolve as follows:

60% from road projects: Leveraging the company's strong position in the highway sector and the expected surge in order inflows.

40% from other sectors: This includes railways, solar and water projects. The diversification is aimed at balancing the portfolio and reducing dependency on a single sector.

For FY25, HGIEL capex plans are around ₹ 1000 Millions.

For the HAM projects, the total equity requirement is ₹ 14,600 Millions, with ₹ 6,940 million already infused. The remaining equity requirement is ₹ 7,660 million which HGIEL plans to allocate as follows:

FY25: ₹ 4,590 million

FY26: ₹ 1,760 million

FY27: ₹ 1,310 million

Category wise performance

Category wise Order book Split

(Amount in ₹ Million)

	Road	Rail	Solar
FY 2022-23	1,13,001	12,952	-
FY 2023-24	84,850	26,507	12,983

During the fiscal year 2023-24, HGIEL saw impressive order book growth: 104% in Railways and 100% in Solar. This highlights HGIEL’s proactive strategy and strong presence as a leading EPC player in the infrastructure sector.

Other operating expenses

(Amount in ₹ Million)

	2023-24	2022-23
Other expenses	926	648
Employee expenses	2,882	1,959
Operating profit	8,220	7,103

employee expenses surged by 47.12% from ₹1,959 million in FY 2022-23 to ₹2,882 million in FY 2023-24.

Financial overview

Credit Ratings:

In FY24, ICRA upgraded HGIEL's long-term and short-term credit ratings outlook to positive, citing HGIEL's financial growth and discipline.

Please Refer page 125 of this Report for Credit Rating Profile of the Company.

Analysis of the profit and loss statement

Revenue:

HGIEL's performance for FY '24 has been satisfactory. The total revenue from operations reached ₹ 51,217 million, marking a robust 15.9% year-on-year increase from ₹44,185 Million in FY '23.

EBITDA:

EBITDA* for FY '24 amounted to ₹8,220 million, resulting in an EBITDA margin of 16%, compared to ₹7,103 million and a 16.1% margin in FY '23. PAT for FY '24 stood at ₹5,455 million with a profit margin of 10.7%, up from ₹4,214 million and 9.5% margin in FY '23.

Operating Expenses:

Total operating expenses saw a 15.95% increase, shifting from ₹ 37,082 million in FY 2022-23 to ₹ 42,997 million in FY 2023-24.Within this, raw material costs, on the other hand, rose by 5.59% from ₹21,435 million in FY 2022-23 to ₹22,633 million in FY 2023-24. Similarly,

Analysis of the Balance Sheet

Sources of funds:

As of March 31, 2024, the Company's capital employed amounted to ₹27,697 million, contrasting with ₹22,821.02 million as of March 31, 2023. The return on capital employed, which gauges returns generated from each rupee invested in the business, stood at 25.04% in FY 2023-24, compared to 27.69% in FY 2022-23. The net worth of the Company reached ₹23,185 million as of March 31, 2024, up from ₹17,784 million as of March 31, 2023, attributable to changes in Company reserves and surpluses. The Company's equity share capital, comprising 65,171,111 equity shares of ₹10 each.

**Excludes other Income*

The standalone debt of the Company totalled ₹4,512 million as of March 31, 2024. In FY 2023-24, the debt-equity ratio of the Company stood at 0.19, compared to 0.28 in FY 2022-23.

Finance costs of the Company rose by 27.96% from ₹633 million in FY 2022-23 to ₹810 million in FY 2023-24. The Company's debt service coverage ratio stood at a comfortable 2.83 at the close of FY 2023-24, contrasting with 4.97 at the close of FY 2022-23.

Applications of funds:

As of March 31, 2024, the Company's fixed assets (gross) amounted to ₹ 12,312 million, compared to ₹ 10,336 million as of March 31, 2023. Depreciation on assets stood at ₹ 1,411.72 million in FY 2023-24, contrasting with ₹ 963.82 million in FY 2022-23.

Investments:

As of March 31, 2024, the Company's non-current investments amounted to ₹6,276 million, compared to ₹7,447 million as of March 31, 2023.

Working capital management:

As of March 31, 2024, the Company's current assets totalled ₹25,777 million, contrasting with ₹19,870 million as of March 31, 2023. At the close of FY 2023-24, the Current and Quick ratios of the Company stood at 1.68 and 1.48, respectively, compared to 1.36 and 1.2, respectively, at the close of FY 2022-23.

Inventories, encompassing raw materials, work-in-progress, and finished goods, among others, amounted to ₹2,967 million as of March 31, 2024, as against ₹2,353 million as of March 31, 2023. The inventory turnover ratio was 8.51 times, compared to 10.23 times in FY 2022-23.

Trade receivables stood at ₹9,177 million as of March 31, 2024, compared to ₹8,791 million as of March 31, 2023. All receivables were secured and considered good. The Company maintained its debtor's turnover ratio at 5.70 times in FY 2023-24, compared to 5.60 times in FY 2022-23.

The Company's cash and bank balances totalled ₹1,993 million as of March 31, 2024, as against ₹1,794 million as of March 31, 2023.

Return on net worth:

As of March 31, 2024, the return on net worth of the Company stood at 23.5%, compared to 23.7% as of March 31, 2023, attributable to changes in the Company's profits.

Details of significant changes in key financial ratios along with explanation:

EBITDA/Turnover Ratio: Flat at 16% for both FY 2023-24 and FY 2022-23 indicates consistent profitability from core operations. Return on Equity (ROE): Slight decrease from 23.7% to 23.5% in FY 2023-24 suggests a marginally lower return on shareholders' investment. Shareholders' equity increased in FY24 by 31%. Earnings per Share (EPS): Significant jump of 29.5% from FY 2022-23 to FY 2023-24 reflects increased profitability per share. Net Profit Margin: Increase from 9.54% to 10.65% in FY 2023-24. Inventory Turnover Ratio: Improvement from 10.23 to 8.51 suggests better inventory management in FY 2023-24. Current Ratio: Increase from 1.36 to 1.68 in FY 2023-24 indicates improved short-term liquidity for HG Infra. Debt-to-Equity Ratio: Improvement from 0.28 to 0.19 in FY 2023-24 indicates a more financially stable position. The Interest Service Coverage Ratio decreased from 16.15 to 12.26 due to increased financial cost.

Key ratios

Particulars	FY 2023-24	FY 2022-23
EBITDA/Turnover (%)	16.0%	16.1%
Debt-equity ratio	0.19	0.28
Return on equity (%)	23.5%	23.7%
Book value per share (₹)	356	273
Earnings per share (₹)	83.7	64.66
Debtors' turnover ratio	5.70	5.60
Inventory turnover ratio	8.51	10.23
Interest service coverage ratio	12.26	16.15
Current ratio	1.68	1.36
Operating Margin (%)	16.05%	16.08%
Net profit margin (%)	10.65%	9.54%

** figures are taken from Standalone Financials*

Operational review

The Company has demonstrated robust operational performance throughout the financial year 2023-24, marked by significant advancements across its diverse project portfolio. The Company's order book as of March 31, 2024, stands at ₹ 1,24,340 million. Orders received from government clients constitute approximately 83% of the Order Book whereas the private sector's contribution is 17% of the total Order Book as of March 2024.

Sector

68.2%
Contributed
Road

21.3%
Contributed
Rail

10.5%
Contributed
Solar

SWOT analysis

Strength

- Strong track record in executing infrastructure projects, particularly in roads and highways.
- Presence across diversified sectors including roads & highways, railways & metro and solar energy.
- A robust presence in twelve states across India.
- The Company utilises modern construction technologies and machinery to enhance efficiency.
- Implements SAP across the organisation to enhance operational effectiveness and promote increased transparency.
- Strategic partnerships with entities like the National Highways Authority of India (NHAI) and Adani Road Transport Limited (ARTL).

Weaknesses

- Dependency on road projects (68.2% of order book), making HGIEL vulnerable to market cycles.
- Significant reliance on public sector projects which are susceptible to policy changes and budgetary constraints.

Opportunities

- Growing involvement in the solar and green hydrogen sectors.
- Benefiting from government schemes like Bharat mala, Gati Shakti, and the National Infrastructure Pipeline.
- Increasing opportunities for collaboration with private entities in infrastructure projects.
- Potential to expand operations beyond India to capture international markets.

Threats

- Sensitivity to economic downturns which can affect government spending on infrastructure.
- The infrastructure sector is highly competitive, with numerous domestic and international players.
- Vulnerable to changes in regulations and government policies affecting the construction industry.

Human resources

Employees are vital to a business's success. They drive operations, innovate, and directly impact customer satisfaction. Engaged employees foster a positive work culture and high performance, making investment in their development and well-being crucial for long-term success.

The team at HGIEL has been instrumental in the Company's growth and innovation over the years. In FY 2024, the company prioritised developing a vibrant, diverse and engaged workforce. Emphasising trust and integrity, the company implemented fair and ethical business practices. To nurture a positive work environment, the company places a high value on developing an organisational culture that promotes continuous improvement and investing in its people and human resources. The organisation values its workers and recognises the wide range of experiences they have in a variety of fields and industries.

The organisation continually makes decisions focused on its employee's needs, giving special consideration to their career and personal goals. The organisation supports its employee's personal and professional development, encourages a sense of pride and belonging and supports a good work-life balance. The Company had 4,800+ employees as of March 31, 2024.

Internal control systems and their adequacy

The Company has a strong internal audit system in place, which is regularly monitored and updated to safeguard assets, comply with regulations and promptly address any issues. The audit committee diligently reviews internal audit reports, takes corrective action as required and maintains open communication with both statutory and internal auditors to ensure the effectiveness of internal control systems. This robust internal audit framework ensures that the Company operates with integrity, transparency and accountability, while mitigating risks and safeguarding the interests of stakeholders.

Enterprise Risk Management

The Company has implemented an advanced enterprise risk management process to assess and monitor risks in the business operations for their likelihood and probable impact on the business and to ensure their mitigation.

The constantly evolving business environment and compliance landscape have led to significant changes in the variety of risks faced by the Company, which are addressed by the Enterprise Risk Management process.

For more details on Enterprise Risk Management, please read more on ERM section, Board's Report and Corporate Governance Report forming part of this Report.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward–looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent developments.

Board's Report

To,
The Members
H.G. Infra Engineering Limited

Your directors (the "Board of Directors/"Board") are pleased to present the 22nd Annual Report of H.G. Infra Engineering Limited (the "Company"/ "HG INFRA") together with the Audited Financial Statements (standalone and consolidated) for the financial year ended March 31, 2024 (the "Financial Year").

FINANCIAL RESULTS

The Company's financial performance (standalone and consolidated) for the year ended March 31, 2024, is summarized below:

(Amount in ₹ Million, except per share data)

Particulars	Standalone			Consolidated		
	For the year ended March 31,		YoY growth (%)	For the year ended March 31,		YoY growth (%)
	2024	2023		2024	2023	
Total Income	**51,343.43**	**44,365.94**	**15.73**	**53,964.67**	**46,402.38**	**16.30**
Revenue from operations	51,217.44	44,185.36	15.91	53,784.79	46,220.08	16.37
Other income	125.99	180.58	(30.23)	179.88	182.30	(1.33)
Total expenses	45,218.95	38,678.58	16.91	46,747.12	39,767.93	17.55
Profit / (loss) before tax	**7,191.88**	**5,687.36**	**26.45**	**7399.17**	**6,645.74**	**11.34**
Tax Expense	1,737.00	1,473.53	17.88	2,013.31	1,713.83	17.47
Profit After Tax	**5,454.88**	**4,213.83**	**29.45**	**5,385.86**	**4,931.91**	**9.20**
Other comprehensive income /(loss) (Net of tax)	27.16	(7.74)	(450.90)	27.16	(7.74)	(450.90)
Total Comprehensive Income for the period	**5,482.04**	**4,206.09**	**30.34**	**5,413.02**	**4,924.17**	**9.93**
Earning per equity share (EPS):						
Basic and Diluted	83.70	64.66	29.45	82.64	75.68	9.20

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Highlights of the Company's financial performance for the year ended March 31, 2024, are as under:

Standalone

At the Standalone level, the Revenue from Operations increased to ₹51,217.44 Million as against ₹44,185.36 Million in the previous year, recording an increase of 15.91%. The Net Profit before Tax amounted to ₹7,191.88 Million as against ₹5,687.36 Million in the previous year recording an increase of 26.45%. The Net Profit after tax amounted to ₹5,454.88 Million against ₹4,213.83 Million reported in the previous year, recording an increase of 29.45% and total comprehensive income for the period amounted to ₹5,482.04 Million as against ₹4,206.09 Million in the previous year, recording an increase of 30.34%.

Consolidated

At the Consolidated level, the Revenue from Operations increased to ₹53,784.79 Million as against ₹46,220.08 Million in the previous year, recording an increase of 16.37%. The Net Profit before Tax amounted to ₹7,399.17 Million as against ₹6,645.74 Million in the previous year recording an increase of 11.34%. The Net Profit after tax amounted to ₹5,385.86 Million against ₹ 4,931.91 Million reported in the previous year, recording an increase of 9.20% and total comprehensive income for the period amounted to ₹5,413.02 Million as against ₹4,924.17 Million in the previous year, recording an increase of 9.93%.

BUSINESS OPERATIONS/ PERFORMANCE OF THE COMPANY AND ITS SUBSIDIARIES

During the financial year, the Company has secured the following orders:

- Doubling of Track between Karanjgaon station (Including) at Km 69.01(Ch 69010) & Aurangabad station (Including) at Km 113.15(Ch 113150) [i.e. (44.14 km)] including Electrification and Signaling works in connection with Aurangabad- Ankai Doubling Project in Nanded Division of South-Central Railway valued at ₹4,471.10 Million.
- Construction of double line track (3rd & 4th line) formation including earth work, blanketing, minor bridges, major bridges, electrification works and other miscellaneous works for 32.5 T axle load including Electrical TRD (2x25 KV) in Gaya-Son Nagar section (in between DFCC CH:225.300 (IR CH:475.200) to DFCC CH:292.175 (IR CH:542.075)) in DDU Division of East Central Railway in the state of Bihar valued at ₹7,091.10 Million.

- Construction of 4 lane Elevated corridor of Kalimandir-Dimna Chowk- Baliguma (Jamshedpur) Section of NH-33 (New NH-18) (from km 241.940 to km 251.961) (Length 10.021 km) under NH(O) on EPC mode in Jharkhand valued at ₹6,101.10 Million.

- Controlled Highway of 4 Lane with Paved Shoulders from TN/AP Border (Design Chainage km 61+51) to Puttur (Design Chainage Km 81+450) of NH-716 & 6 Lane with Paved Shoulders from Mallavaram (Design Chainage Km 97+100) to Renigunta (Design Chainage Km 114+500) of NH-71 in Andhra Pradesh on Hybrid Annuity Mode under NH(O) (Chennai Tirupati Package-II) valued at ₹8,621.10 Million.

- Construction of New BG Line Between Dhule (Borvihir) to Nardana (Approx. 49.45 Km) of Central Railway valued at ₹7,161.10 Million.

During the financial year, the Company has diversified into Renewable Energy sector and received solar power plant projects for development under KUSUM-C scheme for 543 megawatts DC valued at ₹1,307 Crores (EPC value).

Order book as on March 31, 2024, stood at ₹1,24,340 Million and out of the total order book, 83% are government contracts, and 17% are from private clients.

Projects Completed during the financial year:

During the financial year, the Company has received the provisional completion certificates/ completion certificates for the following projects:

- **Amravati - Nandgaon - Morshi – Warud – Pandhurna:** Rehabilitation and Up-gradation of Amravati-Nandgaon - Morshi – Warud - Pandhurna National Highway from existing km 95+670 (on 140+200 NH-53, Nandgaon) to km 52+440 (Morshi) [Design km. 0.000 to km. 43.000] to two lane with paved shoulders in the state of Maharashtra on Engineering, Procurement and Construction (EPC) basis contract.

- **Amravati - Nandgaon - Morshi – Warud – Pandhurna:** Rehabilitation and Up-gradation of Amravati-Nandgaon - Morshi – Warud - Pandhurna National Highway from existing km 52+440 (Morshi) to km 0+000 (Maharashtra/ Madhya Pradesh State Border upto Wardha River Bridge) [Design km.43.000 to km.95.390] to two lane with paved shoulders in the state of Maharashtra on Engineering, Procurement and Construction (EPC) basis contract.

- **Nagpur – Katol - Warud:** Rehabilitation and Upgradation of Nagpur-Katol-Warud National Highway from existing Km 60+100(End of Katol Bypass) to Km 101+085 (Warud upto Joint Junction) of NH-353J (Design Chainage 60+100 to 100+565) to 2 lane with paved shoulder in the state of Maharashtra on Engineering, Procurement and Construction (EPC) basis contract.

- **Morshi - Chandur Bazar - Achalpur:** Rehabilitation and up gradation of Morshi- Chandur Bazar- Achalpur (Design chainage from km.0.000 to km. 53.719) road section of NH-353K, to two lanes with paved shoulder configuration on EPC mode in the state of Maharashtra.

- **Rewari - Ateli Mandi:** Up-gradation of four lane of Rewari-Ateli Mandi section of NH-11 from km 11.780 to Rewari to EX km 43.445 near Ateli Mandi (designed length 30.45 km) as feeder Route in the state of Haryana on Hybrid Annuity Mode- Package III.

- **Rewari - Bypass:** Construction of proposed Rewari Bypass (NH-11) as feeder route in Rewari district in the state of Haryana (Design length – 14.40KM) on Hybrid Annuity Mode- Package III.

- **Nandurbar – Praksha – Shahada – Khetia:** Rehabilitation and Up-gradation of Nandurbar (Near Kolde) – Praksha – Shahada – Khetia (SH-4 & SH-5) State Highway from existing km 50+260 of SH-5, (Kolde) to Km 90+220 (Khetia) [Design km 50+200 to km 98+800) to Two lane with paved shoulders/4 lane in the state of Maharashtra on Engineering, Procurement and Construction (EPC) basis Contract.

INFORMATION ABOUT HOLDING / SUBSIDIARIES / JOINTLY CONTROLLED OPERATIONS / ASSOCIATE COMPANIES

As on March 31, 2024, the Company has 11 (eleven) wholly owned subsidiaries (the "WoS"), 2 (two) associates, 2 (two) step down subsidiaries and 1 (one) jointly controlled operations. During the financial year, the Company incorporated 4 (four) wholly owned subsidiaries, 2 (two) step down subsidiaries whereas 3 (three) Companies ceased to be the Company's subsidiaries. The details of which are provided hereunder:

Name of Entity	Change during the financial year
H.G. Varanasi-Kolkata PKG-13 Private Limited, (Wholly owned subsidiary)	Incorporated on April 25, 2023
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited, (Wholly owned subsidiary)	Incorporated on April 27, 2023
H.G. Foundation – Section 8 Company of the Companies Act, 2023, (Wholly owned subsidiary)	Incorporated on October 25, 2023
H.G. Solar Projects Private Limited, (Wholly owned subsidiary)	Incorporated on February 17, 2024
Gurgaon Sohna Highway Private Limited, (Wholly owned subsidiary)	Ceased to be WoS on November 21, 2023
H.G. Ateli Narnaul Highway Private Limited, (Wholly owned subsidiary)	Ceased to be WoS on November 21, 2023
H.G. Rewari Ateli Highway Private Limited, (Wholly owned subsidiary)	Ceased to be WoS on November 21, 2023
Norangdesar Solar Developer Private Limited, (Step down subsidiary)	Incorporated on March 10, 2024
Rasisar Solar Developer Private Limited, (Step down subsidiary)	Incorporated on March 10, 2024
HGIEPL-Ranjit JV, (Jointly Controlled Operations)	Dissolved on March 29, 2024

The Company does not have any holding Company as on March 31, 2024.

Performance of subsidiaries, associates, and joint ventures

In accordance with Section 129(3) of the Companies Act, 2013 (the "Act"), a statement containing salient features of the financial statements of the subsidiary companies in the prescribed format Form AOC-1 is annexed as **"Annexure-I"** to this Report. The statement also provides details of the performance and financial position of each of the subsidiaries, associates, and jointly controlled operations and their contribution to the overall performance of the company during the financial year. Audited financial statements, together with related information and other reports of each of the subsidiary companies, can be accessed on the Company's website at https://hginfra.com/investors-relation.html#btn-quart

The Company funds its subsidiaries, from time to time, in the ordinary course of business, through equity, loan and/or other means to meet their funding requirements.

According to the Company's Policy on determining "material subsidiary," during the financial year, H.G. Raipur Visakhapatnam OD-5 Private Limited, was determined as the material subsidiary whose income exceeded 10% of the Company's consolidated income in the immediately preceding financial year.

The Company's Policy for determining material subsidiary Company can be accessed on the Company's website at https://hginfra.com/investors-relation.html#btn-policy

The details of subsidiaries, associates, and jointly controlled operations are mentioned below:

A. Wholly owned Subsidiary Companies

(1) Gurgaon Sohna Highway Private Limited (GSH)

GSH was incorporated as a Special Purpose Vehicle (SPV) on April 06, 2018, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Construction of Six laning and strengthening of new NH-248A from existing km 11+682 to existing km. 24+400 in the state of Haryana Package-2: Existing Ch. Km 11+682 to km 24+400 (Design Ch. km 9+282 to km 22+000) under NHDP Phase IV on Hybrid Annuity Mode".

Highlights of the performance of GSH and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24 (till November 21, 2023)	FY2022-23
Total Revenue	(192.08)	414.30
Profit/(Loss) before tax	(386.27)	72.49
Profit/(Loss) after tax	(289.04)	53.30

During the financial year, GSH ceased to be a wholly owned subsidiary of the Company with effect from November 21, 2023, due to the sale of its 100% shareholding by HG INFRA.

(2) H.G. Rewari Ateli Highway Private Limited (HGRAH)

HGRAH was incorporated as a Special Purpose Vehicle (SPV) on April 08, 2019, to domicile a project allotted by the National Highways Authority of India (NHAI), i.e. "Upgradation of Four Lane of Rewari-Ateli Mandi Section of NH-11 from km 11.780 at Rewari to Ex. Km 43.445 near Ateli Mandi (designed length 30.45 km) as Feeder Route PKG-III in the State of Haryana on Hybrid Annuity Mode."

Highlights of the performance of HGRAH and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24 (till November 21, 2023)	FY2022-23
Total Revenue	266.59	606.34
Profit/(Loss) before tax	115.73	121.20
Profit/(Loss) after tax	86.44	90.41

During the financial year, HGRAH ceased to be a wholly owned subsidiary of the Company with effect from November 21, 2023, due to the sale of its 100% shareholding by HG INFRA.

(3) H.G. Ateli Narnaul Highway Private Limited (HGANH)

HGANH was incorporated as a Special Purpose Vehicle (SPV) on April 04, 2019, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Construction of proposed Narnaul Bypass (design length 24.0 km) & Ateli Mandi to Narnaul Section of NH11 from km 43.445 to km 56.900 (design length 14.0 km) as an Economic Corridor & Feeder route PKG-II in the State of Haryana on Hybrid Annuity Mode."

Highlights of the performance of HGANH and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24 (till November 21, 2023)	FY2022-23
Total Revenue	380.40	814.36
Profit/(Loss) before tax	117.06	272.16
Profit/(Loss) after tax	87.52	203.16

During the financial year, HGANH ceased to be a wholly owned subsidiary of the Company with effect from November 21, 2023, due to the sale of its 100% shareholding by HG INFRA.

(4) H.G. Rewari Bypass Private Limited (HGRB)

HGRB was incorporated as a Special Purpose Vehicle (SPV) on May 01, 2020, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Construction of proposed Rewari Bypass (NH-11) as Feeder Route in Rewari District in the State of Haryana (Design length-14.40 km) on Hybrid Annuity Mode."

Highlights of the performance of HGRB and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	609.19	2,416.65
Profit/(Loss) before tax	127.42	195.60
Profit/(Loss) after tax	94.88	146.16

(5) H.G. Raipur Visakhapatnam AP-1 Private Limited (HGRVAP-1)

HGRVAP-1 was incorporated as a Special Purpose Vehicle (SPV) on August 19, 2021, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Development of Six Lane Aluru-Jakkuva section of NH-130-CD Road from km 365+033 to km 396+800 under Raipur-Visakhapatnam Economics Corridor in the state of Andhra Pradesh on Hybrid Annuity Mode (HAM) [Package-1(AP)]."

Highlights of the performance of HGRVAP-1 and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	2,746.69	3,188.20
Profit/(Loss) before tax	255.42	83.93
Profit/(Loss) after tax	190.98	62.81

(6) H.G. Khammam Devarapalle PKG-1 Private Limited (HGKD PKG-1)

HGKD PKG-1 was incorporated as a Special Purpose Vehicle (SPV) on October 14, 2021, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Construction of 4 lane Access Controlled New Greenfield Highway Section of NH- 365BG (Khammam-Devarapalle) of length 33.604 km from Thallampadu village to Somavaram village (Design Ch. Km 0+000 to km 33+604) under Inter Corridor Route under Bharatmala Pariyojana, on Hybrid Annuity mode in the state of Telangana(Package-I)."

Highlights of the performance of HGKD PKG-1 and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	3,114.55	464.87
Profit/(Loss) before tax	122.34	14.59
Profit/(Loss) after tax	91.55	10.92

(7) H.G. Khammam Devarapalle PKG-2 Private Limited (HGKD PKG-2)

HGKD PKG-2PL was incorporated as Special Purpose Vehicle (SPV) on October 14, 2021, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Construction of 4 lane Access Controlled New Greenfield Highway Section of NH- 365BG (Khammam-Devarapalle) of length 29.513 km from Somavaram village to Chintagudem village (Design Ch. Km 33+604 to km 63+117) under Inter Corridor Route under Bharatmala Pariyojana on Hybrid Annuity mode in the state of Telangana (Package-II)."

Highlights of the performance of HGKD PKG-2 and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	2,542.15	438.61
Profit/(Loss) before tax	101.38	12.51
Profit/(Loss) after tax	75.86	9.36

(8) H.G. Raipur-Visakhapatnam OD-6 Private Limited (HGRV OD-6)

HGRV OD-6 was incorporated as a Special Purpose Vehicle (SPV) on November 22, 2021, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Development of Six Lane Baunsaguar-Baraja Section of NH-130-CD Road from km 293+000 to km 338+500 under Raipur-Visakhapatnam Economics Corridor in the state of Odisha on Hybrid Annuity mode [Package- OD-6]."

Highlights of the performance of HGRV OD-6 and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	3,700.05	3,813.58
Profit/(Loss) before tax	266.62	89.71
Profit/(Loss) after tax	199.35	67.13

(9) H.G. Raipur-Visakhapatnam OD-5 Private Limited (HGRV OD-5)

HGRV OD-5 was incorporated as a Special Purpose Vehicle (SPV) on November 24, 2021, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Development of Six Lane Kaliagura-Baunsaguar Section of NH-130-CD Road from km 249+000 to km 293+000 under Raipur-Visakhapatnam Economics Corridor in the state of Odisha on Hybrid Annuity Mode [Package-OD-5]."

Highlights of the performance of HGRV OD-5 and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	4,591.80	4,685.76
Profit/(Loss) before tax	332.66	84.85
Profit/(Loss) after tax	248.78	63.49

(10) H.G. Karnal-RingRoad Private Limited (HGKR)

HGKR was incorporated as a Special Purpose Vehicle (SPV) on March 21, 2023, to domicile project allotted by the National Highways Authority of India (NHAI) i.e. "Construction of 6-lane Greenfield Karnal Ring Road starting from NH-44 near Village Shamgarh (Design km 0+000) and terminating at Karnal -Munak Road (MDR 115) near Village Samalakha (Design km 34 + 500) under Bharatmala Pariyojana in the state of Haryana on Hybrid Annuity Mode [Package-OD-5]."

Highlights of the performance of HGKR and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	2,184.51	0.03
Profit/(Loss) before tax	40.95	-
Profit/(Loss) after tax	30.62	-

(11) H.G. Varanasi-Kolkata PKG-13 Private Limited (HGVK PKG-13)

HGVK PKG-13 was incorporated as a Special Purpose Vehicle (SPV) on April 25, 2023, to domicile a project allotted by the National Highways Authority of India (NHAI) i.e. "Construction of 6-lane Greenfield Varanasi-Ranchi-Kolkata Highway from junction with NH-320 in Lepo village to Kamlapur village (JH/WB border) from km 358.500 to km 387.200 under Bharatmala Pariyojana in the state of Jharkhand on Hybrid Annuity Mode (Package 13).

Highlights of the performance of HGVK PKG-13 and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24
Total Revenue	1.94
Profit/(Loss) before tax	-
Profit/(Loss) after tax	-

(12) H.G. Varanasi-Kolkata PKG-10 Highway Private Limited (HGVK PKG-10)

HGVK PKG-10 was incorporated as a Special Purpose Vehicle (SPV) on April 27, 2023, to domicile project allotted by the National Highways Authority of India (NHAI) i.e. "Construction of 6-lane Greenfield Varanasi-Ranchi-Kolkata Highway from Deoria village to Donoreshan village from km 253.000 to km 288.600 under Bharatmala Pariyojana in the State of Jharkhand on Hybrid Annuity Mode (Package 10)

Highlights of the performance of HGVK PKG-10 and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24
Total Revenue	1.40
Profit/(Loss) before tax	-
Profit/(Loss) after tax	-

(13) H.G. Foundation

H.G. Foundation was incorporated as a Section 8 company under the Companies Act, 2013 on October 25, 2023, with charitable objects and similar activities.

Highlights of the performance of H.G. Foundation and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24 (w.e.f. October 25, 2023)
Total Revenue	-
Profit/(Loss) before tax	0.16
Profit/(Loss) after tax	0.16

(14) H.G. Solar Projects Private Limited (HGSP)

HGSP was incorporated as a wholly owned subsidiary on February 17, 2024, to carry on the business of solar power and related activities.

Highlights of the performance of HGSP and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24
Total Revenue	-
Profit/(Loss) before tax	(0.20)
Profit/(Loss) after tax	(0.15)

B. Step down Subsidiary Companies

(1) Norangdesar Solar Project Private Limited (NSP)

NSP was incorporated as a Step down subsidiary on March 10, 2024, to carry on the business of solar power and related activities.

Highlights of the performance of NSP and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24
Total Revenue	-
Profit/(Loss) before tax	(0.09)
Profit/(Loss) after tax	(0.07)

(2) Rasisar Solar Project Private Limited (RSP)

RSP was incorporated as a Step down subsidiary on March 10, 2024, to carry on the business of solar power and related activities.

Highlights of the performance of RSP and its contribution to the overall performance of the Company during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24
Total Revenue	-
Profit/(Loss) before tax	(0.09)
Profit/(Loss) after tax	(0.07)

C. Associates

(1) Safety First Engineering Private Limited (SFEPL)

The Company acquired a stake of 26% in SFEPL on August 24, 2022, a Gurgaon-based Company engaged in the business of operations of supply and service of safety items, including metal beam crash barriers, wire rope safety barriers, pavement marking, noise barriers etc.

Highlights of the performance of SFEPL during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	190.25	3.38
Profit/(Loss) before tax	1.76	(1.36)
Profit/(Loss) after tax	1.76	(1.28)

(2) Safety First

The Company acquired 26% control in Safety First on May 01, 2022, a New Delhi-based registered partnership firm engaged in the business of supply and service of safety items, including metal beam crash barriers, wire rope safety barriers, pavement marking, noise barriers etc.

Highlights of the performance of Safety First during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	436.57	835.01
Profit/(Loss) before tax	18.25	44.71
Profit/(Loss) after tax	12.25	44.71

D. Jointly controlled operations

(1) HGIEPL-Ranjit JV

The Company and Ranjit Buildcon Limited formed a Joint venture on May 15, 2015, to collaborate in the name and style of HGIEPL-Ranjit JV for "Development and Construction of Four Laning of Babatpur -Varanasi Section of NH-56 (km 263/000 to 280/250) in the state of Uttar Pradesh on Engineering, Procurement and Construction (EPC) basis."

Highlights of the performance of HGIEPL-Ranjit JV during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	11.54	85.59
Profit/(Loss) before tax	(0.19)	0.16
Profit/(Loss) after tax	(0.19)	0.11

During the financial year, HGIEPL-Ranjit JV dissolved on March 29, 2024.

(2) HGIEPL-MGCPL JV

The Company and M.G. Contractors Private Limited formed a Joint venture on August 30, 2014, to collaborate in the name and style of HGIEPL- MGCPL JV for "Rehabilitation and augmentation of Two-Laning from Chanlang District Boundary to Khonsa section of NH-52B (New NH-215) from km. 0.00 to km. 42.844 in the state of Arunachal Pradesh under Arunachal Pradesh Package of SARDP_ NE on Engineering, Procurement and Construction (EPC) basis."

Highlights of the performance of HGIEPL- MGCPL JV during the financial year are as follows:

(Amount in ₹ Million)

Particulars	FY2023-24	FY2022-23
Total Revenue	26.31	125.36
Profit/(Loss) before tax	0.03	0.33
Profit/(Loss) after tax	0.02	0.23

CAPITAL, SHARES AND DEBENTURES

The current capital structure of the Company is given below:

Authorized Capital:

There was no change in the Authorized Capital of the Company during the financial year. The Authorised Capital of the Company as on March 31, 2024, stood at ₹80,00,00,000 (Rupees Eighty Crore only) consisting of 8,00,00,000 (Eight Crore) equity shares of a face value of ₹10 each.

Issued, Subscribed & Paid-up Capital:

There was no change in the issued, subscribed, and paid-up Capital of the Company during the financial year. The issued, subscribed and paid-up Capital of the Company as on March 31, 2024 stood at ₹65,17,11,110 (Rupees Sixty Five Crore Seventeen Lakh Eleven Thousand One Hundred Ten only) consisting of 6,51,71,111 (Six Crore Fifty One Lakh Seventy One Thousand One Hundred Eleven) Equity Shares of ₹10 each.

The Company has not issued any preference shares.

Non-Convertible Debentures (NCDs):

The Company has 970 outstanding Rated, Listed, Senior, Secured, Redeemable, Non-Convertible Debentures ("NCDs") (ISIN: INE926X07017), each having a face value of ₹10,00,000 for an aggregate nominal value of ₹970 Million, issued on a private placement basis on December 21, 2021. The NCDs of the Company are listed on the Wholesale Debt Market segment of BSE Limited.

During the financial year 2023-24, the outstanding amount of NCDs was reduced from ₹970 Million to ₹808.33 Million on September 21, 2023, ₹646.67 Million on December 21, 2023, and further reduced to ₹485.00 Million upon part principal redemptions. Accordingly, the face value of NCDs has been reduced to ₹0.50 Million as on March 31, 2024.

The interest amounts on NCDs were paid by the Company on due dates and there was no instance of interest amount not claimed by the investors or not paid by the Company.

The Company has appointed MITCON Credentia Trusteeship Services Limited as the debenture trustee for the benefit of the debenture holders. The details of the Debenture Trustee are available on the Company's website at https://hginfra.com/investors-relation.html#btn-investor

The Company is exempted from the requirement to create a Debenture Redemption Reserve (DRR) on privately placed debentures. Therefore, the Company has not created a DRR.

DIVIDEND

The Company recommended/declared dividends as under:

Particulars	Financial Year 2024		Financial Year 2023	
	Dividend per share (in ₹)	Dividend payout (Amount in ₹ Million)	Dividend per share (in ₹)	Dividend payout (Amount in ₹ Million)
Final Dividend	1.50	97.76	1.25	81.46
Payout ratio	2%		2%	

The aforesaid final dividend is being paid by the Company from its profits.

The payment of Rs. 1.50 (15%) per equity share of Rs. 10 each fully paid-up as final dividend for the financial year 2023-24 has been recommended by the Board, at its meeting held on May 08, 2024. The payment of dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company.

No interim dividend declared by the Board during the aforesaid financial years.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. In accordance with the provision of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the Dividend Distribution Policy is available on the Company's website at https://hginfra.com/investors-relation.html#btn-policy

The Company declares and pays dividends in Indian rupees. The Company is required to pay/distribute dividends after deducting applicable withholding taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The Dividend Distribution Policy ('DD Policy') sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and/or the utilisation of the retained profits earned by the Company. The Board of Directors of the Company, considering the business & financial parameters, internal and external factors as mentioned in the DD Policy, recommended the payment of final dividend of Rs. 1.50 (15%) per equity share of Rs. 10 each fully paid-up for the financial year 2023-24.

The details of dividends declared and paid by the Company for the last five years are disclosed in the Corporate Governance Report, which forms part of this report.

UNCLAIMED DIVIDEND AND TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In compliance with Sections 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, any money transferred to the Unpaid Dividend Account of a Company in pursuance of these sections, which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued, if any, thereon to the Fund established under sub-section (1) of section 125 of the Act i.e. Investor Education and Protection Fund.

During the financial year, the Company was not liable to transfer any unclaimed dividends and corresponding shares thereto to IEPF. The details of the unclaimed dividend amount lying with the Unpaid Dividend Account can be accessed on the Company's website at https://hginfra.com/investors-relation.html#open and also submitted to the Ministry of Corporate Affairs ("MCA") and with IEPF Authority. The same can also be accessed through the website of IEPF at www.iepf.gov.in

TRANSFER TO RESERVES

During the financial year, no amount was transferred to any of the reserves by the Company. The Total Other Equity (including securities premium and retained earnings) as on March 31, 2024, is ₹23,898.60 Million (on a Consolidated Basis) as against the Paid-up Capital of ₹651.71 Million.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

As per Section 186(11) of the Act, except Section 186(1), nothing contained in section 186 of the Act shall apply to any loan made, any guarantee given, or any security provided, or any investment made by a Company engaged in the business of providing infrastructural facilities. Since the Company is engaged in the business of Infrastructure & Construction, the criteria of section 186 are not applicable to the Company except sub-section (1) of Section 186 of the Act.

Details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2024, are set out in Note No. 43 to the Standalone Financial Statements of the Company.

DEPOSITS

During the financial year, the Company has not accepted deposits from the public falling within the ambit of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and hence no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

PARTICULARS OF CONTRACT AND ARRANGEMENTS MADE WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Act and rules made thereunder, all the contracts/arrangements/transactions entered by the Company during the year under review with Related Parties were on an arm's length basis and in compliance with the applicable provisions. All related party transactions were approved by the Audit Committee as per the provisions of the Act and the Listing Regulations. The policy on related party transactions is available on the Company's website at https://hginfra.com/investors-relation.html#btn-policy

The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Report. During the financial year, there are no material significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons and their relatives that may have a potential conflict with the interests of the Company at large.

During the financial year, the Company had entered material Related Party Contracts/ arrangements with wholly owned subsidiaries of the Company. The details of which are disclosed in Form AOC-2 as **"Annexure-II"**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis ('MD & A') Report is forming part of this Report.

BOARD POLICIES

The details of the policies approved and adopted by the Board as required under the Act and Securities and the Listing Regulations can be accessed on the Company's website at https://hginfra.com/investors-relation.html#btn-policy

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report except the followings:

1) H.G. Chennai-Tirupati (II) Highway Private Limited has been incorporated as a wholly owned subsidiary as a Special Purpose Vehicle (SPV) on April 08, 2024 for domiciling a project allotted by National Highways Authority of India i.e. "Construction of Access Controlled Highway of 4 Lane with Paved Shoulders from TN/AP Border (Design Chainage km 61+51) to Puttur (Design Chainage Km 81+540) of NH-716 & 6 Lane with Paved Shoulders from Mallavaram (Design Chainage Km 97+100) to Renigunta (Design Chainage Km 114+500) of NH-71 in Andhra Pradesh on Hybrid Annuity Mode under NH(O) (Project Length-37.43 km) (Chennai-Tirupati Package-II).

2) H.G. Solar Park Private Limited has been incorporated as a wholly owned subsidiary on April 23, 2024, for carrying on the business of Solar and related activities.

3) H.G. Jodhpur Solar Energy Private Limited has been incorporated as a wholly owned subsidiary on April 24, 2024, for domiciling a project for carrying on the business of Solar and related activities.

4) H.G. Solar Project Developer Private Limited has been incorporated as a wholly owned subsidiary on April 24, 2024, for carrying on the business of Solar and related activities.

5) H.G. Green Hydrogen Power Private Limited has been incorporated as a wholly owned subsidiary on April 24, 2024, for carrying on the business of Solar and related activities.

6) H.G. Solar Park Developer Private Limited has been incorporated as a wholly owned subsidiary on April 26, 2024, for carrying on the business of Solar and related activities.

HUMAN RESOURCE DEVELOPMENT

The Company has demonstrated a strong growth trajectory over the years, propelled by its successful execution of infrastructure projects and a commitment to quality and timely delivery. This financial year presents new opportunities for growth and building a sustainable business landscape. To achieve organizational goals and create a great workplace, the HR department has identified the following focus areas:

- **Strategical Talent Acquisition:**

  The experienced team is instrumental in civil execution works by ensuring the right people are brought in at the right time. The company's core focus is to build a robust frontline team efficiently. The Company is in the process of collaborating with various institutions to recruit quality trainees.

- **Workplace Culture and Employee Experience:**

  The Company is dedicated to fostering an inclusive and diverse culture that promotes collaboration, transparency, and open communication. Employee experience initiatives are prioritized, ensuring that employees feel valued, supported, and empowered in their roles.

- **Managerial & Leadership Development Programs:**

  Managerial and leadership development programs are of utmost importance to the Company. These programs aim to nurture and enhance the skills and capabilities of managers and leaders, enabling them to navigate complex challenges effectively and drive organizational success.

- **Process Digitization & Automation**

  We ensure continuous improvement and innovation in our internal departmental processes by simplifying the workflows and enabling employees to focus on strategic and value-added tasks.

Prevention and redressal of sexual harassment policy, and disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH ACT")

- **Internal Complaints Committee (ICC):**

  The Company has instituted an Internal Complaints Committee (ICC) to redress and manage sexual harassment complaints in a timely manner. The Committee is chaired by a female employee employed at a senior level amongst the employees and has an external senior representative who is a subject matter expert. The Board is periodically updated on matters arising out of the policy/ framework and on certain incidents, if any.

- **Policy on Prevention of Sexual Harassment at Workplace (POSH) and Awareness:**

  The Company has zero tolerance towards sexual harassment and is committed to providing a safe environment for all. The Company's policy is inclusive, irrespective of the gender or sexual orientation of an individual. It also includes situations around work from home scenarios.

  To create awareness on this sensitive and important topic, training/awareness programs are conducted throughout the year to create sensitivity towards ensuring a respectable workplace.

  Pursuant to the POSH Act, the details regarding the number of complaints received, disposed, and pending during the financial year, pertaining to incidents under the above framework/ law are as follows:

Particulars	Numbers
Number of complaints pending at the beginning of the financial year	NIL
Number of complaints received during the financial year	NIL
Number of complaints disposed off during the financial year	NIL
Number of complaints those remaining unresolved at the end of the financial year	NIL

Particulars of Employee Remuneration

The directors would like to place on record their sincere appreciation for the contributions made by employees of the Company at all levels. The ratio of the remuneration of each Director to the median employee's remuneration including other details and the list of top 10 employees in terms of remuneration drawn in terms of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is set out in **"Annexure-VI"** to this Report. Other details as required under Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available on the website of the Company, at https://hginfra.com/investors-relation.html#btn-annual

CORPORATE GOVERNANCE

Maintaining high standards of Corporate Governance has been fundamental to the business of the Company since its inception. A separate report on Corporate Governance together with a Certificate from the Practicing Company Secretary of the Company regarding compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is forming part of this Report as **"Annexure IV"**.

A Certificate of the Managing Director / Chief Financial Officer of the Company in terms of the Listing Regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, also forming part of this Report.

Meetings of the Board

During the financial year, six (6) Board meetings were convened and duly held. The intervening gaps between the said meetings were in accordance with the provisions of the Act, relevant Rules made thereunder, Secretarial Standards issued by the Institute of Company Secretaries of India and provisions of the Listing Regulations.

The details of the Board meetings held during the financial year and the Directors' attendance are given in the Report of Corporate Governance, which forms part of this Report as **"Annexure IV."**

Directors and Key Managerial Personnel

The Board comprises highly experienced persons of repute and eminence. The Board has a good and diverse mix of Executive and Non-Executive Directors with the majority of the Board Members comprising Independent Directors. The Board composition is in conformity with the applicable provisions of the Act and the Listing Regulations, as amended from time to time. As on March 31, 2024 and date of this Annual Report, the Board consists of 8 directors comprising of five (5) Independent Directors and three (3) Executive Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board as part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long term needs of the Company.

The Board and Board's Committees composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance Report, forming part of this Report.

- **Appointment / Re-appointment**

  In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Dinesh Kumar Goyal, Executive Director (DIN: 02576453), is liable to retire by rotation at the ensuing annual general meeting and being eligible has offered himself for re-appointment.

  The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the SS-2 on General Meeting are given in the Notice of AGM, forming part of this Report.

  During the financial year, Ms. Sharada Sunder (DIN: 07599164) and Ms. Monica Widhani (DIN: 07674403) were regularized as Directors (Independent) in the Extra Ordinary General Meeting of the shareholders held on May 04, 2023 for a first term of 5 (Five) consecutive years with effect from February 08, 2023 to February 07, 2028, who were appointed as an Additional Directors (Independent) in a board meeting dated February 08, 2023.

  During the financial year, no Director of the Company has resigned.

  Apart from above there were no changes made in the composition of the Board of the Company during the financial year.

- **Independent Directors**

  In terms of Section 149 of the Act and the Listing Regulations, Mr. Ashok Kumar Thakur, Mr. Manjit Singh, Ms. Monica Widhani, Ms. Pooja Hemant Goyal, and Ms. Sharada Sunder are the Company's Independent Directors as on March 31, 2024 and as of the date of this Report.

  All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors have also confirmed that they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

  The Board believes that the Independent Directors possess the requisite expertise and experience (including the proficiency) and are persons of high integrity and repute. They fulfill the conditions specified in the Act and the Listing Regulations and are independent of the management of the Company.

- **Key Managerial Personnel**

  In terms of the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendments thereunder), the Key Managerial Personnel ("KMPs") of the Company during the financial year were:

  - Mr. Harendra Singh, Managing Director
  - Mr. Vijendra Singh, Executive Director
  - Mr. Dinesh Kumar Goyal, Executive Director
  - Mr. Rajeev Mishra, Chief Financial Officer
  - Ms. Ankita Mehra, Company Secretary

  During the financial year, there were no changes to the KMP of the Company.

Committees of the Board

As of March 31, 2024, the Board had five statutory board committees: the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Stakeholders Relationship Committee.

During the financial year, all recommendations made by the Board's including the Audit Committee were approved by the Board.

A detailed note on the composition of the Board and its Committees is provided in the Corporate Governance Report, forming part of this report as **"Annexure IV."**

Certificate from Practicing Company Secretaries

None of the Director of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 or are debarred or disqualified from being appointed or continuing as directors by the SEBI, MCA or any other such statutory authority.

The Company has received a certificate in this regard from M/s Deepak Arora & Associates (Firm Registration No. P2001RJ080000), Practicing Company Secretaries, which forms part of this Report.

Familiarization Programs for Independent Directors

The Company familiarizes its Independent Directors through various programs/presentations whenever a new Independent Director is appointed to the Board. Such programs/presentations provide an opportunity for the Independent Directors to interact with the Senior Management of the Company and help them understand the Company's strategies, operations, products, organization structure, market, and other relevant areas, etc.

New Independent Directors are provided with a copy of the Latest Annual Report, Code of Conduct, Memorandum and Articles of Association of the Company and the Code of Conduct for Prevention of Insider Trading. They are also made aware of their role, rights, and responsibilities at the time of their appointment or reappointment through a formal appointment letter that also specifies the various terms and conditions of their engagement.

Regular updates on the key developments occurring in the Company are informed to Independent Directors from time to time.

Details of familiarization programmes imparted to the Independent Directors are given in the Report on Corporate Governance, which forms part of this Report as **"Annexure IV."**

Criteria for determining qualifications, positive attributes and independence of a director

In terms of the provisions of Section 178(3) of the Act and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee ("NRC") has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

Qualifications	Positive Attributes	Independence
The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.	Apart from the duties of directors as prescribed in the Act, the directors are expected to demonstrate high standards of ethical behaviour, communication skills and independent judgment. The directors are also expected to abide by the respective Code of Conduct as applicable to them	A director will be considered independent if he/she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1) (b) of the Listing Regulations.

Annual evaluation of board performance and performance of its committees and directors

The Board has carried out an annual evaluation of its own performance, Board's Committees, and individual directors (including Independent Directors) pursuant to the provisions of the Act and the Listing Regulations.

The Board evaluated its performance after seeking input from all the directors based on criteria such as the Board's composition and structure, the effectiveness of Board processes, information and functioning, etc.

The Board evaluated the committees' performance after seeking input from all the directors based on criteria such as committee composition, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contributions and inputs in meetings, etc.

In a separate meeting of independent directors, the performance of non-independent directors and the Board as a whole was evaluated. The Independent directors also evaluated the quality, quantity, and timeliness of the information flow between Company management and the Board, which is necessary for the Board to effectively and reasonably perform its duties. Additionally, the Chairman of the Board was also evaluated on key aspects of his role, taking into account the views of executive directors and non-executive directors in the aforesaid meeting.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

All directors responded through a structured questionnaire, based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India, the requirement of section 178 read with clause VII of schedule IV of the Act and the Guidance Note on Board Evaluation issued by the Institute of Company Secretaries of India ("ICSI"), about the performance of the Board, its Committees, Individual directors, and the Chairman.

The Board evaluation process was completed for the financial year 2023-24. The outcome of the performance evaluation was presented to the Board. The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board deliberated on the outcome and agreed to take the necessary steps going forward.

For details of the previous year's annual evaluation, please refer to the Annual Report for the financial year, which is accessed through https://hginfra.com/investors-relation.html#btn-annual

Policy on Directors' Appointment & Remuneration

The Board on the recommendation of the Nomination and Remuneration Committee adopted a Policy on Nomination & Remuneration of Directors, Key Managerial Personnel, Senior Management and Other Employees, which, inter-alia, lays down the criteria for determining qualifications, positive attributes and independence of a director, appointment and removal of Directors, Key Managerial Personnel and other Senior Management of the Company, along with the criteria for determination of their remuneration and evaluation and includes other matters, as prescribed under the provisions of Section 178 of the Act and the Listing Regulations.

The policy is available on the website of the Company at https://hginfra.com/investors-relation.html#btn-policy

We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

Selection and Procedure for Nomination and Appointment of Directors

The Company has a Nomination and Remuneration Committee ("NRC"), which is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements. The role of the NRC encompasses conducting a gap analysis to refresh the Board on a periodic basis, including each time a director's appointment or re-appointment is required.

The NRC is also responsible for reviewing the profiles of potential candidates vis- à-vis the required competencies, undertaking a reference and due diligence and meeting potential candidates prior to making recommendations of their nomination to the Board. The appointee is also briefed about the specific requirements for the position including expert knowledge expected at the time of appointment.

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

The Code of Conduct of the Company aims at ensuring consistent standards of conduct and ethical business practices across the Company. This Code is available on the website of the Company at https://hginfra.com/investors-relation.html#btn-policy. Pursuant to the Listing Regulations, a confirmation from the Chairman and Managing Director regarding compliance with the Code by all the Directors and Senior Management of the Company forming part of this Report.

Details with respect to the adequacy of internal financial controls with reference to the Financial statements

The Company has designed and implemented a process-driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5)(e) of the Act read with Rule 8(5) (viii) of the Companies (Accounts) Rules, 2014. The Company has appropriate internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations. It has documented policies and procedures covering financial and operating functions and processes. These policies and procedures are updated from time to time, and compliance is monitored by the internal audit function as per the audit plan.

The Company continues its efforts to align all its processes and controls with best practices. The Company uses SAP ERP Systems as a business enabler and to maintain its Books of Account. The transactional controls built into the SAP ERP systems ensure the appropriate segregation of duties, the appropriate level of approval mechanisms and the maintenance of supporting records. The systems, Standard Operating Procedures and controls, including manual controls, are reviewed by the Management.

The Company has in place adequate Internal Financial Controls regarding the Financial Statements commensurate with the size, scale, and complexity of its operations. The Company has appointed independent audit firms as Internal Auditors to observe the Internal Control system.

The Board of the Company have adopted various policies viz Policy on determining Material Subsidiary, Policy on Determination of Materiality of Events or Information, Vigil Mechanism/Whistle Blower Policy, Policy on Related Party Transactions, Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, Prevention of Sexual Harassment at Workplace, Policy on Corporate Social Responsibility Policy, Nomination and Remuneration Policy, Enterprise Risk Management Policy, Dividend Distribution Policy and other policies and procedures for ensuring the orderly and efficient conduct of its business for 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 Audit Committee of the Board actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. The Company has a robust management information system, which is an integral part of the control mechanism.

Significant and material orders

During the financial year, no significant or material orders were passed by the regulators, courts, or tribunals, which impacted the Company's going concern status and future operations.

Reporting of frauds by auditors

During the year under review, neither the statutory auditors nor the secretarial auditors have reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

Annual Report

The MCA and the SEBI has issued the circulars in relation to 'relaxation from compliance with dispatching of physical copies of the Annual Report and the Notice convening the AGM.

Members who wish to have a physical copy may write to the Company Secretary of the Company at cs@hginfra.com or submit a written request to the Registered Office of the Company. In accordance with the aforesaid circulars, the web link of the Annual Report and the Notice convening the AGM of the Company is being sent in electronic mode only to members whose e-mail addresses are registered with the Company or the Depository Participant(s). Those members, whose email addresses are not registered with the Company or with their respective Depository Participant(s) and who wish to receive the Notice of the AGM and the Annual Report for the financial year ended March 31, 2024, can get their email addresses registered by following the steps as detailed in the Notice convening the AGM.

The Annual Report of the Company is available on the Company website at https://hginfra.com/investors-relation.html#btn-annual

Annual Return

In accordance with the provisions of Section 134(3) read with Section 92(3) of the Act, the Annual Return as on March 31, 2024, in Form MGT-7, is available on the Company's website and can be viewed at https://hginfra.com/investors-relation.html#btn-annual. The Annual Return will be submitted to the Registrar of Companies within the timelines prescribed under the Act.

Secretarial Standards

The Company has followed all applicable Secretarial Standards, issued by the Institute of Company Secretaries of India (ICSI).

Directors' responsibility statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost, secretarial auditors and external agencies, including audit of internal controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and that there are no material departures from the same;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the financial year ended March 31, 2024;
- they have taken proper and sufficient care 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

AUDITORS AND AUDIT REPORTS

Statutory Auditors

The shareholders of the Company have appointed M/s. Shridhar & Associates, Chartered Accountants (ICAI Firm Registration No. 134427W) as one of the Joint Statutory Auditors of the Company for the first term of 5 consecutive years at the AGM held on September 25, 2020 and M/S. M S K A & Associates, Chartered Accountants (Firm Registration No. 105047W), as Joint Statutory Auditors of the Company for the first term of 5 consecutive years at the AGM held on August 03, 2022.

During the financial year, there was no change in the statutory auditors of the Company.

Secretarial Auditors

M/s. Deepak Arora & Associates, Company Secretaries in Practice, (Firm Registration No. P2017RJ063900) have carried out the Secretarial Audit for the financial year ended March 31, 2024.

During the financial year, there was no change in the secretarial auditors of the Company.

On the recommendation of the Audit Committee, the Board has appointed M/s. Deepak Arora & Associates, Company Secretaries in Practice, (Firm Registration No. P2001RJ080000) as Secretarial Auditors of the Company for the FY2024-25, as required under Section 204 of the Act and Rules thereunder.

Cost Records and Cost Audit

The Company has maintained cost accounts and records as specified by the Central Government under sub-section (1) of Section 148 of the Act. M/s. Rajendra Singh Bhati & Co., Cost Accountants (Firm Registration No. 101983) have carried out the cost audit for the financial year.

The Board, on the recommendation of the Audit Committee, has re-appointed M/s. Rajendra Singh Bhati & Co., as Cost Auditors of the Company for conducting the audit of cost records for the financial year 2024-25 under Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

The remuneration proposed to be paid to the Cost Auditor for the financial year 2024-25 is subject to ratification by the Company's shareholders at the ensuing Annual General Meeting.

Internal Auditors

The Board has appointed M/s. Mahajan & Aibara Chartered Accountants LLP, (Firm Registration No. 105742W) as Internal Auditors for conducting Internal Audit for the financial year.

The observations and suggestions of the Internal Auditors were reviewed, and necessary corrective/ preventive actions were taken in consultation with the Audit Committee.

On the recommendation of the Audit Committee, the Board has re-appointed M/s. Mahajan & Aibara Chartered Accountants LLP, (Firm Registration No. 105742W), as Internal Auditors of the Company for the financial year 2024-25.

Audit Reports

- The Joint Statutory Auditors' Report for the financial year ended March 31, 2024, does not contain any qualification, reservation or adverse remark or disclaimer. The Report is enclosed with the financial statements in this Annual Report;
- The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the SEBI. The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated under the Listing Regulations is annexed as "**Annexure-IV**" to this Report.
- The Secretarial Audit Report issued by M/s. Deepak Arora & Associates, for the financial year ended March 31, 2024, does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is annexed as "**Annexure-V (i)**" to this Report;
- The Secretarial Auditors' (Practicing company secretaries) certificate confirming compliance with conditions of corporate governance as stipulated under the Listing Regulations, for the financial year ended March 31, 2024, forming part of this Report;
- The Secretarial Compliance Report issued by M/s. Deepak Arora & Associates, Practicing Company Secretaries, for financial year ended March 31, 2024, in relation to compliance of applicable SEBI Regulations/ circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of the Listing Regulations, is annexed as "**Annexure-V (ii)**" to this Report; and
- As per regulation 24A of the Listing Regulations, the Company is required to annex the secretarial audit report of its material unlisted subsidiaries to its directors' report. The Secretarial Audit Report of the material subsidiary does not contain any qualification, reservation or adverse remark and the same is annexed herewith.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has duly constituted the CSR Committee, which is responsible for fulfilling the CSR objectives of the Company. The composition of the CSR committee is stated in the "Board Committees" section under "Corporate Governance Report. The Board of Directors have adopted a CSR policy which is in line with the provisions of the Act. The CSR Policy of the Company lays down the philosophy and approach of the Company towards its CSR commitment. The policy can be accessed on the website of the Company at https://hginfra.com/investors-relation.html#btn-policy

The Annual Report on Corporate Social Responsibility Activities of the Company is annexed as **"Annexure-III"** forming the part of this Report.

RISK MANAGEMENT

The Company has a well-defined risk management framework in place. The framework works across the Company's operations. It ensures that risks are mitigated and that the business adheres to regulatory requirements and industry best practices when identifying, assessing, responding to, and monitoring risk.

The Company is exposed to market risk, credit risk and liquidity risk, as set out in Note No. 39 to the Standalone and Consolidated Financial Statements of the Company.

In terms of Regulation 21 of the Listing Regulations, the Board has constituted the Risk Management Committee (RMC). The composition of the RMC is in conformity with the Listing Regulations, with the majority of members being directors of the Company.

The RMC is responsible for oversight the overall risk management processes of the Company and ensuring that key strategic and business risks are identified and addressed by the management, including framing policy, identifying current and emerging risks, developing risk assessment and measurement systems, establishing policies, practices and other control mechanisms to manage risks. The detailed terms of reference of the Risk Management Committee is disclosed in the Corporate Governance Report annexed as **"Annexure-IV"** forming part of this report.

The Enterprise Risk Management Policy of the Company is available on the Company's website at https://hginfra.com/investors-relation.html#btn-policy

VIGIL MECHANISM/WHISTLE-BLOWER POLICY

The Company encourages an open and transparent system of working and dealing amongst its stakeholders. In accordance with Section 177(9) of the Act and Regulation 22 of the Listing Regulations, the Company is required to establish a Vigil Mechanism for directors and employees to report genuine concerns. The Company has a Policy for the Prevention, Detection and Investigation of Fraud and Protection of Whistle Blowers ("the Whistle Blower Policy"), which also encourages its employees and various stakeholders to bring to the notice of the Company any issue involving compromise/ violation of ethical norms, legal or regulatory provisions, actual or suspected fraud etc., without any fear of reprisal, discrimination, harassment or victimisation of any kind. The Company investigates such incidents when reported, in an impartial manner and takes appropriate action to ensure that requisite standards of professional and ethical conduct are always upheld. It is the Company's Policy to ensure that no persons are victimised or harassed for bringing such incidents to the attention of the Company. Further details of the Vigil Mechanism/ Whistle Blower Policy of the Company are provided in the Report on Corporate Governance, forming part of this report. The Whistle Blower Policy is hosted on the Company's website at https://hginfra.com/investors-relation.html#btn-policy

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars of energy conservation, technology absorption and foreign exchange earnings and outgo are provided as under in terms of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014:

Particulars	Remarks
A) CONSERVATION OF ENERGY	
the steps taken or impact on conservation of energy;	Although operations of the Company are not energy intensive, yet Company focuses on reducing energy cost, safeguard of environment and use of non-conventional energy.
the steps taken by the Company to utilize alternate sources of energy;	The Company has taken the following steps: a) Started Hot Mix Plant production on grid supply by installing UPS System. b) Converted Tippers on CNG from HSD. c) Reduction of fuel in Hot Mix plant by the introduction of used wood for bitumen heating. d) Introduction of fuel catalyst to reduce carbon emission.
the capital investment in energy conservation equipment	a) New fleet with BSVI Norm 2 technology. b) DG Sets with CPCB 4 Norms. c) EV Vehicles.
B) TECHNOLOGY ABSORPTION	
the efforts made towards technology absorption;	The Company has made the following efforts towards technology absorption: a) Soil stabilization. b) Echelon paving. c) Wood Burner in Hot Mix Plant. d) Use of 3D grades control software. e) Promoting tire retreating to reduce quantity of tyres by Increasing Life. f) Use of 3D excavation control software. g) Increased haulage capacity through better specification. h) Digitalization of log sheet for better data accuracy. i) Initiatives in SAP for better Equipment operation & maintenance tracking. j) Uniformity & Branding.

Particulars	Remarks
the benefits derived like product improvement, cost reduction, product development or import substitution;	The following benefits are derived: a) Timely completion of the project as well as meeting the budgetary requirement are two critical areas where different techniques help to great extent. b) Effective and accurate grading and excavation. c) Reduction in operation cost of Asphalt production. d) Data accuracy for better performance outcome and analysis. e) Fuel optimization through dispense and level monitoring. f) Use of alternative materials methods.
in case of imported technology (imported reckoned from the beginning of the financial year)- a) the details of technology imported; b) the year of import;	The Company uses below mentioned imported technology & equipment in its business: a) Soil stabilizer. (FY 2021-22) b) MOBA FLMS & FDMS for better fuel monitoring. (FY 2021-22) c) Trimble 3D grade sensors. (FY 2021-22) d) Tappet box for digitalization of log sheet. (FY2022-23) e) Fuel Catalyst. (FY2022-23) f) Tilt sensor for Tippers. (FY2022-23) g) MOBA X-Site PRO 3D for Excavators. (FY2023-24)
c) whether the technology been fully absorbed; and	The following technology has been fully absorbed: a) FLMS & FDMS. b) Trimble 3D system; and c) Initiatives in SAP for better Equipment operations & Maintenance tracking. (PM03, PM16, Codes & Catalogues)
d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	The areas where complete absorption has not taken place: a) Tilt Sensor: Initial implementation ongoing at one project. b) Increased haulage capacity through better Specification: initiative taken at one project. c) Digitalization of log sheet for better Data accuracy: implementation started at 2 new projects for immediate execution. d) MOBA X-Site PRO 3D for Excavators: Trail under progress at one project.
the expenditure incurred on Research and Development	During the financial year, the Company has not spent any amount towards research & development activity.
C) FOREIGN EXCHANGE EARNINGS AND OUTGO	
Details of foreign exchange earnings and outgo during the financial year are as follows:	
Foreign Exchange Earnings	NIL
Foreign Exchange Outgo (Amount in ₹ Million)	3.85

Business Responsibility & Sustainability Reporting (BRSR)

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report ('BRSR') on initiatives taken from an environmental, social and governance perspective, in the prescribed format is annexed as **"Annexure- VII"** to this Report.

Environmental, Social and Governance (ESG)

The Company focus on steadfast on leveraging technology to battle climate change, conserving water and managing waste. On the social front, Company's emphasis is on the development of people, especially around digital skilling, improving diversity and inclusion, facilitating employee wellness and experience, delivering technology for good and energizing the communities it work in. The Company is also redoubling efforts to serve the interests of all its stakeholders, by leading through its core values and setting benchmarks in corporate governance. The Board instituted an ESG council to discharge its oversight responsibility on matters related to organization wide ESG initiatives, priorities, and leading ESG practices.

CREDIT RATING

The Company's financial prudence is reflected in the strong credit rating ascribed by rating agencies. The table below depicts the Credit Rating profile as on March 31, 2024:

Instrument	Rating Agencies	Current Rating
Long Term Credit	ICRA	ICRA AA- (Positive)
Short Term Credit	ICRA	ICRA A1+ (Positive)
NCDs	ICRA	ICRA AA- (Positive)

During the financial year, the outlook of the ratings has been changed from Stable to Positive for all above said ratings.

CONFLICT OF INTERESTS

Each director informs the Company on an annual basis about the Board and Committee positions he/she occupies in other companies, including Chairmanships, and notifies changes during the financial year. The Members of the Board avoid conflict of interest in the decision-making process while discharging their duties. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concerns or interests.

SHAREHOLDERS AND INVESTORS

The Company regularly interacts with its shareholders and investors through results announcements, annual reports, performance highlights, media releases, the Company's website, and subject-specific communications. The AGM gives the shareholders an opportunity to communicate directly with the Board and Management. During this meeting, the Board engages with shareholders and answers their queries on various subjects.

The Company has a designated e-mail address for shareholders i.e. cs@hginfra.com

The Investor Relations team also interacts regularly with investors and analysts through quarterly results calls, one-on-one and group meetings, and participation in investor conferences.

Investor and Analyst Interactions in the financial year

Particulars	Q1	Q2	Q3	Q4	FY2023-24
Total interactions	1	2	1	1	5

ENVIRONMENT HEALTH AND SAFETY (EHS) PROTECTION

The Company is committed towards the well-being and protection of Health, Safety and the Environment through its EHS Policies, which are formulated in line with applicable laws and legal requirements connected with occupational Health, Safety, and Environment matters. Trainings are being provided to employees of the Company for the better awareness and implementation of EHS. The Company always ensures that a healthy and safe working environment is provided to all employees of the Company.

INSIDER TRADING CODE

The Company has instituted a mechanism to avoid Insider Trading and abusive self-dealing in the securities of the Company. In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations'), the Company has established systems and procedures to prohibit insider trading activity and has framed the Code of Prohibition of Insider Trading (the "Code"). The Code of the Company prohibits the directors of the Company and other specified employees from dealing in the securities of the Company on the basis of any Unpublished Price Sensitive Information (UPSI), available to them by virtue of their position in the Company.

The objective of this Code is to prevent the misuse of any UPSI and prohibit any insider trading activity to protect the interests of the shareholders at large.

The Board of Directors of the Company has adopted the Code and formulated the Code of Practices and Procedures for Fair Disclosure in terms of the requirements of the SEBI PIT Regulations. The Company Secretary has been appointed as the Compliance Officer for ensuring implementation of the Code.

The Code is available on the website of the Company at https://hginfra.com/investors-relation.html#btn-policy

DIRECTORS AND OFFICERS LIABILITY INSURANCE (D&O)

Pursuant to Regulation 25(10) of the Listing Regulations, the Company has taken the Directors and Officers Liability Insurance ('D & O Insurance') policy for all the Directors, including Independent Directors, to indemnify them against any liability in respect of any negligence, default, misfeasance, breach of duty, or breach of trust for which they may be guilty in relation to the Company.

SUCCESSION PLANNING

The Nomination and Remuneration Committee of the Board oversees matters related to succession planning of the Board and Senior Management of the Company. The Company understands that sound succession planning is essential for the sustained growth of the Company.

Information about succession planning for the Board and Senior Management of the Company is given in the Nomination and Remuneration Policy, which is available on the Company's website at https://hginfra.com/investors-relation.html#btn-policy

INDUSTRIAL RELATIONS

The Company's business is dependent on infrastructure projects awarded by government authorities/ private authorities funded by governments or by international and multilateral development finance institutions. The Company, therefore, developed and maintained strategic alliances with other construction developers that undertake contracts for such infrastructure development projects and intends to continue to explore entering into Jointly Controlled Operations, consortia or sub-contract relationships for specific projects with certain of these contractors. In addition, the Company develop and maintain relationships and pre-qualified status with certain major clients and obtain a share of contracts from such clients.

OTHER DISCLOSURES

The Board states that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year:

1) As per rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise;

2) As per rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme;

3) As per rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares under the Employees Stock Option Schemes;

4) Neither the Managing Director nor the Whole Time Directors of the Company receive any remuneration or commission from any of its subsidiaries except sitting fees as entitled as a Non-Executive Directors in subsidiary companies;

5) Since the Company has not formulated any scheme of provision of money for the purchase of own shares by employees or by the trustee for the benefit of the employees in terms of Section 67(3) of the Act, no disclosures are required to be made;

6) There was no revision of financial statements and the Board's Report of the Company during financial year;

7) There has been no change in the nature of business of the Company;

8) No application has been made under the Insolvency and Bankruptcy Code, hence the requirement to disclose the details of the application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial along with their status as at the end of the financial year is not applicable; and

9) The requirement to disclose the details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions, along with the reasons thereof, is not applicable for the financial year.

APPRECIATION AND ACKNOWLEDGEMENT

The Directors would like to express their appreciation and thank the Government of India, the Governments of various states in India, and concerned Government departments and agencies for the continued help and cooperation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company, viz. clients, members, vendors, banks and other business partners, for the excellent support received from them during the financial and look forward to their continued support in future.

The Directors express their sincere appreciation to all company employees for their unstinted commitment and continued contribution.

For and on behalf of the Board
H.G. Infra Engineering Limited

Harendra Singh
Chairman & Managing Director
DIN: 00402458

Place: Jaipur
Date: May 08, 2024

Annexure-I to Board's Report

Form AOC-1

Statement containing salient features of the financial statement of Subsidiaries / Associates Companies / Joint Ventures
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Amount in Rs. Million)

S. No.	Particulars	Details												
1.	S. No.	01	02	03	04	05	06	07	08	09	10	11	12	13
2.	Name of the subsidiary	H.G. Rewari Bypass Private Limited	H.G. Raipur Visakhapatnam AP-1 Private Limited	H.G. Khammam Devarapalle PKG-1 Private Limited	H.G. Khammam Devarapalle PKG-2 Private Limited	H.G. Raipur Visakhapatnam OD-6 Private Limited	H.G. Raipur Visakhapatnam OD-5 Private Limited	H.G. Karnal-Ringroad Private Limited	H.G. Varanasi-Kolkata PKG-10 Highway Private Limited	H.G. Varanasi-Kolkata PKG-13 Private Limited	H.G. Foundation	H.G. Solar Projects Private Limited	Norangdesar Solar Developer Private Limited	Rasisar Solar Developer Private Limited
3.	The date since when subsidiary was acquired	May 01, 2020	August 19, 2021	October 14, 2021	October 14, 2021	November 22, 2021	November 24, 2021	March 21, 2023	April 27, 2023	April 25, 2023	October 25, 2023	February 17, 2024	March 10, 2024	March 10, 2024
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Share capital	14.38	623.23	110.25	99.91	306.52	1,034.48	93.42	42.00	29.00	0.10	1.50	0.10	0.10
7	Reserves & surplus	1,043.86	631.74	887.40	729.03	973.21	877.26	797.93	0.00	-	0.16	(0.15)	(0.07)	(0.07)
8	Total assets	3,094.70	3,968.08	2,567.37	2,039.57	4,819.11	6,000.03	2,082.74	42.04	29.06	10.06	1.40	0.12	94.93
9	Total liabilities	2,036.46	2,713.11	1,569.72	1,210.63	3,539.39	4,088.29	1,191.39	0.04	0.06	9.80	0.15	0.09	94.90
10	Investments	-	-	-	-	-	-	-	-	-	-	0.10	-	-
11	Turnover	609.19	2,746.69	3,114.55	2,542.15	3,700.05	4,591.80	2,184.51	1.40	1.94	-	-	-	-
12	Profit before Taxation	127.42	255.42	122.34	101.38	266.62	332.66	40.95	-	-	0.16	(0.20)	(0.09)	(0.09)
13	Provision for Taxation	32.54	64.44	30.79	25.52	67.27	83.88	10.33	-	-	-	(0.05)	(0.02)	(0.02)
14	Profit after Taxation	94.88	190.98	91.55	75.86	199.35	248.78	30.62	-	-	0.16	(0.15)	(0.07)	(0.07)
15	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Extent of shareholding (%)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	Refer Note 3	Refer Note 3

1. Names of subsidiaries which are yet to commence operations - H.G. Solar Projects Private Limited.
2. During the financial year, Gurgaon Sohna Highway Private Limited, H.G. Rewari Ateli Highway Private Limited and H.G. Ateli Narnaul Highway Private Limited ceased to be wholly owned subsidiaries of the Company with effect from November 21, 2023, due to the sale of its shareholdings by HG INFRA in these wholly owned subsidiaries pursuant to the Share Purchase Agreement dated May 03, 2023 ("SPA"), entered into by the Company, with Highways Infrastructure Trust ("Buyer"), Highway Concessions One Private Limited, Gurgaon Sohna Highway Private Limited ("SPV 1"), H.G. Rewari Ateli Highway Private Limited ("SPV 2"), H.G. Ateli Narnaul Highway Private Limited ("SPV 3") and H.G. Rewari Bypass Private Limited ("SPV 4")

   The completion of the sale/disposal of H.G. Rewari Bypass Private Limited is expected by October 31, 2024, subject to the approval of the shareholders of the Company at the ensuing 22nd Annual General Meeting.
3. Norangdesar Solar Developer Private Limited and Rasisar Solar Developer Private Limited are Step down subsidiaries incorporated by H.G. Solar Projects Private Limited (a wholly owned subsidiary of the Company).

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

1.	**Type (Associates/Joint Ventures)**	**Jointly Controlled Operations***		**Associate**	
2.	Name of Associates/Joint Ventures	HGIEPL – RANJIT JV	HGIEPL – MGCPL JV	Safety First Engineering Private Limited	M/s Safety First (Partnership Firm)
3.	Date on which the Associate or Joint Ventures was associated or acquired	May 15, 2015	August 30, 2014	August 24, 2022	August 30, 2022
4.	Latest audited Balance Sheet Date	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
5.	Shares of Associate/ Joint Ventures held by the company on the year-end				
	i) Number	-	-	1,23,465 Equity Shares	-
	ii) Amount of Investment in Associates/ Joint Venture	2.87	0.05	86.49	3.51
	iii) Extend of Holding %	30%	30%	26%	26%
6.	Description of how there is significant influence	The Company holds more than 20% of the total voting power	The Company holds more than 20% of the total voting power	The Company holds more than 20% of the total voting power	The Company holds more than 20% of the total voting power
7.	Reason why the associate/ Jointly Controlled Operations is not consolidated	Not Applicable	Not Applicable	Ratio in profit/loss considered	Ratio in profit/loss considered
8.	Net worth attributable to Shareholding as per latest audited Balance Sheet	2.70	0.06	3.53	0.06
9.	Profit / Loss for the year				
	i) Considered in Consolidation	i) (0.06)	i) 0.005	i) 0.46	i) 3.18
	ii) Not Considered in Consolidation	ii) (0.13)	ii) 0.013	ii) 1.30	ii) 9.06

** HGIEPL—RANJIT JV and HGIEPL—MGCPL JV are the company's Jointly Controlled Operations. The company's standalone financial statements include the aforesaid jointly controlled operations consolidated on a proportionate basis.*

Notes:

1. Names of associates or joint ventures which are yet to commence operations: Not Applicable

2. Names of associates or joint ventures which have been liquidated or sold or un-associated during the year: During the financial year, HGIEPL-Ranjit JV dissolved on March 29, 2024.

For and on behalf of the Board
H.G. Infra Engineering Limited

Harendra Singh
Chairman & Managing Director
DIN: 00402458

Rajeev Mishra
Chief Financial Officer

Ankita Mehra
Company Secretary
M. No.: A33288

Place: Jaipur
Date: May 08, 2024

Annexure-II to Board's Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, including certain arm's length transactions under the third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis-**

   No contracts, arrangements, or transactions were entered into during the year ended March 31, 2024, that were not at arm's length.

2. **Details of material contracts or arrangements or transactions at arm's length basis-**

(Amount in Rs. Million)

S. No.	Name(s) of the related party and nature of the relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount received/ (paid) as advances, if any*
1.	H.G. Varanasi Kolkata PKG-10 Highway Private Limited (A Wholly Owned Subsidiary Company)	Engineering Procurement Construction (EPC) Contract with HGVRK PKG-10	With effect from November 20, 2023, and shall remain in force and effect either, change in law amount, Change in scope amount, or termination date	EPC contract date: November 20, 2023 **Project:** Construction of 6 lane Greenfield Varanasi Ranchi Kolkata Highway from Deoria village to Donoreshan village from km 253.000 to km 288.600 under Bharatmala Pariyojana in the State of Jharkhand on HAM (PKG 10) **Amount of Contract:** ₹11,100 Million (Rupees Eleven Thousand One Hundred Million Only) is exclusive of price escalation, if any. **Mobilization advance:** HGVRK 10 shall, at the request of EPC contractor H.G Infra Engineering Limited (HG INFRA), make available to HG INFRA an interest-free advance payment up to 10% of the EPC cost or maximum upto 10% of BPC as of the date of this EPC agreement. Deduction of the aforesaid advance would be recovered in Eight equal instalments aligned with the recovery of Advance from the milestone payment to be made by the Authority to HGVRK 10. **Material advance:** Non-perishable materials brought to the site – 90% of the invoice value of the materials shall be payable. **Insurance:** All required insurance during the construction period shall be arranged and borne by HGVRK 10 except the Work Compensation Policy (WCP). **Time schedule:** HG INFRA shall complete work and achieve the Commercial Operation Date (COD) within the time period permitted in the concession agreement.	May 10, 2023	-

(Amount in Rs. Million)

S. No.	Name(s) of the related party and nature of the relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount received/ (paid) as advances, if any*
2.	H.G. Varanasi Kolkata PKG-13 Private Limited (A Wholly Owned Subsidiary Company)	Engineering Procurement Construction (EPC) Contract with HGVRK PKG-13	With effect from November 20, 2023, and shall remain in force and effect either, change in law amount, Change in scope amount, or termination date	EPC contract date: November 20, 2023 **Project:** Construction of 6-lane Greenfield Varanasi-Ranchi-Kolkata Highway from Jn with NH320 in Lepo village to Kamlapur village (JH/WB border) from km 358.500 to km 387.200 under BMP in Jharkhand on HAM (Package 13). **Amount of Contract:** ₹8,000 Million (Rupees Eight Thousand Million Only), exclusive of price escalation, if any. **Mobilization advance:** HGVRK 13 shall, at the request of EPC contractor H.G Infra Engineering Limited (HG INFRA), make available to HG INFRA an interest-free advance payment up to 10% of the EPC cost or maximum upto 10% of BPC as of the date of this EPC agreement. Deduction of the aforesaid advance would be recovered in Eight equal instalments aligned with the recovery of Advance from the milestone payment to be made by the Authority to HGVRK 13. **Material advance:** Non-perishable materials brought to the site – 90% of the invoice value of the materials shall be payable. **Insurance:** All required insurance during the construction period shall be arranged and borne by HGVRK 13 except the Work Compensation Policy (WCP). **Time schedule:** HG INFRA shall complete work and achieve the Commercial Operation Date (COD) within the time period permitted in the concession agreement.	May 10, 2023	-

(Amount in Rs. Million)

S. No.	Name(s) of the related party and nature of the relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount received/ (paid) as advances, if any*
3.	H.G. Karnal-RingRoad Private Limited (A Wholly Owned Subsidiary Company)	Engineering Procurement Construction (EPC) Contract with HGKRPL	With effect from August 28, 2023, and shall remain in force and effect either, change in law amount, Change in scope amount, or termination date	**EPC contract date:** August 28, 2023 **Project:** Construction of 6-lane Greenfield Karnal Ring Road starting from NH-44 near Village Shamgarh (Design km 0+000) and terminating at Karnal – Munak Road (MDR -115) near Village Samalakha (Design km 34+500) under Bharatmala Pariyojana in the State of Haryana on Hybrid Annuity Mode. **Amount of Contract:** ₹8,500 million (Rupees Eight Thousand Five Hundred Million Only), exclusive of price escalation, if any. **Mobilization advance:** HGKRPL shall, at the request of EPC contractor H.G Infra Engineering Limited (HG INFRA), make available to HG INFRA interest-free advance payment up to 10% of the EPC cost or maximum upto 10% of BPC as of the date of this EPC agreement. **Material advance:** Non-perishable materials brought to the site – 90% of the invoice value of the materials shall be payable. **Insurance:** All required insurance during the construction period shall be arranged and borne by HGKRPL except the Work Compensation Policy (WCP). **Time schedule:** HG INFRA shall complete work and achieve the Commercial Operation Date (COD) within the time period permitted in the concession agreement.	May 10, 2023	735.37

**Amount as on March 31, 2024*

The above-mentioned transactions were entered into by the Company in its ordinary course of business. The above disclosures on material transactions are based on threshold of Rupees one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower as prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014.

For and on behalf of the Board
H.G. Infra Engineering Limited

Harendra Singh
Chairman & Managing Director
DIN: 00402458

Place: Jaipur
Date: May 08, 2024

Annexure-III to Board's Report

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy:

The Company's CSR programs are guided by the Company's Corporate Social Responsibility Policy ('CSR Policy') approved by the Board of Directors ("Board"). The Company's CSR Policy framework details the mechanisms for undertaking various programs in accordance with Section 135 of the Companies Act, 2013 (the "Act") read with Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") for the benefit of the community.

The vision of the Company is to actively contribute to the social, economic and environmental development of the unmerited communities/sections where the Company operates and to ensure the participation of the community thereby creating value for the nation. The Company acknowledges its origins and diligently works to address the needs and aspirations of the less privileged communities across the nation. The Company has a multipronged CSR strategy that focuses on education, healthcare, rural development, environment sustainability, animal welfare, social welfare and women empowerment in coherence with Schedule VII of the Act.

The Company has identified, inter alia, the following thrust areas around which the Company shall be focusing its CSR initiatives/ programs:

a) **HEALTHCARE:** Promoting healthcare, including preventive healthcare and sanitation, eradicating hunger, poverty and malnutrition and making available safe drinking water, providing financial support for healthcare, conducting health camps and providing consultation, medicines, etc.

b) **EDUCATION:** Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly, and the differently abled and livelihood enhancement projects, providing support at every stage of a child's educational cycle including but not limited to developing infrastructure for schools/educational centres/ universities/hostels, scholarships including financial support to students for education, conducting education programs, skill development and vocational training, support to sports for development of students in both urban and rural settings, digital literacy initiatives and other holistic education initiatives for rural & urban youth.

c) **RURAL DEVELOPMENT:** Improving water conservation and rainwater harvesting, developing community infrastructure and strengthening rural areas by improving accessibility, education, healthcare, housing, street roads /lights, drinking water, sanitation, power and livelihoods, thereby creating sustainable villages.

d) **GENDER EQUALITY AND EMPOWERMENT OF WOMEN:** Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, daycare centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

e) **ENVIRONMENTAL SUSTAINABILITY:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, maintaining the quality of soil, air, and water, tree plantation, promoting renewable energy, and developing gardens.

f) **NATIONAL HERITAGE, ART AND CULTURE:** Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts and preserving & promoting music and sports.

g) **OTHER INITIATIVES:** Other need-based initiatives in compliance with Schedule VII of the Companies Act, 2013 and amendments thereto from time to time.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of the CSR Committee held during the year	Number of meetings of the CSR Committee attended during the year
1.	Mr. Vijendra Singh	Chairperson (Executive Director)	2	2
2.	Mr. Harendra Singh	Member (Managing Director)	2	2
3.	Mr. Manjit Singh	Member (Independent Director)	2	2
4.	Mr. Dinesh Kumar Goyal	Member (Executive Director)	2	2
5.	Ms. Sharada Sunder	Member (Independent Director)	2	2

3. Web link where Composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.hginfra.com/corporate-social-responsibility.html

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**

5. (a) Average net profit of the company as per section 135(5): **₹4,460.33 Million**

(b) Two per cent of average net profit of the company as per section 135(5): **₹89.21 Million**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(d) Amount required to be set off for the financial year, if any: **Nil**

(e) Total CSR obligation for the financial year (b+c-d): **₹89.21 Million**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹123.05 Million**

(b) Amount spent in Administrative Overheads: **Nil**

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(d) Total amount spent for the Financial Year (a+b+c): **₹123.05 Million**

(e) CSR amount spent or unspent for the financial year:

(Amount in ₹ Million)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
123.05	NA	NA	NA	NA	NA

Note: An additional amount of Rs. 1,38,029 (Rupees One Lakh Thirty-Eight Thousand and Twenty-Nine Only) credited as interests in the bank accounts of the Implementing partners/agencies have also been utilized for the respective projects.

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

S. No.	Particular	(Amount in ₹ million)
(i)	Two percent of average net profit of the company as per section 135(5)	89.21
(ii)	Total amount spent for the Financial Year	123.05
(iii)	Excess amount spent for the financial year [(ii)-(i)]	33.84
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	33.84

7. Details of Unspent CSR amount for the preceding three financial years:

(Amount in ₹ Million)

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135	Balance Amount in Unspent CSR Account under subsection (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
1	2022-23	13.44	13.44	13.44	-	-	-
2	2021-22	-	-	-	-	13.44	-
3	2020-21	-	-	-	-	-	-
	Total	**13.44**	**13.44**	**13.44**	**-**	**-**	**-**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

9. 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**

For and on behalf of the CSR Committee

Place: Jaipur
Date: May 08, 2024

Harendra Singh
Managing Director

Vijendra Singh
Chairman, CSR Committee

Annexure-IV to Board's Report

Corporate Governance Report

CORPORATE GOVERNANCE

Corporate Governance is a set of principles, processes, and systems that govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values, and trust. Corporate Governance enables an organization to perform efficiently and ethically, generate long-term wealth and create value for all its stakeholders.

H.G. Infra Engineering Limited (the "Company" or "HGIEL" or "HG INFRA") believes that sound Corporate Governance is critical for enhancing and retaining stakeholder trust and always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors (the "Board") is well-informed and well-equipped to fulfil its overall responsibilities and provide management with the strategic directions needed to create long-term shareholder value. The Company has always worked towards building trust with shareholders, employees, customers, suppliers, and other stakeholders based on the principles of good corporate governance.

HG INFRA'S PHILOSOPHY ON CORPORATE GOVERNANCE

Guided by its values and long-standing commitment to sustainability, the Company is committed to promoting sustainable and responsible growth. Our governance framework is built on sound governance systems and processes, which empower co-creation and partnerships with an unwavering focus on sustainability, transparency, and safety, thereby making it a truly responsible enterprise. We aspire to be amongst the best-governed companies by building a resilient and responsible organization.

HG INFRA adheres to the prescribed Corporate Governance practices as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and is committed to sound Corporate Governance principles and practices.

This report is prepared in accordance with the provisions of the Listing Regulations and contains the details of Corporate Governance systems and processes at HG INFRA.

The Company complies with the requirements stipulated under Regulations 17 to 27, read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable, with regard to corporate governance.

The Company's corporate structure, business, operations and disclosure practices have been strictly aligned with its Corporate Governance Philosophy. HG INFRA believes that governance is a continuous journey resulting from the ever-evolving developments in the business environment, both internally and externally.

The Company has implemented an internal governance structure with defined roles and responsibilities for every system constituent. The Company's shareholders appoint the Board of Directors, which governs the Company. The Board has established 9 (Nine) Committees to discharge its responsibilities effectively. The Company Secretary of the Company acts as the Secretary to all the board committees.

The primary role of the Board is that of trusteeship – to protect and enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned with shareholders value and growth. The Board along with its Committees provides leadership and guidance to the Company's management and supervises the Company's performance. The Board's actions and decisions are aligned with the Company's best interest. The Senior Management works under adequate oversight of the Board and its Committees.

In accordance with the requirement of Regulation 27(2) of the Listing Regulations, the Company submits to the stock exchanges a quarterly compliance report on Corporate Governance within the specified timeline.

The Company strives to conduct its business and strengthen its relationships in a dignified, distinctive and responsible manner. The Company adheres to ethical standards to ensure integrity, transparency, independence, and accountability in dealing with all stakeholders. Therefore, it has adopted various codes and policies to carry out its duties ethically. These codes and policies are available on the Company's website at https://www.hginfra.com/investors-relation.html#btn-policy

BOARD OF DIRECTORS

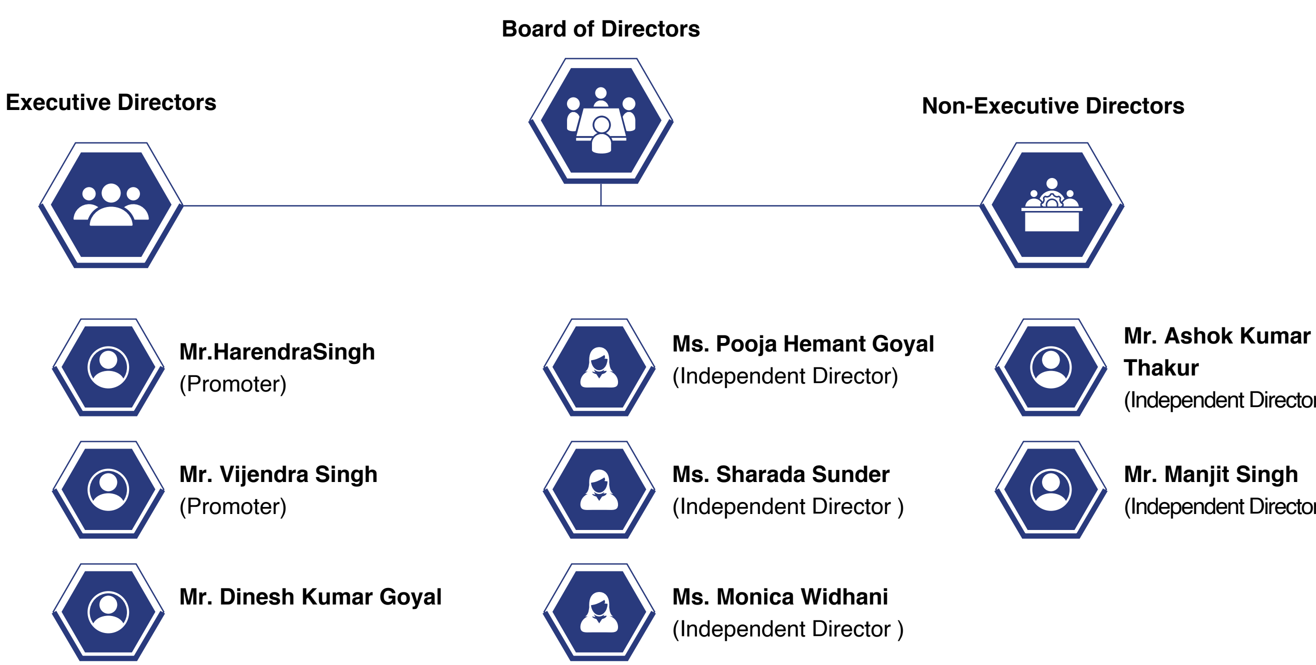
The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Board is committed to the goal of sustainably elevating the Company's value creation. The Company has defined guidelines and an established framework for the meetings of the Board and its Committees. These guidelines seek to systematise the decision-making process at the meetings of the Board and Board's Committees in an informed and efficient manner.

Board Composition and Category of Directors

The Board of Directors is the apex body constituted by shareholders to oversee the Company's overall functioning. It provides strategic direction, leadership, and guidance to the Company's management and monitors the company's performance with the objective of creating long-term value for the Company's stakeholders.

During the financial year, the composition of the Board conformed with Regulation 17 of the Listing Regulations, read together with Sections 149 and 152 of the Companies Act, 2013, and rules framed thereunder (the "Act").

As on March 31, 2024, and as of the date of this Report, the Board is comprised of eight Directors, consisting of one executive chairperson (promoter), two executive directors (one promoter and one non-promoter), and five non-executive independent directors (three of whom are independent women directors).



Details of the Board of Directors and other Directorship/ Membership/ Chairpersonship in Committees and shareholding held by them:

S. No.	Name of Director, DIN and Category	No. of Shares and Convertible Instruments, if any, held as on March 31, 2024*	Directorship in other Companies	No. of Statutory Committee(s) of Board of Directors of other companies of which the director is Member/ Chairperson
1.	Mr. Harendra Singh DIN: 00402458 Chairman and Managing Director	100 equity shares	-	-
2.	Mr. Vijendra Singh DIN: 01688452 Executive Director	100 equity shares	-	-
3.	Mr. Dinesh Kumar Goyal DIN: 02576453 Executive Director	1055 equity shares	-	-
4.	Mr. Ashok Kumar Thakur DIN: 07573726 Independent Director	-	2	3
5.	Ms. Pooja Hemant Goyal DIN: 07813296 Independent Director	-	1	2
6.	Mr. Manjit Singh DIN: 02759940 Independent Director	-	-	-
7.	Ms. Sharada Sunder DIN: 07599164 Independent Director	-	-	-
8.	Ms. Monica Widhani DIN: 07674403 Independent Director	-	2	4

**The shareholdings of equity shares are in an individual capacity other than shares held as beneficial owners. No Convertible Instruments are held by any director as on March 31, 2024.*

Notes:

(i) Directorships held in public limited companies have been considered, excluding HG INFRA and its subsidiaries, private limited companies, Section 8 companies, and foreign companies.

(ii) None of the directors hold directorships in more than 20 companies, of which directorships in public companies do not exceed 10, which is in line with the provisions of Section 165 of the Act.

(iii) None of the directors serves as a director in more than 7 listed Companies, across all their directorships held, including that in the Company. None of the Directors of the Company is a member of more than 10 (Ten) Committees or chairperson of more than 5 (Five) Committees across all the public companies in which they are a director in line with the Listing Regulations.

(iv) To consider the Committee memberships and chairpersonships, only membership/ chairpersonship of the Audit Committee and Stakeholders Relationship Committee have been considered as per Regulation 26 of the Listing Regulations, excluding Committee membership/ chairpersonship in HG INFRA.

(v) Ms. Sharada Sunder (DIN: 07599164) and Ms. Monica Widhani (DIN: 07674403) were appointed as Additional Directors (Independent) w.e.f. February 08, 2023, and regularized in the Extra Ordinary General Meeting of the shareholders held on May 04, 2023, for a term of five consecutive years.

Details of Directorship in other Listed Entities:

S. No.	Name of Director	Company	Category of Directorship	Member/Chairperson of Committee
1.	Mr. Harendra Singh	-	-	-
2.	Mr. Vijendra Singh	-	-	-
3.	Mr. Dinesh Kumar Goyal	-	-	-
4.	Mr. Ashok Kumar Thakur	Navkar Corporation Limited	Independent Director	(i) Audit Committee - Chairperson (ii) Nomination and Remuneration Committee - Member (iii) Stakeholders Relationship Committee - Chairperson
		Choice International Limited	Independent Director	(i) Audit Committee - Chairperson (ii) Nomination and Remuneration Committee - Chairperson (iii) Risk Management Committee - Member
5.	Ms. Pooja Hemant Goyal	Navkar Corporation Limited	Independent Director	(i) Audit Committee - Member (ii) Nomination and Remuneration Committee - Chairperson (iii) Stakeholders Relationship Committee - Member (iv) Risk Management Committee - Member (v) Corporate Social Responsibility Committee - Chairperson
6.	Mr. Manjit Singh	-	-	-
7.	Ms. Sharada Sunder	-	-	-
8.	Ms. Monica Widhani	ABB India Limited	Independent Director	(i) Audit Committee - Member (ii) Stakeholders Relationship Committee - Member (iii) Risk Management Committee - Member (iv) Corporate Social Responsibility Committee - Chairperson
		Gujarat Pipavav Port Limited	Independent Director	(i) Audit Committee - Member (ii) Stakeholders Relationship Committee - Member

Inter-se Relationship among Directors

Except Mr. Harendra Singh and Mr. Vijendra Singh, none of the Directors is a relative of another Director(s). Mr. Harendra Singh, Chairperson & Managing Director, and Mr. Vijendra Singh, Executive Director, are brothers.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons and their relatives which may have a potential conflict with the interest of the Company at large.

Matrix of skills/expertise/competencies of the Board of Directors

The matrix setting out the skills/expertise/competence of the directors, as identified by the Board in the context of the Company's businesses, is given below:

- **Corporate Governance -** Commitment, belief, and experience in setting Corporate Governance Practices to support the Company's robust legal compliance systems and governance policies/practices.
- **Engineering -** Engineering technique is the application of knowledge in the form of science, mathematics, and empirical evidence, to the innovation, design, construction, operation and maintenance of structures, machines, materials, software, devices, systems, processes, and organizations. The discipline of engineering encompasses a broad range of more specialized fields of engineering, each with a more specific emphasis on particular areas of applied mathematics, applied science, and types of application.
- **Finance -** Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions.
- **Leadership -** Leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
- **Legal** - A particular attribute, quality, property, or possession that an individual must have in order to be eligible to fill an office or perform a public duty or function.
- **Planning & Policy Making** - Extended planning experience for enterprises, appreciation of long-term trends and strategic choices, and experience in guiding and leading management teams to make decisions in uncertain environments.
- **Technical** - A significant background in technology, resulting in knowledge of anticipating technological trends, generating disruptive innovation and extending or creating new business modules.

The Skill mapping at the Individual Director level for the financial year 2023-24 is as follows:

S. No	Name of Director	Area of Expertise						
		Corporate Governance	Engineering	Finance	Leadership	Legal	Planning & Policy Making	Technical
1	Mr. Harendra Singh	✓	✓	✓	✓	✓	✓	✓
2	Mr. Vijendra Singh	✓	✓	✓	✓	✓	✓	✓
3	Mr. Dinesh Kumar Goyal	✓	✓	✓	✓	✓	✓	✓
4	Mr. Ashok Kumar Thakur	✓	-	✓	✓	-	✓	-
5	Ms. Pooja Hemant Goyal	✓	-	-	✓	✓	-	-
6	Mr. Manjit Singh	✓	-	✓	✓	✓	✓	✓
7	Ms. Monica Widhani	✓	-	✓	✓	-	✓	-
8	Ms. Sharada Sunder	✓	-	✓	✓	-	✓	-

Board Meetings

Six Board Meetings were held during the financial year 2023-24 on May 02, 2023, May 10, 2023, July 31, 2023, October 07, 2023, November 06, 2023, and February 02, 2024. The intervening period between two Board Meetings was well within the maximum gap of one hundred and twenty days as prescribed under the Act and the Listing Regulations. The Board of Directors has passed the resolution by circulation on July 13, 2023 and the Audit Committee has passed the resolution by circulation on March 30, 2024 in line with the Act.

Attendance of Directors at the Meetings

S. No	Name of Director	AGM	Board Meeting						Held During Tenure	Attended	% of Attendance in Board Meetings
		21-08-2023	02-05-2023	10-05-2023	31-07-2023	07-10-2023	06-11-2023	02-02-2024			
1.	Mr. Harendra Singh	✓	✓	✓	✓	✓	✓	✓	6	6	100
2.	Mr. Vijendra Singh	✓	✓	✓	✓	✓	✓	✓	6	6	100
3.	Mr. Dinesh Kumar Goyal	✓	✓	✓	✓	✓	✓	✓	6	6	100
4.	Mr. Ashok Kumar Thakur	✓	✓	✓	✓	✓	✓	✓	6	6	100
5.	Ms. Pooja Hemant Goyal	✓	✓	✓	✓	✓	✓	✓	6	6	100
6.	Mr. Manjit Singh	✓	✓	✓	✓	✓	✓	✓	6	6	100
7.	Ms. Monica Widhani	-	✓	✓	✓	✓	✓	✓	6	6	100
8.	Ms. Sharada Sunder	✓	✓	✓	✓	✓	✓	✓	6	6	100

BOARD COMMITTEES

The Committees constituted by the Board focus on specific areas, take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees were placed before the Board for information or approval as required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

Committees of the Board as on March 31, 2024	
Audit Committee	Finance Committee
Nomination and Remuneration Committee	Management Committee
Stakeholders' Relationship Committee	Debenture Committee
Corporate Social Responsibility Committee	Business Strategy and Review Committee
Risk Management Committee	

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

AUDIT COMMITTEE

The Audit Committee has been constituted in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. As on March 31, 2024, the Audit Committee comprised of 1 (one) Executive Director and 3 (three) Non-Executive Independent Directors of the Company.

Objective

The primary objective of the Audit Committee is to assist the Board with oversight of the accuracy, integrity, and transparency of the Company's financial statements, adequate and timely disclosures, compliance with legal and regulatory requirements, and acquisitions and investments made by the Company.

The Audit Committee has been constituted to assist the Board in overseeing the quality and integrity of the accounting, auditing, and reporting policies/practices of the Company and its compliance with the legal and regulatory requirements.

The Committee, accordingly, monitors various issues, including the company's accounting and financial reporting process, maintenance of adequate internal financial controls, audit of the Company's financial statements, and the appointment, independence, and performance of the statutory, internal, and secretarial auditors. The Audit Committee also reviews the periodic internal, secretarial, and statutory auditors' reports.

Terms of reference of the Audit Committee

i) oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii) recommendation for appointment, remuneration and terms of appointment of auditors of the company;

iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

v) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vi) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

vii) reviewing and monitoring the auditor's independence and performance, and the effectiveness of the audit process;

viii) approval or any subsequent modification of transactions of the company with related parties;

ix) scrutiny of inter-corporate loans and investments;

x) valuation of undertakings or assets of the company, wherever it is necessary;

xi) evaluation of internal financial controls and risk management systems;

xii) reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;

xiii) reviewing the adequacy of the 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;

xiv) discussion with internal auditors of any significant findings and follow up there on;

xv) 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;

xvi) discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;

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

xviii) to review the functioning of the whistle-blower mechanism;

xix) approval of the appointment of chief financial officer after assessing the qualifications, experience and, background, etc., of the candidate;

xx) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/ advances/ investments;

xxi) consider and comment on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the company and its shareholders;

xxii) carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee shall mandatorily review the following information:

i) management discussion and analysis of financial conditions and results of operations;

ii) management letters/ letters of internal control weaknesses issued by the statutory auditors;

iii) internal audit reports relating to internal control weaknesses;

iv) the appointment, removal and terms of remuneration of the chief internal auditor;

v) statement of deviations:

(a) quarterly statement of deviation(s), including the report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1) of the Listing Regulations.

(b) 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 Listing Regulations.

The composition of the Audit Committee during the financial year 2023-24

Name	Designation	Position in Committee	Date of Appointment
Mr. Ashok Kumar Thakur	Independent Director	Chairperson	17-05-2017
Mr. Harendra Singh	Executive Director	Member	17-05-2017
Mr. Manjit Singh(1)	Independent Director	Member	13-05-2022
Ms. Monica Widhani	Independent Director	Member	08-02-2023
Ms. Sharada Sunder	Independent Director	Member	07-11-2023

(1) *Ceased to be a member of Audit Committee w.e.f. November 07, 2023.*

Meeting and Attendance

5 (Five) meetings of the Audit Committee were held during the financial year, and the gap between the two meetings did not exceed one hundred and twenty days. The Audit Committee invites senior officials, as it considers appropriate, and representatives of the auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The details of the meetings of the Audit Committee and attendance of members at these meetings for the financial year 2023-24 are given below:

Name	Date of Meeting					Held during Tenure	Attended	% of Attendance
	02-05-2023	10-05-2023	31-07-2023	06-11-2023	02-02-2024			
Mr. Ashok Kumar Thakur	✓	✓	✓	✓	✓	5	5	100
Mr. Harendra Singh	✓	✓	✓	✓	✓	5	5	100
Mr. Manjit Singh	✓	✓	✓	✓	-	4	4	100
Ms. Monica Widhani	✓	✓	✓	✓	✓	5	5	100
Ms. Sharada Sunder	-	-	-	-	✓	1	1	100

The 21st Annual General Meeting of the Company, held on August 21, 2023, was attended by Mr. Ashok Kumar Thakur, Chairperson of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. As on March 31, 2024, the NRC comprised 3 (three) Non-Executive Independent Directors of the Company.

Objective

The primary objective of the Nomination and Remuneration Committee is to identify and ascertain the integrity, qualification, expertise, and experience of the person for appointment as Director and/or Key Managerial Personnel and recommend the appointment to the Board.

The Committee also identifies and ascertains the integrity, qualifications, expertise and experience of the person for appointment as senior management. The Senior Management personnel shall be appointed or promoted with the authority/approval of the Committee.

It reviews and discusses all matters pertaining to candidates, evaluates the candidates, and coordinates and oversees the annual evaluation of the board and individual directors. It also reviews the performance of all executive directors on an annual basis based on the detailed performance parameters set for each executive director.

Terms of reference of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be responsible, among other things, for the following:

i) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

   The Nomination and Remuneration Committee shall, while formulating the above policy, ensure that—

   a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

   b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

ii) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate 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. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

  a) use the services of external agencies, if required;

  b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

  c) consider the time commitments of the candidates.

iii) formulation of criteria for evaluation of performance of independent directors and the board of directors;

iv) devising a policy on diversity of the board of directors;

v) 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 and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the nomination and remuneration committee or by an independent external agency and review its implementation and compliance;

vi) 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;

vii) recommend to the board, all remuneration, in whatever form, payable to senior management; and

viii) carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

The composition of the Nomination and Remuneration Committee during the financial year 2023-24

Name	Designation	Position in Committee	Date of Appointment
Mr. Manjit Singh	Independent Director	Chairperson	13-05-2022
Mr. Ashok Kumar Thakur	Independent Director	Member	17-05-2017
Ms. Sharada Sunder	Independent Director	Member	08-02-2023

Meeting and Attendance

5 (Five) Meetings of the Nomination and Remuneration Committee were held during the year under review. The Company Secretary acts as the Secretary to the NRC.

The details of the meetings of the Nomination and Remuneration Committee and the attendance of members at these meetings for the financial year 2023-24 are given below:

Name	Date of Meeting					Held during Tenure	Attended	% of Attendance
	06-05-2023	29-08-2023	29-09-2023	06-12-2023	10-01-2024			
Mr. Manjit Singh	✓	✓	✓	✓	✓	5	5	100
Mr. Ashok Kumar Thakur	✓	✓	✓	✓	✓	5	5	100
Ms. Sharada Sunder	✓	✓	✓	✓	✓	5	5	100

The 21st Annual General Meeting of the Company, held on August 21, 2023, was attended by Mr. Manjit Singh, Chairperson of the Nomination and Remuneration Committee.

Nomination & Remuneration Policy

The Board, on the recommendation of the Nomination and Remuneration Committee, has approved the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management and Other employees of the Company. The Nomination & Remuneration Policy of the Company lays down the criteria for appointment and remuneration of Directors/Key Managerial Personnel and Senior Management Personnel, including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Act and the Listing Regulations with intent to maintain level and composition of remuneration reasonable and sufficient to attract, retain and motivate directors and employees to run the Company successfully and align the growth of the Company and development.

Familiarization Programs for Independent Directors

The Familiarization Programs for the Independent Directors of the Company is designed to help them gain a deep understanding of the Company, its stakeholders, senior management/ leadership team, business operations, policies, industry perspectives and issues.

Senior management personnel of the Company make periodic presentations to the Board Members, briefing them on the company's operations, plans, strategy, risks involved, new initiatives, etc., and seeking their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time.

All new Independent Directors who join the Board are presented with a brief background of the Company and its operations. They are also introduced to the organization structure, services, Group structure and subsidiaries, constitution, board procedures, major risks and risk management strategy, and important codes and policies of the Company.The exhaustive induction for Independent Directors enables them to familiarize themselves with the Company, its history, values, and purpose.

In Board meetings, immersion sessions on business strategy, and operational and functional matters provide good insights into the businesses carried on by the Company to the Independent Directors. These sessions also involve interactions with multiple levels of management. To make these sessions more productive, all the documents required and/or sought by them to have a good understanding of the Company's operations, businesses and the industry as a whole are provided in due course. Further, they are periodically updated on material changes in the regulatory framework and their impact on the Company.

In addition to formal meetings, frequent interactions outside the Board Meetings also take place between the Independent Directors, the Chairman, and the rest of the Board.

Pursuant to Regulation 46 of the Listing Regulations, the details of the familiarization programs attended by Independent Directors during the financial year 2023-24, along with attendance on a cumulative basis, are available on the Company's website and can be accessed through the Web-link: https://hginfra.com/pdf/details_of_familarisation_programme_imparted.pdf

Based on the disclosures received from the independent directors and in the opinion of the board, all the independent directors fulfil the criteria prescribed under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and are independent of the management of the Company.

All the independent directors of the company are abiding by the "Code for Independent Directors" as outlined in Schedule IV of the Act.

Meeting of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of executive directors or management personnel. Such meetings is conducted formally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Directors take appropriate steps to present their views to the Managing Director.

1 (One) meeting of the Independent Directors was held during the financial year 2023-24.

The detail of the meeting of the Independent Directors and the attendance of Independent Directors at the meeting for the financial year 2023-24 is given below:

Name	Date of Meeting 06-05-2023	Held during Tenure	Attended	% of Attendance
Mr. Ashok Kumar Thakur	✓	1	1	100
Mr. Manjit Singh	✓	1	1	100
Ms. Monica Widhani	✓	1	1	100
Ms. Pooja Hemant Goyal	✓	1	1	100
Ms. Sharada Sunder	✓	1	1	100

Resignation of Independent Director before Expiry of term

None of the Independent Directors of the Company have resigned before the expiry of their tenure.

Performance Evaluation Criteria for Independent Directors

Pursuant to Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee formulated the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of Board, Individual Directors, including Managing Director, Non-Executive Directors and Chairman of the Board and specified the manner for effective performance evaluation.

The Board has adopted a structured questionnaire for the performance evaluation process based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India (SEBI) and the Institute of Company Secretaries of India (ICSI).

The performance evaluation questionnaire covers qualitative/ subjective criteria with respect to the structure, culture, Board processes and selection, effectiveness of the Board and Committees, strategic decision-making, functioning of the Board and its Committees, Committee composition, information availability, remuneration framework, adequate participation, etc.

An indicative list of factors as performance evaluation criteria for Independent Directors that may be evaluated include certain parameters like attendance and contribution of the Director at Board/ Committee Meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution and inputs in the Board/ Committee meetings, which is in compliance with applicable laws, regulations and guidelines.

The Board evaluated the performance of the Independent Directors based on the criteria laid down. The evaluation of Independent Directors was done by the Board of Directors, except for the Director, who was evaluated.

DIRECTORS' REMUNERATION

The Nomination and Remuneration policy of the Company provides for the criteria for making payments to the directors. The same can be viewed on the website of the Company at www.hginfra.com

The remuneration of Directors is based on various factors, such as the Company's size, economic and financial position, and Directors' participation in Board and Committee meetings. Based on these factors and the performance evaluation of the concerned director, NRC recommends to the Board the remuneration payable to Directors.

The Company pays remuneration to its Executive Directors including Managing Director in the form of Salary, perquisites, and allowances within the range as approved by the Shareholders, wherever applicable, and as per the Act. The Board approves all revisions in salary, perquisites, and allowances to directors subject to the overall ceiling prescribed by Sections 197 and 198 of the Act. Non-Executive Independent Directors are entitled to sitting fees as determined by the Board from time to time and subject to statutory provisions.

The Non-Executive Independent Directors were not paid any remuneration except sitting fees during the financial year. The Company also reimburses the directors' expenses for attending the Board and its Committees' meetings.

Apart from reimbursement of expenses and remuneration as aforesaid, none of the non-executive directors has any other pecuniary relationships or transactions with the Company, its Subsidiaries or Associates or their Promoters or Directors.

Details of remuneration paid to the Directors for the financial year 2023-24

- **Executive Directors (Managing Director/ Whole-time Director)**

(Amount in ₹ Million)

Name of Director	Salary	Sitting Fee	Bonus	Others (Benefits, Commission, Pension etc.)	Total Remuneration
Mr. Harendra Singh	39.00	-	-	-	39.00
Mr. Vijendra Singh	18.00	-	-	-	18.00
Mr. Dinesh Kumar Goyal	4.90	-	-	-	4.90

- **Non-Executive Independent Directors**

(Amount in ₹ Million)

Name of Director	Salary	Sitting Fee	Bonus	Others (Benefits, Commission, Pension etc.)	Total Remuneration
Mr. Ashok Kumar Thakur	-	1.16	-	-	1.16
Mr. Manjit Singh	-	1.32	-	-	1.32
Ms. Monica Widhani	-	0.96	-	-	0.96
Ms. Pooja Hemant Goyal	-	0.62	-	-	0.62
Ms. Sharada Sunder	-	1.05	-	-	1.05

Details of Performance linked Incentives

No performance-linked incentives were provided to any director of the Company during the financial year 2023-24.

Details of service contracts, notice period and severance fee

The tenure of office of the Managing Director and Whole-time Directors is for 5 (five) years from their respective date of appointment and can be terminated by either party by giving six months'/three months' notice in writing as per their respective terms of appointment.

The independent directors are appointed for a term of five or three years. The service contracts and notice period do not apply to Non-Executive and/or Independent Directors.

There is no separate provision for payment of severance fees to the directors.

Details of Stock Options granted

The Directors including Non-executive Directors are not granted any stock options during the year under review and do not hold any convertible instruments.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been constituted in line with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations. As of March 31, 2024, the Stakeholders' Relationship Committee comprised 2 (two) Executive Directors and 2 (two) Non-executive Independent Directors of the Company. Mr. Manjit Singh, Non-Executive Independent Director is heading the Committee as the Chairperson.

Objective

The Stakeholders' Relationship Committee is primarily responsible for reviewing all matters connected with the transfer of securities and redressing shareholders'/ investors'/ security holders' complaints.

Terms of reference of the Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee shall be responsible, among other things, for the following:

i) 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.

ii) Review of measures taken for the effective exercise of voting rights by shareholders.

iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv) 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.

The composition of the Stakeholders Relationship Committee during the financial year 2023-24

Name	Designation	Position in Committee	Date of Appointment
Mr. Manjit Singh	Independent Director	Chairperson	07-09-2022
Mr. Harendra Singh	Executive Director	Member	11-09-2017
Mr. Vijendra Singh	Executive Director	Member	11-09-2017
Ms. Monica Widhani	Independent Director	Member	08-02-2023

Meeting and Attendance

1 (One) meeting of the Stakeholders' Relationship Committee was held during the financial year 2023-24. The Board has designated Ms. Ankita Mehra, Company Secretary, as the Compliance Officer of the Company for the purpose of Investors' complaints/grievances.

The details of the meetings of the Stakeholders' Relationship Committee and the attendance of members at these meetings for the financial year 2023-24 are given below:

Name	Date of Meeting	Held during Tenure	Attended	% of Attendance
	27-10-2023			
Mr. Manjit Singh	✓	1	1	100
Mr. Harendra Singh	✓	1	1	100
Mr. Vijendra Singh	✓	1	1	100
Ms. Monica Widhani	✓	1	1	100

The 21st Annual General Meeting of the Company held on August 21, 2023, was attended by Mr. Manjit Singh, Chairperson of the Stakeholders' Relationship Committee.

Investor Grievance Redressal

During the financial year 2023-24, the Company / its Registrar & Share Transfer Agent, i.e. Link Intime India Private Limited, had not received any complaints/queries from shareholders.

The details of the shareholders' complaints for the financial year 2023-24 are as follows:

Number of shareholder's complaints Received	Number of shareholder's complaints resolved	Number of pending complaints
0	0	0

SEBI Complaints Redress System (SCORES)/Online Dispute Resolution (ODR) Portal:

Investor complaints are processed at SEBI in a centralized web-based complaints redress system. The salient features of this system are a centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status. The Company submits ATR on a timely basis with respect to the complaints received from SCORES. In case any investor is still not satisfied with the outcome of the resolution, they can initiate dispute resolution through the ODR Portal. The ODR Portal has the necessary features and facilities to, inter alia, enrol the investor to file the complaint/ dispute. The Company has done the necessary enrolment on the ODR Portal.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC") has been constituted in accordance with the provisions of Regulation 21 of the Listing Regulations. As on March 31, 2024, the RMC comprised 1 (one) Executive Director and 3 (three) Non-executive Independent Directors of the Company.

Objective

The primary objective of the Risk Management Committee is to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks, to monitor and approve the enterprise risk management framework, to assess risks by reviewing key leading indicators in this regard, to periodically review the risk management processes and practices of the Company etc.

A well-defined risk governance structure communicates the approach to risk management throughout the organization by establishing a clear allocation of roles and responsibilities for managing risks on a day-to-day basis.

Terms of reference of the Risk Management Committee

The Risk Management Committee shall be responsible, among other things, for the following:

i) To formulate a detailed risk management policy, which shall include:

   a) A framework for identification of internal and external risks specifically faced by the company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   b) Measures for risk mitigation, including systems and processes for internal control of identified risks.

   c) Business continuity plan.

ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

iii) To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems;

iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

v) To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken;

vi) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee; and

vii) To carry out any other function as is mandated by the Board of Directors from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

The composition of the Risk Management Committee during the financial year 2023-24

Name	Designation	Position in Committee	Date of Appointment
Mr. Harendra Singh	Executive Director	Chairperson	24-06-2020
Mr. Vijendra Singh[(1)]	Executive Director	Member	24-06-2020
Mr. Ashok Kumar Thakur	Independent Director	Member	12-05-2021
Mr. Manjit Singh	Independent Director	Member	13-05-2022
Ms. Monica Widhani[(2)]	Independent Director	Member	07-11-2023
Mr. Vinod Kumar Giri[(3)]	Sr. Vice President (Operations)	Member	08-11-2021
Mr. Brajesh Sohrot[(4)]	President - Techno Commercials	Member	31-07-2023

[(1)] *Ceased to be a member of the Risk Management Committee w.e.f November 07, 2023*
[(2)] *Appointed as a member of the Risk Management Committee w.e.f November 07, 2023*
[(3)] *Ceased to be a member of the Risk Management Committee w.e.f June 01, 2023*
[(4)] *Ceased to be a member of the Risk Management Committee w.e.f March 30, 2024*

Meeting and Attendance

2 (Two) meetings of the Risk Management Committee were held during the financial year 2023-24. The Company Secretary acts as the Secretary to the Risk Management Committee.

The details of the meetings of the Risk Management Committee and the attendance of members at these meetings for the financial year 2023-24 are given below:

Name	Date of Meeting		Held during Tenure	Attended	% of Attendance
	05-05-2023	27-10-2023			
Mr. Harendra Singh	✓	-	2	1	50
Mr. Vijendra Singh	✓	✓	2	2	100
Mr. Ashok Kumar Thakur	✓	✓	2	2	100
Mr. Manjit Singh	✓	✓	2	2	100
Mr. Vinod Kumar Giri	✓	-	1	1	100
Mr. Brajesh Sohrot	✓	✓	2	2	100

The 21st Annual General Meeting of the Company, held on August 21, 2023, was attended by Mr. Harendra Singh, Chairperson of the Risk Management Committee.

Risk Management Policy

The Committee had formulated a Risk Management Policy, which, inter alia, includes a framework for the identification of internal and external risks, including financial, operational, sectoral, sustainability (particularly ESG-related risks), information, cyber security risks, or any other risk as may be determined by the Risk Management Committee.

Risk Management Policy of the Company outlines different kinds of risks and risk-mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat risks. The Risk management procedures are reviewed by the Audit Committee and the Board of Directors periodically.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility Committee has been constituted in accordance with the provisions of Section 135 of the Act. As on March 31, 2024, the CSR Committee comprised 3 (three) Executive Directors and 2 (two) Non-executive Independent Directors of the Company.

Objective

The primary objective of the CSR Committee is to assist the Board in fulfilling its corporate social responsibility, including identifying areas for CSR activities, recommending the amount of expenditure to be incurred on CSR activities, formulating, implementing, and reviewing the CSR Policy, and periodically reviewing the progress of various CSR activities.

Terms of reference of the Corporate Social Responsibility Committee

i) formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company;

ii) recommend the amount of expenditure to be incurred on the activities;

iii) monitor the Corporate Social Responsibility Policy of the company from time to time;

iv) formulation of a transparent monitoring mechanism for ensuring implementation of the CSR programmes proposed to be undertaken by the Company or the end use of the amount spent by it towards CSR programmes;

v) ensure overall governance and compliance of the CSR Policy;

vi) annually report to the Board of Directors, the status of the CSR Programmes undertaken and contributions made by the Company;

vii) formulate and recommend to the Board for its approval, an annual CSR action plan in pursuance of the CSR Policy; and

viii) any other requirements mandated under the Act and Rules issued thereto.

Corporate Social Responsibility Policy

The CSR Committee has formulated a CSR policy that outlines the Company's objectives of Social, Economic and Environmental development of the community in which it operate, through sustainable measures, ensuring participation from the community and thereby creating value for the nation.

The details of the CSR initiatives as per the CSR Policy of the Company form part of the CSR Report in this Annual Report. The CSR Policy of the Company has been uploaded on the Company's website and can be accessed at https://hginfra.com/corporate-social-responsibility.html

The composition of the Corporate Social Responsibility (CSR) Committee during the financial year 2023-24

Name of Director	Designation	Position in Committee	Date of Appointment
Mr. Vijendra Singh	Executive Director	Chairperson	20-04-2014
Mr. Harendra Singh	Executive Director	Member	20-04-2014
Mr. Dinesh Kumar Goyal	Executive Director	Member	12-05-2021
Mr. Manjit Singh	Independent Director	Member	07-09-2022
Ms. Sharada Sunder	Independent Director	Member	08-02-2023

Meeting and Attendance

2 (Two) meetings of the CSR Committee were held during the financial year 2023-24. The Company Secretary acts as the Secretary to the CSR Committee.

The details of the meetings of the CSR Committee and attendance of members at these meetings for the financial year 2023-24 are given below:

Name	Date of Meeting		Held during Tenure	Attended	% of Attendance
	10-05-2023	03-11-2023			
Mr. Vijendra Singh	✓	✓	2	2	100
Mr. Harendra Singh	✓	✓	2	2	100
Mr. Dinesh Kumar Goyal	✓	✓	2	2	100
Mr. Manjit Singh	✓	✓	2	2	100
Ms. Sharada Sunder	✓	✓	2	2	100

FINANCE COMMITTEE

The Finance Committee has been constituted by the Board with primary objective to assist the Board on matters relating to finance and in connection with availing of finance facilities/borrow monies, invest the funds of the company, grant loans or give guarantees or provide securities in respect of loans and other related matters in accordance with applicable provisions of the Act. As on March 31, 2024, the Finance Committee comprised 3 (three) Executive Directors of the Company.

The composition of the Finance Committee during the financial year 2023-24

Name of Director	Designation	Nature of Membership	Date of Appointment
Mr. Harendra Singh	Executive Director	Chairperson	13-06-2017
Mr. Vijendra Singh	Executive Director	Member	13-06-2017
Mr. Dinesh Kumar Goyal	Executive Director	Member	23-05-2018

Meeting and Attendance

During the financial year, 17 (Seventeen) meetings of the Finance Committee were held on April 01, 2023 April 05, 2023, May 08, 2023, May 25, 2023, June 29, 2023, August 03, 2023, August 28, 2023, September 06, 2023, October 11, 2023, October 26, 2023, October 27, 2023, November 08, 2023, December 12, 2023, December 21, 2023, January 22, 2024, February 15, 2024 and March 15, 2024. The Company Secretary acts as the Secretary to the Finance Committee.

The number of the meetings of the Finance Committee held and attendance of members at these meetings for the financial year 2023-24

Name	Number of Meetings held during Tenure	Number of Meetings Attended	% of Attendance
Mr. Harendra Singh	17	17	100
Mr. Vijendra Singh	17	17	100
Mr. Dinesh Kumar Goyal	17	14*	82.35

** Leaves of absence was granted to Mr. Dinesh Kumar Goyal for the meetings held on August 03, 2023, August 28, 2023 and September 06, 2023.*

MANAGEMENT COMMITTEE

The Management Committee has been constituted by the Board with the primary objective to assist the Board on matters relating to the day-to-day business activities of the Company. As on March 31, 2024, the Management Committee comprised 3 (three) Executive Directors of the Company.

The composition of the Management Committee during the financial year 2023-24

Name of Director	Designation	Position in Committee	Date of Appointment
Mr. Harendra Singh	Executive Director	Chairperson	27-01-2018
Mr. Vijendra Singh	Executive Director	Member	27-01-2018
Mr. Dinesh Kumar Goyal	Executive Director	Member	23-05-2018

Meeting and Attendance

During the financial year, 8 (Eight) meetings of the Management Committee were held on April 19, 2023, June 01, 2023, July 05, 2023, August 09, 2023, October 04, 2023, December 21, 2023, February 01, 2024, and February 29, 2024. The Company Secretary acts as the Secretary to the Management Committee.

The number of the meetings of the Management Committee held and attendance of members at these meetings for the financial year 2023-24 are given below:

Name	Number of Meetings held during Tenure	Number of Meetings held during Tenure	% of Attendance
Mr. Harendra Singh	8	8	100
Mr. Vijendra Singh	8	8	100
Mr. Dinesh Kumar Goyal	8	7*	87.50

**A leave of absence was granted to Mr. Dinesh Kumar Goyal for the meeting held on August 09, 2023.*

DEBENTURE COMMITTEE

The Debenture Committee has been constituted by the Board in accordance with Section 179 of the Act to advise the Board and execute various actions related to raising funds by way of issuance of debt securities. As on March 31, 2024, the Debenture Committee comprised 3 (three) Executive Directors of the Company.

Terms of reference of the Debenture Committee

i) approving the offer documents, information memorandum, PAS IV, shelf disclosure document, offer letters, tranche disclosure documents, and any other relevant documents and filing the same with any authority or entities as may be required;

ii) approving the issue price, the number of Debt Securities to be allotted, the basis of allocation and allotment of the Debt Securities;

iii) arranging the delivery and execution of all contracts, agreements and all other documents, deeds, and instruments as may be required or desirable in connection with the issue of the Debt Securities by the Company;

iv) opening a separate special account with a scheduled bank to receive monies in respect of the issue of the Debt Securities of the Company as may be necessary;

v) making applications for listing of the Debt Securities on one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);

vi) deciding on the mode of issuance of the Debt Securities, creation of debenture redemption reserve (if required), tenor, security, listing on the stock exchange(s), objects of the issue and such other matters;

vii) finalization of the allotment of the Debt Securities;

viii) finalization of documents of Debt Securities (other than NCDs) such as the debenture trustee agreement, debenture trust deed, deed of hypothecation, and mortgage documents (including but not limited to director's declaration);

ix) finalization of an arrangement for the submission of the placement document(s) and any amendments supplements thereto, with any applicable government and regulatory authorities, institutions or bodies as may be required;

x) approval of the preliminary and final placement document (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the arrangers, lead managers, underwriters, and, or advisors in accordance with all applicable laws, rules, regulations and guidelines;

xi) approving appointment and engagement and the terms of such appointment and engagement of any intermediaries including but not limited to Rating Agency, Merchant Bankers, legal counsel, banker(s) to the issue, Registrar and Transfer Agents, Debenture, Trustee(s), Depository(ies) and, or all other intermediaries involved in such issue(s);

xii) acceptance and appropriation of the proceeds of the issue of the Debt Securities;

xiii) authorization of the maintenance of a register of holders of the Debt Securities;

xiv) authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as authorized person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the Debt Securities (including NCDs);

xv) seeking, if required, the consent of any other party(ies) with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India, and any other consents that may be required in connection with the issue and allotment of the Debt Securities;

xvi) giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and

xvii) all other related matters in relation to the issue of the Debt Securities.

The composition of the Debenture Committee during the financial year 2023-24

Name of Director	Designation	Position in Committee	Date of Appointment
Mr. Harendra Singh	Executive Director	Chairperson	08-11-2021
Mr. Vijendra Singh	Executive Director	Member	08-11-2021
Mr. Dinesh Kumar Goyal	Executive Director	Member	08-11-2021

Meeting and Attendance

No meeting of the Debenture Committee was held during the financial year. The Company Secretary acts as the Secretary to the Debenture Committee.

BUSINESS STRATEGY AND REVIEW COMMITTEE (BSRC)

The Business Strategy and Review Committee (BSRC) has been constituted by the Board as a means of improving Board effectiveness and efficiency where more focused, specialized and technically oriented discussions are required, and to review information in greater detail and provide the Board with an objective and independent insight into Board's functioning and judgment. As on March 31, 2024, the Business Strategy and Review Committee comprised 2 (two) Executive Directors and 3 (three) Non-Executive Independent Directors.

Terms of reference of the Business Strategy and Review Committee

i) prepare, review and monitor the strategic plans for the business and operations of the company and provide directions to the management for its implementation;

ii) review business performance of the company and its subsidiaries, associates and joint ventures, identify weakness or deficiencies and recommending improvements to the management;

iii) review with the management, the company's performance on environmental, social, and governance (ESG) aspects including environment, health and safety (EHS) and quality (QA/QC), oversee the implementation of relevant policies and strategies and recommend measures for improvement from time to time;

iv) review various measures and initiatives taken by the company for mitigation/reducing the impact of risks associated with the business and operations of the company;

v) discuss with the senior management, project heads and functional heads, the performance of projects and departments, standard operating processes, challenges and their action plans and follow-up thereon;

vi) support the Board in matters related to IT infrastructure, annual operating plans and budgets, including capital budgets;

vii) carry out any other function as is referred by the Board from time to time.

The composition of the Business Strategy and Review Committee during the financial year 2023-24

Name of Director	Designation	Position in Committee	Date of Appointment
Mr. Harendra Singh	Executive Director	Chairperson	08-02-2023
Mr. Dinesh Kumar Goyal	Executive Director	Member	08-02-2023
Mr. Manjit Singh	Independent Director	Member	08-02-2023
Ms. Sharada Sunder	Independent Director	Member	08-02-2023
Ms. Monica Widhani	Independent Director	Member	08-02-2023

Meeting and Attendance

1 (One) meeting of the BSRC Committee was held during the financial year. The Company Secretary acts as the Secretary to the BSRC Committee.

Name	Date of Meeting 19-06-2023	Held during Tenure	Attended	% of Attendance
Mr. Harendra Singh	✓	1	1	100
Mr. Dinesh Kumar Goyal	✓	1	1	100
Mr. Manjit Singh	✓	1	1	100
Ms. Sharada Sunder	✓	1	1	100
Ms. Monica Widhani	✓	1	1	100

SENIOR MANAGEMENT

The Nomination and Remuneration Policy of the Company defines Senior Management of the Company. The details of senior management, including changes therein since the close of the previous financial year, are as follows:

S. No	Name and Designation	As on March 31, 2024	As on March 31, 2023
1.	Mr. Rajeev Khanna[(1)] (President - Finance & Accounts)	✓	-
2.	Mr. Neeraj Kumar Bansal[(2)] (President- Railway & Metro)	✓	-
3.	Mr. Ashok Kumar Menon[(3)] (President - Group CHRO)	✓	-
4.	Mr. Raja Dutta[(4)] (President - Operations (Roads)	✓	-
5.	Mr. Brajesh Kumar Sohrot[(5)] (President – Techno-Commercial)	-	-
6.	Mr. Arvind Khandelwal[(6)] (President – Strategy)	-	✓

S. No	Name and Designation	As on March 31, 2024	As on March 31, 2023
7.	Mr. Ashutosh Mathur[7] (Senior Vice President -Technical)	-	✓
8.	Mr. Vinod Kumar Giri[8] (Senior Vice President – Operations)	-	✓

(1) Appointed w.e.f. March 12, 2024
(2) Appointed w.e.f. March 01, 2024
(3) Appointed w.e.f. September 29, 2023
(4) Appointed w.e.f. August 29, 2023
(5) Appointed w.e.f. July 31, 2023, and Resigned w.e.f. March 30, 2024
(6) Resigned w.e.f. March 18, 2024
(7) Resigned w.e.f. September 14, 2023
(8) Resigned w.e.f. June 01, 2023

The list of senior management personnel has changed since the close of the previous financial year due to a change in the definition of Senior Management in the Nomination and Remuneration Policy of the Company pursuant to an amendment to the Listing Regulations.

After the close of the financial year, Mr. Mayank Sharma has been appointed as President – Renewables with effect from April 18, 2024.

GENERAL BODY MEETINGS

Annual General Meetings ("AGM")

The date, time and venue of the Annual General Meetings held during preceding three years and the special resolution(s) passed thereat, are as follows:

AGM	Financial Year	Date	Time (IST)	Location (Venue/Mode)	Special Resolution(s) Passed
21st	2022-23	August 21, 2023	02:00 P.M.	Through Video Conference ("VC") / Other Audio- Visual Means ("OAVM")	No special resolution was passed.
20th	2021-22	August 03, 2022	02:00 P.M.	Through Video Conference ("VC") / Other Audio- Visual Means ("OAVM")	(i) To approve the reappointment of Ms. Pooja Hemant Goyal (DIN:07813296) as an Independent Director of the Company for a second term of three consecutiveyears. (ii) To approve the appointment of Mr. Manjit Singh (DIN: 02759940) as an Independent Director of the Company for a term of five consecutiveyears. (iii) To approve the limits for making investments, loans, guarantees, and security under Section 186 of the Companies Act, 2013. (iv) To approve the limits for making loans, guarantees, and security under Section 185 of the Companies Act, 2013.
19th	2020-21	September 06, 2021	02:00 P.M.	Through Video Conference ("VC") / Other Audio- Visual Means ("OAVM")	(i) To approve the re-appointment of Mr. Ashok Kumar Thakur (DIN:07573726) as an Independent Director of the Company for a second term of five consecutive years. (ii) To approve the capital raising by way of issuance of equity shares and/or equity-linked securities.

Extra Ordinary General Meetings ("EGM")

The date, time and venue of the Extra Ordinary General Meetings held during the financial year and the special resolution(s) passed thereat, are as follows:

Date	Time (IST)	Venue/Mode	Special Resolution(s) Passed
October 31, 2023	02:00 P.M.	Through Video Conference ("VC") / Other Audio- Visual Means ("OAVM")	To approve the sale or disposal of the assets/undertakings of the Company.
May 04, 2023	02:00 P.M.	Through Video Conference ("VC") / Other Audio- Visual Means ("OAVM")	(i) To consider and approve the appointment of Ms. Sharada Sunder (DIN: 07599164) as an Independent Director of the Company for a term of five consecutive years. (ii) To consider and approve the appointment of Ms. Monica Widhani (DIN:07674403) as an Independent Director of the Company for a term of five consecutive years. (iii) To consider and approve the amendment in Articles of Association ("AoA") of the Company.

RESOLUTION(S) PASSED THROUGH POSTAL BALLOT

No Special Resolution was passed through Postal Ballot during the financial year.

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

MEANS OF COMMUNICATION

The Company recognizes the importance of two-way communication with shareholders and timely disclosure of information regarding its financial position, which is an important part of its corporate governance ethos.

The Company follows a robust process of communicating with its stakeholders, security holders, and investors through multiple channels, such as disclosure of information to the BSE Limited and the National Stock Exchange of India Limited (the "Stock Exchanges"), Press Releases, Annual Reports, and uploading relevant information on its website.

The Company promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company.

Financial Results & Other Communication

The Company's quarterly/half-yearly/annual financial results are sent to the Stock Exchanges and published in English and Hindi language newspapers, viz., all India editions of Business Standards and Rajasthan edition of Business Remedies/ Nafa Nuksan. The results and other important information are also updated on the Company's website at https://hginfra.com/investors-relation.html#open.

The Board has approved a policy for determining the materiality of events for disclosure to the Stock Exchanges. The Managing Director, the Chief Financial Officer (CFO), and the Company Secretary are empowered to decide on the materiality of information for disclosure to the Stock Exchanges. The Company makes timely disclosures of the necessary information to the Stock Exchanges in terms of the Listing Regulations and other applicable rules and regulations issued by the SEBI.

Investors / Analyst Meets/Investor presentations.

The Company also conducts conference calls/meetings with investors immediately after the declaration of financial results to brief them on the performance of the Company. These calls are attended by the Managing Director and senior officers of the Company. The schedule of analyst/ institutional investors' meetings & analyst meets, and presentations made thereat are filed with the Stock Exchanges and also available on the website of the Company along with the audio recordings and transcripts of quarterly calls/meetings at https://hginfra.com/investors-relation.html#btn-presn.

Presentations on the company's performance are placed on the Company's website for the benefit of institutional investors, analysts, and other shareholders after the financial results are communicated to the Stock Exchanges.

Website

The Company has formulated a separate dedicated section, 'Investor Relations,' on its website, www.hginfra.com, which gives information on various announcements made by the Company, the status of unclaimed dividends, annual reports, shareholding patterns, financial results, codes and policies, etc.

News releases, presentations

Official news releases and official media releases are generally sent to Stock Exchanges and are also available on the website of the Company.

GENERAL SHAREHOLDER INFORMATION

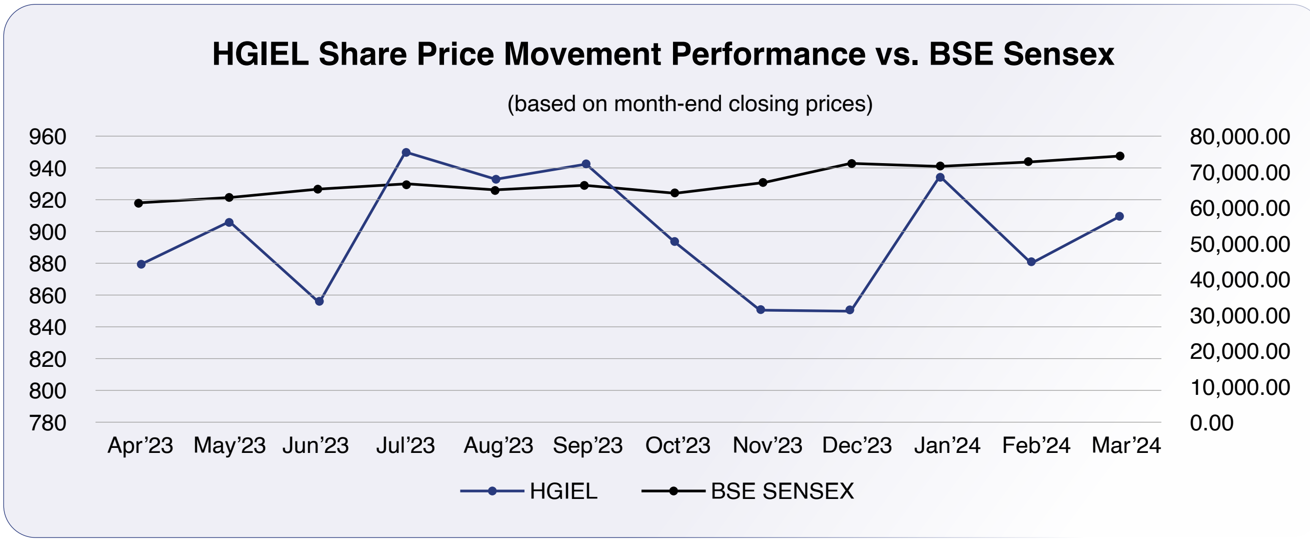
Corporate Information

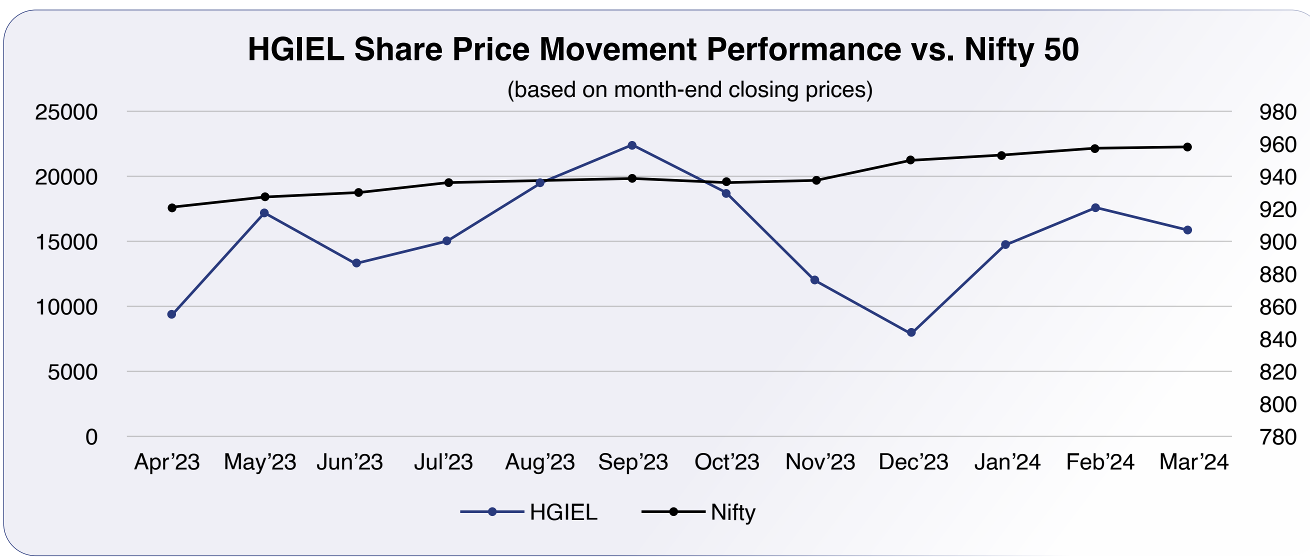
(a)	22ND Annual General Meeting Day, Date and Time	Wednesday, August 21, 2024, at 02:00 p.m.
	Venue of 22nd AGM	Through Video Conference ("VC") / Other Audio- Visual Means ("OAVM")
(b)	Financial Year	April 01, 2023 to March 31, 2024
(c)	Dividend Payment Date	The dividend, if approved by the shareholders, shall be paid/ credited on or before September 19, 2024
(d)	Listing Details & Payment of Listing Fees	**BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 **National Stock Exchange of India Limited (NSE)** Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (E), Mumbai- 400 051 The Rated, Listed, Senior, Secured, Redeemable, Non-Convertible Debentures issued by the Company are listed on the Wholesale Debt Market (WDM) segment of the BSE. The Company paid annual listing fees to both Stock Exchanges, the BSE and the NSE, for the financial year ended March 31, 2024.
(e)	Stock Code/Symbol (Equity)	BSE-541019 (Equity), NSE-HGINFRA (Equity) BSE- 973671 (Debt)
(f)	Registrar to an Issue & Share Transfer Agents ("RTA")	Link Intime India Private Limited
(g)	Incorporation date	January 21, 2003
(h)	Corporate Identification Number (CIN)	L45201RJ2003PLC018049
(i)	Registered Office	14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan - 342001,India
(j)	ISIN for Depositories (Equity)	Equity: INE926X01010
(k)	ISIN for Depositories (NCD)	Debt: INE926X07017
(l)	Payment of Depository Fees	Annual Custody/Issuer fees for the financial year 2024-25 have been paid by the Company to the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL").
(m)	Name of Debenture Trustee ("DT")	MITCON Credentia Trusteeship Services Limited

Stock Price data for the financial year 2023-24

Month	BSE			NSE		
	High	Low	No. of equity shares traded	High	Low	No. of equity shares traded
April	912.85	786.85	224160	912.50	785.05	2649461
May	977.60	880.05	230167	978.00	882.05	4103659
June	969.95	824.95	306866	970.00	824.70	3354878
July	970.00	850.25	187809	970.00	852.10	2610130
August	995.00	902.95	262967	995.50	905.55	3379077
September	1,016.75	917.25	238582	1,019.00	917.05	2304027
October	978.90	860.85	113381	972.50	860.00	1341181
November	940.00	832.55	152655	944.95	833.00	1712433
December	887.45	806.00	297340	888.00	805.10	3222909
January	949.95	842.45	357755	958.00	843.65	3427134
February	991.85	859.60	264964	991.90	855.05	2496691
March	975.45	854.80	226012	972.40	855.80	3474060

Comparison of performance of the share price of the Company with broad-based indices -– BSE Sensex and NSE Nifty





Corporate Benefits to Investors

Details of the dividend declared and paid by the Company for the last five financial years are as follows:

Financial Year	Percentage (%)	In ₹ Per Share (Face Value of ₹ 10 each)	Dividend Amount (Amount in ₹ Million)
2018-19	5	0.50	32.59
2019-20	-	-	-
2020-21	8	0.80	52.14
2021-22	10	1.00	65.17
2022-23	12.50	1.25	81.46

The Board has recommended the payment of the final dividend of ₹1.50 (Rupee One and Fifty Paisa only) (@15%) per equity share of ₹10 each fully paid-up for the financial year 2023-24, subject to the approval of shareholders at the ensuing AGM.

Suspension of Trading

The Securities of the Company were not suspended from trading on Stock Exchanges during the financial year.

Share Transfer System

As mandated by the SEBI, securities of the Company can be transferred/traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. Share transfers in electronic form are processed and approved by NSDL/CDSL through shareholders' depository participants without the involvement of the Company.

The SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its Circular No. SEBI/ HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8, dated 25th January 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form:

(a) Issue of duplicate securities certificate;

(b) Claim from Unclaimed Suspense Account;

(c) Renewal/Exchange of securities certificate;

(d) Endorsement;

(e) Sub-division/Splitting of securities certificate;

(f) Consolidation of securities certificates/folios;

(g) Transmission; and

(h) Transposition.

The Stakeholders' Relationship Committee considers the transaction regarding the issuance of duplicate share certificates, splits, rematerialisation, consolidation, renewal of share certificates, and attending to shareholders'' grievances, among other things.

The Company has received a certificate from a Company Secretary in Practice for the financial year certifying compliance as required under Regulation 40(9) of the Listing Regulations, and a copy of this certificate was duly filed with the Stock Exchanges.

Distribution of Shareholding

No. of Equity Shares held	Shareholders		Shareholding	
	Number	%	Number	%
Upto 500	84,566	97.51	38,40,537	5.89
501-1000	1,227	1.41	8,79,474	1.35
1001-5000	806	0.93	16,07,442	2.47
5001-10000	60	0.10	4,08,628	0.63
10001 & Above	70	0.10	5,84,35,030	89.66
Total	**86,729**	**100**	**6,51,71,111**	**100**

As of March 31, 2024, the number of shareholders based on demat accounts is 86,729, and based on PAN is 85,596. The number of shareholders based on demat and PAN will differ since shareholders can have multiple demat accounts under a single PAN.

Dematerialization of Shares & Liquidity

The shares of the Company are available for trading in the dematerialised form under both the Depository Systems in India, i.e. NSDL and CDSL.

The breakup of shares as on March 31, 2024, is as follows:

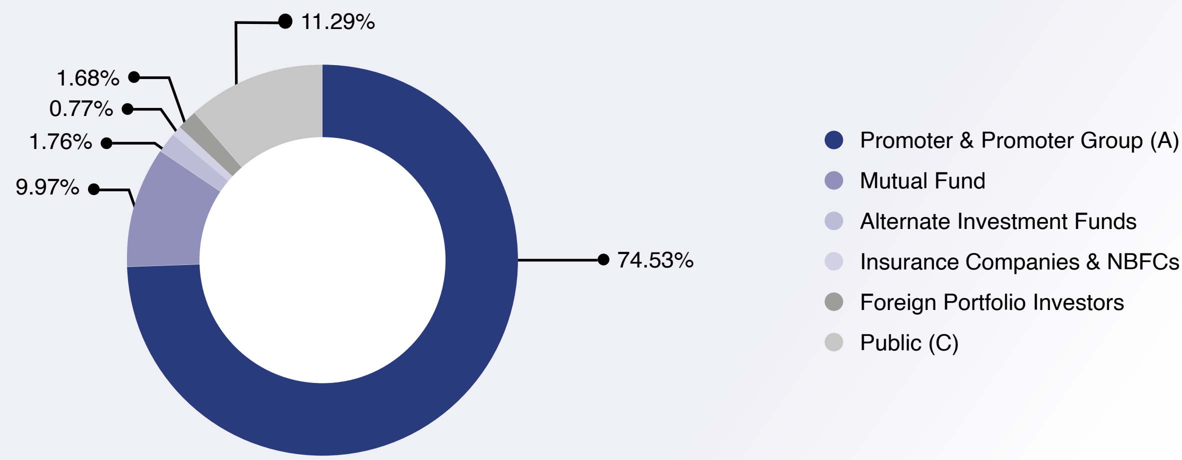
Category	Number of Shareholders	Shareholders (%)	Number of Shares held	Voting Strength (%)
Physical	-	-	-	-
Electronic	85,596	100	6,51,71,111	100

All shares of the Company are in dematerialized form.

Categories of Shareholders as on March 31, 2024

Category of Shareholder(s)	Number of shares held	Shareholding (%)
Promoter & Promoter Group (A)	4,85,73,157	74.53
Institutional Shareholders (B)		
Mutual Fund	64,96,543	9.97
Alternate Investment Funds	11,45,223	1.76
Insurance Companies & NBFCs	4,99,903	0.77
Foreign Portfolio Investors	10,93,661	1.68
Public (C)	73,62,624	11.29
Total (A+B+C)	**6,51,71,111**	**100**

Category-wise shareholding (%) as on March 31, 2024



Outstanding Global Deposit Receipts (GDRs) /American Deposit Receipts (ADRs) / Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on March 31, 2024.

Commodity price risk or foreign exchange risk and hedging activities

The Company is not engaged in the field of manufacturing goods. Hence, disclosures on commodity price risks or foreign exchange risk and commodity hedging activities are not applicable.

Plant Locations

The Company does not have any manufacturing plant as the Company is engaged in construction and maintenance of roads, highways, bridges & flyovers and other infrastructure contract works. Further, the Company has its footprint at multiple locations in India in the field of the Infrastructure Sector. As on March 31, 2024, the company has 41 projects across the Country in the states of Maharashtra, Rajasthan, Haryana, Delhi, Andhra Pradesh, Odisha, Telangana, Karnataka, Himachal Pradesh, Jharkhand, Uttar Pradesh, Bihar etc. No of projects under construction and maintenance period as on March 31, 2024.

Address for correspondence

For any queries relating to the shares, debentures or annual report of the Company correspondence may be addressed to the below concerned:

Registrar and Share Transfer Agent	Debenture Trustee	Company Secretary & Compliance Officer
Link Intime India Private Limited **Registered Office:** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai City – 400083, Maharashtra Tel: +022 49186200 Fax: +022 49186195 E-mail: mumbai@linkintime.co.in, Website: www.linkintime.co.in **Corporate Office:** Noble Heights 1st Floor, Plot No. NH-2, C-1 Block, LSC near Savitri Market, Janakpuri, New Delhi -110058 Tel: 011-49411000 Fax no: 011-41410591 E-mail: delhi@linkintime.co.in	MITCON Credentia Trusteeship Services Limited **Correspondence Address:** 1402/1403, 14TH Floor, B-Wing, Dalmal Tower, Free Press Journal Marg, 211 Naraiman Point, Mumbai, Maharashtra-400021 Tel: 022-22828200/240 E-mail: compliance@mitconcredentia.in	Ankita Mehra H.G. Infra Engineering Limited **Registered Office:** 14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan-342001 Tel. No.: 0291-2515327 Website: www.hginfra.com **Corporate Office:** III Floor, Sheel Mohar Plaza A-1, Tilak Marg, C-Scheme, Jaipur-302001, Rajasthan Tel. No.: 0141-4106040 Email: cs@hginfra.com

Credit Rating

The Company's financial prudence is reflected in the strong credit rating assigned by rating agency 'ICRA Limited'. The table below depicts the Credit Rating profile of the Company:

Instruments	Rating (Outlook) (as on March 31, 2024)	Rating (Outlook) (as on March 31, 2023)
Long Term Credit	ICRA AA- (Positive)	ICRA AA- (Stable)
Short Term Credit	ICRA A1+ (Positive)	ICRA A1+ (Stable)
Non-convertible debentures (NCDs)	ICRA AA- (Positive)	ICRA AA- (Stable)

During the financial year, the outlook of the ratings has been changed from Stable to Positive for all above said ratings.

OTHER DISCLOSURES

Related Party Transactions

All Related Party Transactions are entered into by the Company only after obtaining the approval of the Audit Committee and Board of Directors as and when necessary. In terms of the Act and the Listing Regulations, the Company has adopted a policy on Related Party Transactions which is available on the Company's website at https://hginfra.com/pdf/policy_for_determining_material_subsidiary_22.pdf.

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were entered into in accordance with the policy on Related Party Transactions and in compliance with the provisions of the ACT and the Listing Regulations.

The Audit Committee reviews, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals granted. Further, the Company has filed half-yearly disclosures of Related party transactions with the Stock Exchanges during the financial year. The related party transactions entered into by the Company are in compliance with the accounting standards on "Related party Disclosures", and the disclosure as required under Para A of Schedule V of the Listing Regulations is covered under notes forming part of the financial statements.

Details of Non-Compliance, penalties, or strictures imposed by stock exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all the requirements of the Stock Exchanges and SEBI on matters relating to Capital Markets.

There were no instances of non-compliance or penalty or stricture imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Whistle Blower Policy & Vigil Mechanism

The Company is committed to adhering to the highest standards of ethical, moral, and legal business operations conduct.

The Company has adopted a Whistle Blower Policy and an effective vigil mechanism system to provide a formal mechanism to its Directors, employees and stakeholders to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the standards, code of conduct or policies adopted by the Company from time to time or any illegal or unethical practices and also safeguards against victimisation of Directors/ employees and stakeholders who avail of the mechanism.

The employees/Directors and stakeholders may, in exceptional cases, approach directly to the Chairman of the Audit Committee of the Board of the Company for registering complaints. All incidents that are reported are investigated, and suitable action is taken in line with the Whistle Blower Policy. No person was denied access to the Audit Committee of the Company with regard to the above.

The Whistle Blower Policy is available on the Company's website at https://hginfra.com/pdf/vigil_mechanism_whistle_blower_policy_22.pdf

Weblinks for the Policies, Code and other matters referred to in this Report

The Company has adopted a well-defined code and policy framework, the details of which are as follows:

Particulars	Website Link
Codes	
Code of Practices & Procedures for Fair Disclosure of UPSI	https://hginfra.com/pdf/Code%20of%20Practices%20&%20Procedures%20for%20Fair%20Disclosure%20of%20UPSI.pdf
Code of Conduct for Board Members and Senior Management	https://hginfra.com/pdf/code_of_conduct_for_board_and_senior_management_personnel_24.pdf
Code of Prohibition of Insider Trading	https://hginfra.com/pdf/code_of_conduct_to_regulate_monitor_n_report_trading_by_designated_persons_code_of_prohibition_of_insider_trading_22.pdf
Supplier Code of Conduct	https://hginfra.com/pdf/supplier_code_of_conduct_v2.pdf

Particulars	Website Link
Code of Business Conduct & Ethics	https://hginfra.com/pdf/code_of_business_conduct_ethics_v2.pdf
Policies	
Business Responsibility & Sustainability Policy	https://hginfra.com/pdf/business_responsibility_and_sustainability_policy.pdf
Risk Management Policy	https://hginfra.com/pdf/risk_management_policy24.pdf
Corporate Environment, Health & Safety Policy	https://hginfra.com/pdf/corporate_ehs_policy_r1.pdf
Nomination and Remuneration Policy	https://hginfra.com/pdf/nomination_and_remuneration_policy_new.pdf
Dividend Distribution Policy	https://hginfra.com/pdf/Dividend-Distribution-Policy.pdf
Policy on Preservation of Documents	https://hginfra.com/pdf/policy-on-preservation-of-documents.pdf
Policy on Determining Material Subsidiary	https://hginfra.com/pdf/policy_for_determining_material_subsidiary_22.pdf
Archival Policy	https://hginfra.com/pdf/archival-policy.pdf
Policy on Determination of Materiality of Events or Information	https://hginfra.com/pdf/policy_on_determination_of_materiality_of_events_and_information_22.pdf
Whistle Blower Policy	https://hginfra.com/pdf/vigil_mechanism_whistle_blower_policy_22.pdf
Policy on Related Party Transactions	https://hginfra.com/pdf/policy_on_related_party_transactions.pdf
Policy on Prevention of Sexual Harassment at workplace	https://hginfra.com/pdf/policy-on-prevention-of-sexual-harrasement-at-workplace.pdf
Policy on Corporate Social Responsibility	https://hginfra.com/pdf/corporate_social_responsibility_csr_policy_22.pdf
Waste Management Policy & Procedures	https://hginfra.com/pdf/waste_management_plan_v2.pdf
Sustainable Sourcing Policy	https://hginfra.com/pdf/sustainable_sourcing_policy_v2.pdf
Information Security Management Policy	https://hginfra.com/pdf/information_security_management_policy_v2.pdf
Environment and Social Management Policy	https://hginfra.com/pdf/environment_social_management_policy_v2.pdf
Anti-Corruption & Anti-Bribery Policy	https://hginfra.com/pdf/anti_corruption_anti_bribery_policy_v2.pdf
Other Matters	
Stakeholders Engagement Plan	https://hginfra.com/pdf/stakeholder_engagement_plan_v2.pdf
Grievance Redressal Procedure	https://hginfra.com/pdf/grievance_redressal_procedure_v2.pdf
Employment Rights & Standard Practices	https://hginfra.com/pdf/employment_rights_standard_practices_v2.pdf

Details of utilization of funds raised through preferential allotment or qualified institutions placements

During the financial year, the Company has not raised any proceeds through public issues, rights issues, preferential issues or qualified institutional placement under Regulation 32(7A) of the Listing Regulations.

Certificate of Non-disqualification of Directors

Certificate from M/s. Deepak Arora & Associates, Practicing Company Secretaries, 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 SEBI, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations, is attached to this Report.

Disclosure on recommendations made by Board's Committees

During the financial year, the Board has accepted all recommendations of the board's committees on matters where such a recommendation is mandatorily required. There have been no instances where such recommendations have not been considered.

Total Fee paid to the statutory auditors

During the financial year, total fees of Rs. 6.73 million for audit services, Rs. 2.77 million for certification services and Rs. 1.51 million for reimbursement of expenses, have been paid to the joint statutory auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part.

During the financial year, Joint statutory auditors were not part of any subsidiary of the Company, hence no payment was made to them by any subsidiary company.

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

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (“POSH Act”) and Rules made thereunder, the Company has constituted an Internal Complaints Committee (ICC). The Company’s POSH Policy is inclusive and gender-neutral, detailing the governance mechanisms for preventing sexual harassment issues relating to employees of all genders, including employees who identify themselves.

To build awareness in this area, the Company has been conducting induction/ refresher programmes on a continuous basis. During the financial year, no complaint was received/ disposed of by the Company under the policy, and no complaint was pending as of March 31, 2024. An Annual Report for the calendar year 2023 by the Internal Complaints Committee (the “ICC”) under Section 21 of the POSH Act has been submitted to the relevant authority.

Loan and Advances by the Company and its Subsidiaries

Details of loans and advances, guarantees or investments made by the Company and its subsidiaries under Section 186 of the Act during the financial year, are appended in the notes of the financial statements.

Details of Material Subsidiary

Regulation 16 of the Listing Regulations defines a “material subsidiary” to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth of the listed entity and its subsidiaries in the immediately preceding accounting year. The Company has formulated a policy for determining ‘material subsidiaries’ in compliance with the Listing Regulations. The Policy is available at the Company’s website at https://hginfra.com/pdf/policy_for_determining_material_subsidiary_22.pdf

In terms of the Company’s Policy for Determining Material Subsidiary, during the financial year, below is the material subsidiary of the Company:

Name of the Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditors	Date of Appointment
H.G. Raipur Visakhapatnam OD-5 Private Limited	24-11-2021	Jodhpur	M/s Gianender & Associates, Chartered Accountants (FRN: 004661N)	02-08-2022

As on March 31, 2024, the material subsidiary has one independent director of the Company i.e. Mr. Manjit Singh (DIN: 02759940) on its board in compliance with Regulation 24 of the Listing Regulations.

The subsidiaries of the Company function independently, with an adequately empowered Board of Directors and adequate resources.

The Company is in compliance with regulation 24A of the Listing Regulations. The Company’s unlisted material subsidiary has undergone a Secretarial Audit. The Secretarial Audit Report of the unlisted material subsidiary does not contain any qualification, reservation, or adverse remark and forms part of this Report.

Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Para C of Schedule V of the Listing Regulations

During the financial year, the Company has complied with the requirement of corporate governance report of sub-paras (2) to (10) of Para C of Schedule V of the Listing Regulations. There has been no non-compliance reported with the above-mentioned requirements.

Details of Compliance with Mandatory Requirements and Adoption of the Non-Mandatory Requirements

The Company has complied with all mandatory requirements as specified in Regulations 17 to 27, Regulation 34 and clauses (b) to (i) of Sub-regulation 2 of Regulation 46 of the Listing Regulations and also has implemented the non-mandatory requirements to the best extent possible.

Compliance with the Discretionary Requirements under the Listing Regulations

- **Audit qualifications:** During the financial year, there is no audit qualification on the Company’s financial statements. The Company continues to adopt best practices to ensure a regime of unmodified audit opinion.

- **Reporting of Internal Auditor:** The Internal Auditors directly reports to the Audit Committee. They participate in the meetings of the Audit Committee of the Board and present their internal audit observations to the Audit Committee.

The Company has submitted a quarterly compliance report on Corporate Governance with the Stock Exchanges in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

Corporate Governance Requirements

The Company has complied with Corporate Governance Requirements specified under Regulation 17 to 27, and clauses (b) to (i) of sub-regulation (2) of Regulation 46 is also available on your Company's at www.hginfra.com

Compliance Certificate on Corporate Governance

In terms of Schedule V of the Listing Regulations, a certificate from a Practicing Company Secretary confirming compliance with the condition of corporate governance, as stipulated under Regulation 34 of the Listing Regulations, forms part of this report.

Disclosure of Demat suspense account/ unclaimed suspense account

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

During the financial year, the Company does not have any shares in the Demat suspense account or unclaimed suspense account.

Details of Agreements as per clause 5A of paragraph A of Part A of Schedule III of these regulations

During the financial year 2023-24, no agreement was executed as per clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

MD/CFO Certification & Declaration of Code of Conduct

Pursuant to the Listing Regulations, the declaration signed by the Managing Director affirming the compliance of the Code of Conduct by the Directors and Senior Management Personnel for the financial year is annexed to and forms part of the Corporate Governance Report.

As required under Regulation 17 of the Listing Regulations, the MD/ CFO certificate for the financial year is forming part of this Report.

For and on behalf of
H.G. Infra Engineering Limited

Harendra Singh
(Chairperson & Managing Director)
DIN-00402458

Place: Jaipur
Date: May 08, 2024

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

(Under Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Board of Directors
H.G. Infra Engineering Limited
14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan-342001

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of H.G. Infra Engineering Limited (the "Company"), to the best of our knowledge and belief do hereby certify that;

a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2024 and to the best of our knowledge and belief, we state that;

   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 affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) We further state that, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024, are fraudulent, illegal or violative of the Company's code of conduct.

c) We are responsible for establishing and maintaining internal controls for financial reporting, and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company 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 to rectify these deficiencies.

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

   i) significant changes, if any, in internal control over financial reporting during the year;
   ii) significant changes, if any, in accounting policies during the year and that 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 any employee having a significant role in the Company's internal control system over financial reporting.

Place: Jaipur
Date: May 08, 2024

Harendra Singh
Managing Director
DIN: 00402458

Rajeev Mishra
Chief Financial Officer

DECLARATION BY MANAGING DIRECTOR OF CODE OF CONDUCT

(Pursuant to Regulation 34(3) and Schedule-V Para-D of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
H.G. Infra Engineering Limited
14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan-342001

I, Harendra Singh, Managing Director of the Company, hereby declare that all the members of the Board of Directors and Senior Management Personnel of the Company (as defined in the above-said regulations) have affirmed compliance with the code of conduct of Board of Directors and Senior Management Personnel as laid down by the Company in respect of the financial year 2023-24.

Harendra Singh
Managing Director
DIN: 00402458

Place: Jaipur
Date: May 08, 2024

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
H.G. INFRA ENGINEERING LIMITED
14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan-342001

We have examined the compliance of the conditions of Corporate Governance by **H.G. Infra Engineering Limited ("the Company")** for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, to the best of our information and according to the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2024.

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

For DEEPAK ARORA & ASSOCIATES
Company Secretaries
ICSI Unique Code: P2001RJ80000

CS Deepak Arora
Partner
FCS 5104 I C P No.: 3641
UDIN NO.: F005104F000335753

Date: May 08, 2024
Place: Jaipur

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
H.G. Infra Engineering Limited
14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan-342001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of H.G. Infra Engineering Limited having CIN L45201RJ2003PLC018049 and having registered office at 14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan-342001 (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 Sub Clause (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

List of Directors of H.G. Infra Engineering Limited as on March 31, 2024:

S. No.	Name of Director	DIN	Date of Appointment	Designation
1.	Harendra Singh	00402458	21.03.2003	Managing Director
2.	Vijendra Singh	01688452	21.03.2003	Whole-time Director
3.	Dinesh Kumar Goyal	02576453	23.05.2018	Whole-time Director
4.	Ashok Kumar Thakur	07573726	15.05.2017	Independent Director
5.	Pooja Hemant Goyal	07813296	15.05.2017	Independent Director
6.	Manjit Singh	02759940	13.05.2022	Independent Director
7.	Sharada Sunder	07599164	08.02.2023	Independent Director
8.	Monica Widhani	07674403	08.02.2023	Independent Director

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DEEPAK ARORA & ASSOCIATES
Company Secretaries
ICSI Unique Code P2001RJ080000

CS Deepak Arora
Partner
FCS 5104 I C P No.: 3641
UDIN NO.: F005104F00033574

Place: Jaipur
Date: May 08, 2024

Annexure-V (i) to Board's Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
H.G. INFRA ENGINEERING LIMITED
14, Panchwati Colony, Ratanada,
Jodhpur - 342001 (Rajasthan)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **H.G. INFRA ENGINEERING LIMITED** (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions 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 (As amended by Finance Act, 2018) and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period);**

(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 (Listing Obligations and Disclosure Requirements) Regulations, 2015

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**

(e) the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

(f) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the Audit Period);**

(g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period);**

(i) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

As confirmed by the management, there are no sector specific laws that are applicable specifically to the company.

We have also examined compliance with the applicable provisions of the following:

i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE

Limited read with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Details of the same are as under:-

- *Regularization of Ms Sharada Sunder and Ms Monica Widhani as Non Executive Director (Category: Independent) in an extra Ordinary General Meeting held on May 04,2023.*

Adequate notice is given to all Directors/members/invitees to schedule the Board Meetings, Committee meetings and General Meetings, along with its agenda and detailed notes on agenda were sent in advance as required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of Board and Committee and General Meetings were carried with requisite majority.

We further report that based on the information provided and the representation made by the Company and also on the review of the compliance certificates, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with labour laws and other applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period some major events were taken in Company having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc of which some are as under:-

- During the Audit Period the Company has incorporated H.G. Varanasi-Kolkata PKG-13 Private Limited on April 25, 2023 as a Special Purpose Vehicle ('SPV') (Wholly Owned Subsidiary) solely for the purpose of domiciling the project awarded by the National Highways Authority of India (NHAI) to the Company.

- During the Audit Period the Company has incorporated H.G. Varanasi-Kolkata PKG-10 Highway Private Limited on April 27, 2023 as a Special Purpose Vehicle (`SPV) (Wholly Owned Subsidiary) solely for the purpose of domiciling the project awarded by the National Highway Authority of India (NHAI) to the Company.

- During the audit period the Company has incorporated **a Section 8 Company** in the Name of **H.G. Foundation** on October 25, 2023 solely for the purpose to undertake its Corporate Social Responsibility (CSR) activities.

- During the audit period the Company has incorporated **"H.G. Solar Projects Private Limited"** on February 17, 2024 a wholly owned subsidiary company solely for the purpose to carry out business in the field of Solar Power.

- During the audit period **H.G. Solar Projects Private Limited**, a wholly owned subsidiary of H.G. Infra Engineering Limited (the "Company" or "HGINFRA") has subscribed 49% stake on March 10, 2024 in following two companies namely:

  1. Norangdesar Solar Developer Private Limited
  2. Rasisar Solar Developer Private Limited

- During the audit period the Company has entered into Share Purchase Agreement on May 03, 2023, with Highway Infrastructure Trust ("Buyer") to sell its 100% (one hundred percent) shareholding in wholly owned subsidiaries namely: (a) Gurgaon Sohna Highway Private Limited; (b) H.G. Rewari Ateli Highway Private Limited; and (c) H.G. Ateli Narnaul Highway Private Limited.

  Further, the Company has also obtained the approval of Shareholders in their Extraordinary General Meeting held on October 31, 2023, for selling and disposing of the following assets/ undertaking of the Company and transfer the entire shareholding of wholly owned subsidiary company to Highway Infrastructure Trust ("Buyer") on November 21, 2023

  I. Gurgaon Sohna Highway Private limited (wholly owned subsidiary company)

  II. H.G. Ateli Narnaul Highway Private limited

  III. H.G. Rewari Ateli Highway Private limited

- Company has Approved the Alteration of Articles of Association of the company to substitute the existing Article 113 with the new Article no. 113 in the Extraordinary General Meeting held on May 04, 2023.

- During the audit period one Joint controlled operation (JV) of the Company Named as HGIEPL-Ranjit JV has been dissolved on March 29, 2024.

This report is to be read with our letter of even date which is annexed as **Annexure- A** and forms an integral part of this report.

For DEEPAK ARORA & ASSOCIATES
Practicing Company Secretaries
ICSI Unique Code: P2001RJ080000

DEEPAK ARORA
Partner
FCS No. 5104 I COP No. 3641
Peer Review Certificate No: 692/2020
UDIN: F005104F000329428

Place: Jaipur
Date: May 08, 2024

Annexure A

To,
The Members,
H.G. INFRA ENGINEERING LIMITED
14, Panchwati Colony, Ratanada,
Jodhpur - 342001 (Rajasthan)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The 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.

For DEEPAK ARORA & ASSOCIATES
Practicing Company Secretaries
ICSI Unique Code: P2001RJ080000

DEEPAK ARORA
Partner
FCS No. 5104 I COP No. 3641
Peer Review Certificate No: 692/2020
UDIN: F005104F000329428

Place: Jaipur
Date: May 08, 2024

Annexure-V (ii) to Board's Report

ANNUAL SECRETARIAL COMPLIANCE REPORT OF H.G. INFRA ENGINEERING LIMITED

For the Financial Year ended March 31, 2024

[Pursuant to Regulation 24A of the Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
H.G. INFRA ENGINEERING LIMITED
14, Panchwati Colony, Ratanada,
Jodhpur - 342001 (Rajasthan)

Dear Sir/Madam,

We, **Deepak Arora & Associates,** Company Secretaries in Practice have examined:

a) all the documents and records made available to us and explanation provided by **H.G. INFRA ENGINEERING LIMITED ("the Listed Entity"),**

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) website of the listed entity,

d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended **March 31, 2024 ("Review Period")** in respect of compliance with the provisions of :

   a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

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

The specific Regulations as amended from time to time, whose provisions and the circulars/ guidelines issued thereunder, have been examined according to their applicability during the period under review, include:-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***(Not applicable to the Company during the Audit Period);***

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

e) the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not applicable during the Audit period);***

g) Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; ***(Not applicable during the Audit period);***

h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***(Not applicable to the Company during the Audit Period);***

j) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

We have examined the compliance of above regulations, circulars, guidelines issued thereunder as applicable during the period under review and based on confirmation received from the management of the company and as per NSE Circulars NSE/CML/2023/21 dated 16 March, 2023 & NSE/CML/ 2023/30 dated 10 April, 2023 and BSE Circulars 20230316-14 dated 16 March, 2023 and 20230410-41 dated 10 April, 2023, we hereby confirm that during the Review Period the compliances status of the company is appended as below:

S. No.	Particulars	Compliance Status (Yes / No/ NA)	Observations / Remarks by PCS*
1	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013.	YES	-
2	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	YES YES	-
3	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website	YES YES YES	- - -
4	**Disqualification of Director:** None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013.	YES	- -
5	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	YES* YES	
6	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	YES	-
7	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	YES	-
8	**Related Party Transactions:** a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; b) In case no prior approval has been obtained, the listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee.	YES NA	During the period under review all Related party transactions were entered after obtaining prior approval of audit committee.
9	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	YES	-
10	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	YES	-

S. No.	Particulars	Compliance Status (Yes / No/ NA)	Observations / Remarks by PCS*
11	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	NA	No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.
12	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	NA	No non-compliances were observed for any SEBI regulation / circular/ guidance notes etc during the period under review.

** During the period under review H.G. Raipur Visakhapatnam OD-5 Private Limited material subsidiary have been examined.*

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

No event relating to resignation of auditor has occurred during the review period; hence, this clause is not applicable.

The Additional Disclosures of Annual Secretarial Compliance Report are as below:-

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

S. No.	Compliance Requirement (Regulations circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

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

S. No.	Compliance Requirment (Regu-lations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

For DEEPAK ARORA & ASSOCIATES
Practicing Company Secretaries
ICSI Unique Code: P2001RJ080000

DEEPAK ARORA
Partner
FCS No. 5104 I COP No. 3641
Peer Review Certificate No: 692/2020
UDIN: F005104F000329428

Place: Jaipur
Date: May 08, 2024

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended 31st March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
H.G. RAIPUR VISAKHAPATNAM OD-5 PRIVATE LIMITED
14, Panchwati Colony, Ratanada,
Jodhpur, Rajasthan-342001 India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **H.G. RAIPUR VISAKHAPATNAM OD-5 PRIVATE LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and there presentations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 ('Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company as per Annexure A for the Financial Year ended on 31st March, 2023 according to the provisions 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; (Not applicable to the Company during the period)

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the period)

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the period)

   ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the period)

   iv. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the period)

   v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the period)

   vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the period) and

   viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the period)

   ix. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;

The Company being a material subsidiary of H.G. Infra Engineering Ltd ("HGIEL") as defined in Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, certain employees of the Company have been categorized as “Designated Persons” and are covered by the HGIEL, Code of Prohibition of Insider Trading framed under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of HGIEL

(vi) We further report that having regard to the compliance system prevailing in the company and on examination of relevant documents and records in pursuance thereof, on test check basis, the company has generally complied with other laws identified by the management as applicable specifically to the company broadly covering Laws relating to Information Technology sector.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India.

ii. The Company has not entered into any listing agreements with the stock exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except where consent of the directors were received for scheduling meeting at a shorter notice. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision of Board and committee meeting were carried with requisite majority.

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following specific events / actions having major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. took place:

1. Appointment of Ms. Gazal Choudhary (DIN: 08558371) as additional director (Executive) w.e.f 27th July, 2023 and regularised as Director in the 2nd AGM held on 19th August, 2023.

2. During the period under review, Company has modified the charge having charge id - 100559874 amounting to Rs. 667 Core (Rupees Six Hundred Sixty-Seven Crore only) on 22nd June, 2023.

As on 31st March, 2024, the issued and paid-up capital of the company is ₹67,60,000/- (Rupees Sixty-Seven Lakhs Sixty Thousand) divided into 6,76,000 (Six Lakh Seventy-Six Thousand) Equity Shares of ₹10/- (Rupees Ten).

for MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Name of Company Secretary: Vivek Sharma
Partner
FCS No. 10663ICP. No. 14773
UDIN: F010663F000300084

Place: Jaipur
Date: May 03, 2024

Note: *This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.*

ANNEXURE A

To,
The Members
H.G. RAIPUR VISAKHAPATNAM OD-5 PRIVATE LIMITED
14, Panchwati Colony, Ratanada,
Jodhpur, Rajasthan-342001 India

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.

7. The 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.

for MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Name of Company Secretary: Vivek Sharma
Partner
FCS No. 10663ICP. No. 14773
UDIN: F010663F000300084

Place: Jaipur
Date: May 03, 2024

Annexure-VI to Board's Report

Particulars of Employees

A. Information as per Rule 5(1) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014

1. Ratio of Remuneration of Directors to Median Remuneration of Employees:

The remuneration of each Director, Chief Financial Officer and Company Secretary, the percentage increase in their remuneration during the financial year 2023-24 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 are as under:

S. No.	Name	Designation	Remuneration of Director/ KMP for the Financial Year 2023-24 (Amount in ₹ Million)	Ratio of Remuneration to MRE (Median Remuneration of Employee)	% increase / (decrease) in Remuneration
A	B	C	D	E	F
1.	Mr. Harendra Singh	Managing Director	39	165.06	30
2.	Mr. Vijendra Singh	Executive Director	18	76.18	20
3.	Mr. Dinesh Kumar Goyal	Executive Director	4.89	20.72	9.89
4.	Mr. Rajeev Mishra	Chief Financial Officer	5.29	22.38	42.59
5.	Ms. Ankita Mehra	Company Secretary	1.36	5.77	33.33

The Company's Non-Executive Directors were paid only sitting fees during the financial year. Hence, their ratio to Median Remuneration and percentage increase in remuneration have not been considered.

2. The median remuneration of employees of the Company during the financial year was ₹2,36,280 per annum and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is provided in the above table.

3. The percentage increase in the median remuneration of employees in the financial year:

   In the financial year, there was an increase of 70.17% in the median remuneration of employees.

   The Company works in the infrastructure sector, and its major employees are in the unskilled category, i.e., labourers. Hence, the ratio of each director's remuneration to the median remuneration of the company's employees is generally high.

4. Number of permanent employees on the rolls of Company was 4,848 as on March 31, 2024.

5. There is an increase of 27.70% in the total gross salary of employees other than the managerial personnel during the financial year as compared to the previous year due to an increase in the hiring of plant and machinery operating staff in the regular roles of the organization. The hiring of such employees was outsourced before. The purpose behind initiating the hiring of such operating staff category on the role of the Company is to create a sense of accountability and belongingness of such cadre employees in the organization as they are the breadwinners at the project level, while 22.10% increase in total gross salary of managerial personnel during the financial year as compared to the previous year due to the Company's growth in the financial year 2023-24.

6. It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

B. Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

a) Details of Top ten employees as per remuneration as on March 31, 2024

S. No.	Employee Name	Designation	Educational Qualification	Nature of Employment	Age (Years)	Experience (Years)	Date of Joining	Remuneration Paid (Amount in ₹ Million)	Previous Employer	Relation with the Director or Manager, if any	Percentage of equity shares held (%)
1.	Mr. Harendra Singh	Managing Director	BE (Civil)	Permanent	57	30	January 21, 2003	39	-	Brother of Mr. Vijendra Singh- Executive Director	0.00
2.	Mr. Vijendra Singh	Executive Director	Basic Education	Permanent	59	32	January 21, 2003	18	-	Brother of Mr. Harendra Singh- Managing Director	0.00
3.	Mr. Vaibhav Choudhary	Project Controller	MBA	Permanent	37	18	April 01, 2017	10.81	-	Son of Mr. Girish Pal Singh- Promoter	0.00
4.	Mr. Kavinder Jindal	Vice President	B. Tech (Civil)	Permanent	56	36	September 15, 2021	9.65	Welspun Enterprises Limited	No	NIL
5.	Mr. Satish Kumar Sharma	Vice President	B. E (Civil) & MBA	Permanent	53	30	October 09, 2010	8.87	ISOLAX	No	NIL
6.	Mr. Nagappan Govindasamy	Vice President	M. Tech (Transportation)	Permanent	56	36	February 07, 2023	7.39	Dilip Buildcon Limited	No	NIL
7.	Mr. Dharmender Chaudhary	Vice President	B. Com	Permanent	55	32	January 01, 2015	6.47	Samtex fashions limited	No	NIL
8.	Mr. Raja Dutta	President	Global Leadership Developmental Program (GLDP), MBA, QPMP Level D, BE (Civil/ Construction)	Permanent	49	27	August 29, 2023	6.15	L & T	No	NIL
9.	Mr. Abhay Madhukar Paratkar	Assistant Vice President	BE-Civil	Permanent	56	32	January 29, 2018	5.96	IL & FS	No	NIL
10.	Mr. Jay Kumar Sah	Chief General Manager	M. Tech	Permanent	48	24	May 27, 2017	5.84	SMS Limited	No	NIL
11.	Mr. Arvind Khandelwal*	President	Chartered Accountant	Permanent	52	26	July 01, 2022	10.57	Axis Bank Limited	No	NIL

**Resigned w.e.f. March 18, 2024 and if employed throughout the financial year, was in receipt of remuneration for the financial year which, in the aggregate, was not less than ₹ 1.02 Crore.*

Notes:

1. Except above, No employee of the Company was falling under criteria prescribed in Rule 5(2)(i) and (ii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

2. There are no employees employed throughout the financial year or part thereof, who was in receipt of remuneration in the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Wholetime Director or Manager and who holds by himself/herself or along with his/her spouse and dependent children, not less than 2% of the equity shares of the Company, in terms of rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Annexure-VII to Board's Report

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

S. No.	Requirement	Company Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L45201RJ2003PLC018049
2.	Name of the Listed Entity	HG Infra Engineering Limited
3.	Year of incorporation	2003
4.	Registered office address	14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan-342001
5.	Corporate address	IIIrd Floor, Sheel Mohar Plaza, A-1 Tilak Marg, C-Scheme, Jaipur-302001, Rajasthan
6.	E-mail	esg@hginfra.com
7.	Telephone	0141-4106040-41
8.	Website	www.hginfra.com
9.	Financial year for which reporting is being done	April 1, 2023, to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited - National Stock Exchange of India Ltd.
11.	Paid-up Capital	651.71 million INR

12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report

Name	Ms. Ankita Mehra
Designation	Company Secretary & Compliance Officer
Telephone Number	0141-4106040-41
Email Address	esg@hginfra.com

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

The Business Responsibility & Sustainability Report (BRSR) FY 2023-24 is made on a standalone basis for H.G Infra Engineering Limited (HGIEL).

14. Name of assurance provider

Not Applicable as per SEBI Circular

15. Type of assurance obtained

Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1	Group Code F: Construction	Code F2: Construction of Roads, Railways and Utility Projects	99.75%

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

S. No.	Product/Service	NIC Code	% Of total turnover contributed
2	Construction contracts	45203 Division 42 Civil engineering Group 421 Construction of roads and railways	99.75%

III. Operations

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

Location	Number of Plants	Number of offices	Total
National	41	4	45
International	0	0	0

*Number of projects under construtution, and maintainence period as on March 31, 2024.

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of states)	12
International (No. of Countries)	0

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

There are no exports or international operations of the company.

c. A brief on types of customers

HGIEL is in the business of infrastructure development, with expertise in highway construction and other infrastructure contract works. During the last two fiscal years, the company underwent a strategic evolution, transitioning from its traditional focus on the road sector to embracing new horizons in the railway & metro projects and solar industries. Its clientele includes state and central government departments, authorities, ministries as well as private players.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1.	Permanent (D)	1826	1789	97.97	37	2.03
2.	Other than Permanent (E)	112	106	94.64	6	5.36
3.	**Total employees (D + E)**	**1938**	**1895**	**97.78**	**43**	**2.22**
		WORKERS				
4.	Permanent (F)	3022	3022	100	0	0
5.	Other than Permanent (G)	1751	1745	99.66	6	0.34
6.	**Total workers (F + G)**	**4773**	**4767**	**99.87**	**6**	**0.13**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	**0**	**0**	**0**	**0**	**0**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	**Total differently abled workers (F + G)**	**0**	**0**	**0**	**0**	**0**

21. Participation/ Inclusion/ Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	3	37.50
Key Management Personnel	2*	1	50

*KMPs include the CS and CFO, who are not part of the BoD.

22. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in Year prior to Previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	34.9%	42.9 %	**35.1%**	32.0%	45.6%	**32.3%**	29.8%	40.9%	**30%**
Permanent Workers	107.0%	-	**107.0 %**	61%	0	**61%**	27.8%	0	**27.8%**

Note: The data for FY 22-23 and FY 2021-22 have been restated basis revised procedure adopted by the company during FY 23-24.

V. Holding, Subsidiary and Associate Companies (including Jointly Controlled Operations)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding /subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% 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	H.G. Rewari Bypass Private Limited	Subsidiary	100%	Yes
2	H.G Khammam Devarapalle PKG-1 Private Limited	Subsidiary	100%	Yes
3	H.G Khammam Devarapalle PKG-2 Private Limited	Subsidiary	100%	Yes
4	H.G Raipur Visakhapatnam OD-5 Private Limited	Subsidiary	100%	Yes
5	H.G Raipur Visakhapatnam OD-6 Private Limited	Subsidiary	100%	Yes
6	H.G Raipur Visakhapatnam AP-1 Private Limited	Subsidiary	100%	Yes
7	H.G. Karnal-Ringroad Private Limited	Subsidiary	100%	Yes
8	H.G. Varanasi-Kolkata PKG-10 Highway Private Limited	Subsidiary	100%	Yes
9	H.G. Varanasi-Kolkata PKG-13 Private Limited	Subsidiary	100%	Yes
10	H.G. Foundation (Section 8 Company of the Companies Act, 2013)	Subsidiary	100%	Yes
11	H.G. Solar Projects Private Limited	Subsidiary	100%	Yes
12	HGIEPL- MGCPL JV	Jointly controlled operations	30%	Yes
13	Safety First Engineering Private Limited	Associate	26%	Yes
14	M/s Safety First (Partnership Firm)	Associate	26%	Yes
15	Norangdesar Solar Developer Private Limited	Step down subsidiary	49%	Yes
16	Rasisar Solar Developer Private Limited	Step down subsidiary	49%	Yes

Note: Holding, Subsidiary and Associate Companies (including Jointly Controlled Operations) are as of 31st March 2024.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) 51,217.44 million INR

(iii) Net worth (in ₹) 23,184.93 million INR

VII. 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 web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	**NA**
Investors (other than shareholder)	Yes	0	0	NA	0	0	**NA**
Shareholders	Yes	0	0	NA	2	0	**NA**
Employees and workers	Yes	0	0	NA	0	0	**NA**
Customers	Yes	0	0	NA	0	0	**NA**
Value Chain Partners	Yes	0	0	NA	0	0	**NA**

Note: The Company has established a grievance redressal mechanism for all the stakeholders to report all kind of grievances. This procedure is hosted on the Company's official website - https://hginfra.com/pdf/grievance_redressal_procedure_v2.pdf

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.

S. 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	**Climate change**	R/O	**Risk -.** HGIEL's projects are located in India while the country is experiencing more frequent extreme weather events attributable to climate change. **Opportunity –** Climate Action motivates the Company to contribute to this global issue positively by adapting climate-resilient infrastructure and resource-efficient technologies.	The company is adopting measures related to resource efficiency, waste minimization, and carbon reduction to minimize the impacts of climate change by regularly tracking its environmental footprints. To implement these measures, HGIEL has imparted trainings to sensitize all the employees on climate change and its impact on businesses.	P/N

S. 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)
2	**GHG,Air Emission and Renewable Energy**	R/O	**Risk –** Construction and infrastructure sectors are one of the highest contributors to carbon emissions, significantly driving climate change. **Opportunity –** Reduction in emissions provides recognition to the company among its peers and stakeholders. Availability of Renewable energy has significantly increased, many projects and lower tariffs, hence it will be cost advantage to HGIEL. Shifting to RE helps combat climate change risks. The company shall improve its environmental footprint by fostering innovation in the space of energy. Investors seek companies with less carbon footprint.	The company will gradually move towards adopting renewable sources of energy, such as solar-powered electrical appliances, in its corporate offices and site offices.	P/N
3	**Biodiversity & Land Use**	R	Since the Company is involved in the construction of roads and highways, loss of local biodiversity due to land clearance and change in land use along the highway post-construction is an associated risk. There are regulatory compliance requirements as well as potential social concerns on account of damage to natural habitats for the local flora and fauna. Availability of the necessary clearances with the project developer is important to avoid delays/disruption.	Company monitors that all regulatory approvals by the forest and wild life department are obtained by the project developer, and reviews compliance periodically. The company has incorporated the mission of biodiversity enhancement as its CSR strategy and has successfully planted 1,00,000 trees this financial year.	N

S. 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)
4	**Water, waste & hazardous material management**	R/O	**Risk—**The construction business requires water from various sources and generates waste, such as hazardous waste, construction and demolition, etc. Ineffective waste management practices and unaccountable water consumption might result in non-compliance with legal rules and lead to adverse environmental impacts. **Opportunity—**The company can adapt the 3 R concept of reduce, reuse, and recycle, which will contribute to environmental conservation.	The company has adopted an integrated waste management plan. With respect to water conservation following actions are taken by the Company: Company has designed a drainage system for the construction camps at the project sites to collect wastewater and stormwater. The company has also installed sewage treatment plants (STPs) at project sites. Reutilization of treated water for batching plant and landscaping development at the construction camp.	P/N
5	**Compliance management**	R	Non-compliance may result in fines/ penalties which will lead to reputational risk.	The company has a dedicated Compliance Team to look after all the compliances.	N
6	**Sustainable supply chain**	R/O	**Risk and Opportunity -** Procuring goods and services from a sustainable value chain fulfils the organization's overall commitment towards sustainability and dependencies across the entire life cycle of a product or service.	The company has developed a Sustainable Sourcing Policy and Supplier Code of Conduct which covers environment, health & safety, human rights and governance parameters that have to be adhered by the suppliers during the engagement with the Company.	P/N
7	**Labour standards & working conditions**	R	Poor labour standards and practices/ conditions might result in health & safety issues and also attract fines/ penalties/ court cases and eventually lead to reputational risk.	No instances of unethical labour practices have been reported as a result of the successful implementation of the Company's policy on employment rights and standard practices. This policy covers labour legislation and human rights and also extends to suppliers.	N

S. 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)
8	**Anti-corruption & anti-bribery**	R	A reported instance of anti-corruption and anti-bribery results in damage to the brand and a downfall in share price. It may also lead to exclusion from potential business opportunities and liability to pay hefty fines.	The company has developed and implemented the ABC Policy. Whistle Blower Mechanism has also been adopted by the Company. Effective implementation of ABC policy is not only a risk-preventative or remedial measure but can also help businesses combat any regulatory risk.	N
9	**Occupational health & safety**	R	HGIEL is into the construction business which is labour intensive and poor occupational health and safety (OHS) performance directly affects labour costs by lowering productivity. Furthermore, it can harm the Company's brand and raise operating costs through penalties and other contingent liabilities.	The company has adopted and implemented the following risk management practices across all the projects: • Hazard Identification and Risk Assessment (HIRA) • Master Risk Register • Risk Assessment Method statements activity-wise • Job Safety Analysis • Health & Safety Trainings	N
10	**Diversity, Equity & Inclusion (DEI),**	R/O	**Risk –** Lack of workforce management and diversity may decrease productivity within the organization. Instances of inequality and discrimination lower employee morale and attract fines/penalties, leading to reputational risk. **Opportunity –** DEI and workforce management help in booming the work culture of the company, which increases productivity.	With the effective implementation of the company's Code of Business Conduct and Ethics, no instances of discrimination at the workplace were reported. This code covers parameters on equal opportunity and diversity. The company's policy on employment rights and standard practices guarantees an accommodative work environment for all employees.	P/N

S. 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)
11	**Skilled manpower, Talent management, attraction, retention and development**	O	Skilled manpower and effective talent management enhances a company's capacity by utilizing skills to enhance productivity within the workplace serving as one of the key pillars of human capitalization. HGIEL organizes various skill-upgradation programs and sessions for employees with the help of its Learning and Development team for development of employees.	-	P
12	**Human rights & grievances**	R	Construction companies depend on contract labourers and unskilled manpower for their operations, which are followed by instances of human rights breaches, such as child labour, forced labour, non-payment of minimum wages, etc.	The company has zero tolerance for human rights infringement. Hence, it has established a system within the organization to protect the human rights of all its stakeholders. This system comprises HGIEL's policy on employment rights and standard practices, supplier code of conduct, and grievance redressal mechanism. There were no reportable incidences of human rights breaches in the company with the successful implementation of this system.	N
13	**Community engagement & impact**	O	Frequent and constructive engagement with the local community through CSR initiatives provides an affirmative outlook on social license to operate.	-	P

SECTION B: MANAGEMENT & PROCESS DISCLOSURE

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

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

PRINCIPLE 2 - Businesses should provide goods and services in a manner that is sustainable and safe

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

PRINCIPLE 4 - Businesses should respect the interests of and be responsive to all its stakeholders

PRINCIPLE 5 - Businesses should respect and promote human rights

PRINCIPLE 6 - Businesses should respect and make efforts to protect and restore the environment

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

PRINCIPLE 8 - Businesses should promote inclusive growth and equitable development

PRINCIPLE 9 - Businesses should engage with and provide value to their consumers in a responsible manner

Policy and management processes

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
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	**All policies can be accessed on the official web page of H G Infra Engineering Limited.** (Link: https://hginfra.com/investors-relation.html)								
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, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	N	N	Y	N	N	Y	N	N	Y
	HGIEL is certified to ISO 9001, ISO 14001, and ISO 45001 standards for Quality, Environment, and Health & Safety management systems, respectively.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Please refer to Note 1								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									

Note:1

NGRBC Principle	Target Statement	Performance
Principle 1	Mandatory training on Anti-corruption and Bribery, categorized by New Joiners, Junior Management, Middle Management, and Senior Management.	The mandatory training on Anti-Corruption and Bribery has increased from 58%(FY 2022-23) to 93%(FY 2023-24).
Principle 3	To increase average training hours per employee by 20% annually	Average training hours per employee has increased by 30% (from 5Hrs. to 6.5 Hrs.).
Principle 5	Mandatory topics on Human rights and grievances will be covered under training for of employees of HGIEL.	The mandatory topic training target for employees has increased from 58%(FY 2022-23) to 91% (FY 2023-24).
Principle 6	HGIEL has the target to increase biodiversity by planting trees every year and monitoring the sapling survival rate.	The target of planting 1,00,000 trees has been achieved for FY24.

Governance, Leadership and Oversight

7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).**

   HG Infra Engineering Limited (HGIEL) has witnessed another successful year in building a sustainable future and driving excellence in the construction sector. HGIEL's sustainable initiatives and practices have been vital to its business.

   In upcoming years HGIEL will strive to achieve resource efficiency, waste minimization, and carbon footprint minimization across all project sites in line with its environmental goals and targets. Through innovative ideas and a robust monitoring mechanism, HGIEL has made efforts to reduce its environmental impacts significantly. HGIEL and its employees have put in their best efforts to practice sustainability across its operations and project sites. HGIEL is also exploring different renewable energy options to integrate into its operations in upcoming years.

   HGIEL's commitment towards social responsibility and community developmental initiatives is admirable. Under its CSR initiatives, HGIEL has undertaken rural development projects, education and skill development initiatives, and different environmental sustainability initiatives.

   HGIEL also ensures the holistic development of its employees for the company's continuous growth. Consistently, HGIEL has prioritized the health, safety, and well-being of employees. Regular health and safety training and other internal training sensitizing employees on ESG were imparted throughout this year.

   HGIEL always believes in maintaining a high standard of governance and transparency among its stakeholders, which is fundamental to every successful business. HGIEL is committed to upholding ethical and transparent business practices in dealings with its clients.

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

   The Company's board is the highest authority to approve all policies based on NGRBC principles. However, the company's ESG Council comprising various department heads (Techno commercial, Operations, Human Resources & Administration, Plant and machinery) is responsible for implementing and monitoring these policies. The Council is also responsible for updating the policies from time to time and obtaining the Board's approval.

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 Board of the Company is responsible for decision-making on sustainability-related issues. However, there is an ESG council to assist the Board.

   ESG Council is comprised of various department heads **(Finance & Accounts, Operations, Human Resources & Administration)** of the Company. **The roles and responsibilities of the ESG council, among others, are to:**

   - Develop ESG strategy, ensure objectives of ESG activities, and monitoring & reporting of key ESG matrices.
   - Monitor and review current and emerging ESG trends, relevant national/ international standards and legislative requirements; identify how these are likely to impact the strategy, operations, and reputation of the Company; and determine whether and how these are incorporated into or reflected in the company's ESG policies and objectives.

- Approve all internal and external ESG reporting, including information to be included in the annual report and Business Responsibility and Sustainability Reporting (BRSR)
- Appraise the Board on ESG matters.

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)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	ESG Policies of the company are reviewed periodically by the ESG Council. The policies are evaluated to determine their effectiveness in accordance with the latest developments in ESG space pertaining to applicable national/international standards and legislative requirements. If required, appropriate changes are made to the policies and it is duly communicated to all the stakeholders.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The ESG Council ensures compliance with statutory requirements during the review of the policies. Any new amendment/development in the ESG space is incorporated into the existing policy to avoid any form of non-compliance.																	

11. 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.

P1	P2	P3	P4	P5	P6	P7	P8	P9
N	N	N	N	N	N	N	N	N

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	The company has formulated policies in accordance with nine NGRBC principles. Kindly refer to the explanation of Question 1a, Section B of BRSR.								

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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	0	NA	0%
Key Managerial Personnel	0	NA	0%
Employees other than BoD and KMPs	195	Employee Code of conduct, Ethical work practices, Insider Trading etc. Positive approach towards their job responsibilities and policy awareness.	92%
Workers	12	Businesses should respect and promote human rights	11%

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 (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	0	Nil	No
Settlement	Nil	Nil	0	Nil	No
Compounding fee	Nil	Nil	0	Nil	No
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil		No
Punishment	Nil	Nil	Nil		No

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.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

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 an Anti-Corruption & Anti-Bribery Policy. HGIEL acknowledges its responsibility to lead by example and the need to put in place safeguards, integrity, frameworks and code of ethics to ensure that the company is not part of any corrupt practice. HGIEL tackles instances of corruption with the utmost strictness.

The ABC policy is applicable to all employees, agents, contractors, suppliers, and anyone else who acts on behalf of the Company. It is being hosted on the Company's official website – https://hginfra.com/pdf/anti_corruption_anti_bribery_policy_v2.pdf

The policy propagates 'zero tolerance' by prohibiting all possible forms of bribery and corruption, such as:

- Offering, giving, or accepting any bribe or other improper benefit, whether in cash or in kind.
- Making or receiving payments or gifts to/from government officials, political parties, candidates for public office, or any other person, with the intention of influencing their decision or gaining an unfair advantage.
- Providing false or misleading information to any person, including auditors, regulators, or law enforcement agencies.
- Engaging in any other corrupt or unethical practices, such as kickbacks or embezzlement.

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 were no Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption in FY 23-24 and FY 2022-23.

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

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Director	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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.

There were no cases of corruption or conflict of interest for this reporting period. Hence, no such corrective actions are being 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.

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	73	77

9. Open-ness of business

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

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	44.05%	55.22%
	b. Number of trading houses where purchases are made from	1375	1262
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	14.20%	15.30%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0%	0%
	b. Number of dealers / distributors to whom sales are made	0%	0%
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	0%	0%

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	6.94%	2.08%
	b. Sales (Sales to related parties / Total Sales)	0.00%	0.01%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	86.85%	95.81%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

Note : Trading Houses- Any party which is not directly involved in the production of the product/material supplied.

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.**

	Current FY 23-24	Previous FY 22-23	Details of improvement in environmental & social impacts
R&D	During the years, the company has not spent any amount towards research & development activity.	During the years, the company has not spent any amount towards research & development activity.	NA
Capex	1.00%	2.19%	NA

Note - The data for FY 22-23 has been restated basis revised procedure adopted by the company during FY 23-24.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company has a Sustainable Sourcing Policy in place which emphasizes upon adoption of sustainable practices in the supply chain. The company also has a Supplier Code of Conduct in place complementing the implementation of the Sustainable Sourcing Policy.

The Sustainable Sourcing Policy and Supplier Code of Conduct is available on the Company's website.

Those can be accessed at: Sustainable Sourcing Policy (hginfra.com) and supplier_code_of_conduct_v2.pdf (hginfra.com)

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

Yes, the company has sourced 82% of inputs sustainably.

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.**

Not Applicable

The Company is into the business of constructing and developing heavy civil infrastructure. Hence does not have any product to reclaim at the end of life.

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.**

Not Applicable

The company does not fall under the ambit of Extended Producer Responsibility (EPR), as per the E-Waste Management Rules (2016, 2018 and 2023), the Plastic Waste Management Rules 2016 and the Battery Waste Management Rules 2022 formulated by the Central Government. The company's business involves the construction and maintenance of roads, highways, bridges, fly-overs and other infrastructure works. No consumer products are manufactured by the company involving plastic, electrical components, and batteries. Hence, Extended Producer Responsibility (EPR) is not applicable.

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS.

Essential indicators

1. **Well-being:**

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

Category	% Of employees covered by										
	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	1789	1661	92.85	1789	100	NA	NA	1789	100	0	0
Female	37	33	89.19	37	100	37	100	NA	NA	0	0
Total	**1826**	**1694**	**92.77**	**1826**	**100**	**37**	**2.03**	**1789**	**97.97**	**0**	**0**
Other than Permanent Employees											
Male	106	19	17.92	106	100	NA	NA	106	100	0	0
Female	6	1	16.67	6	100	6	100	NA	NA	0	0
Total	**112**	**20**	**17.86**	**112**	**100**	**6**	**5.36**	**106**	**94.64**	**0**	**0**

*NA- Not Applicable

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

Category	% Of workers covered by										
	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	3022	1429	47.29	3022	100	0	0	3022	100	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**3022**	**1429**	**47.29**	**3022**	**100**	**0**	**0**	**3022**	**100**	**0**	**0**
Other than Permanent workers											
Male	1745	0	0	1745	100	0	0	1745	100	0	0
Female	6	0	0	6	100	6	100	0	0	0	0
Total	**1751**	**0**	**0**	**1751**	**100**	**6**	**0.34**	**1745**	**99.66**	**0**	**0**

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	0.12%	0.06%

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

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
ESI	7.2	52.5	YES	42.8	56	YES
PF	95.4	99.5	YES	95.8	63	YES
Gratuity	100	100	YES	100	100	YES
Others please specify	-	-	-	-	-	-

Note: The data for FY 22-23 has been revised basis revision to the monitoring procedure.

Comment: The earnings for employees exceeded the minimum threshold criteria for providing ESI benefits, hence a year-on-year decrease in the % of ESI beneficiaries. We practice transparent performance appraisal system and aim to exceed the best in industry remuneration criteria.

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, HGIEL committed to ensuring compliance with the requirements of the Rights of Persons with Disabilities Act, 2016, and strive to provide an inclusive and accessible environment for all.. The Company has adopted the requirement within all future project sites including adequate facilities and arrangement to help the differently abled people.

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 part of its Code of Business Conduct and Ethics which is being hosted on the Company's website- http://hginfra.com/pdf/code_of_business_conduct_ethics_23.pdf

HGIEL has zero tolerance towards discrimination and is committed to providing equal opportunities to all employees, including those who are specially-abled. HGIEL believes that every employee, regardless of their physical or mental abilities, can make valuable contributions to the organization. HGIEL strives to create an inclusive workplace environment that accommodates the needs of all employees, including those who are specially-abled.

Specially-abled employees are provided with reasonable facilities enabling them to perform at their best ability. HGIEL provides a conducive environment to understand needs of employees and identify appropriate facilities, such as modified work schedules, assistive technologies, or physical modifications to the workplace.

HGIEL ensures that employees who are specially-abled are treated with dignity and respect, and that they have access to the same opportunities for career development and advancement as all other employees.

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	100%	100%	100%	100%
Female	0	0	0	0
Total	**100%**	**100%**	**100%**	**100%**

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, the Company has a comprehensive and robust Grievance Redressal Procedure for all the stakeholders, which is hosted on the Company's website. The company is committed to providing a conducive platform to all employees where all grievances are fairly dealt with. This procedure provides a definition of grievance covering any kind of discontent, complaint, and dissatisfaction. According to the procedure, there are four modes of reporting grievances – complaint register, suggestion box, letter, and email. This procedure promises resolution to the complainant within 45 working days. The procedure also defines the roles and responsibilities of the Grievance Redressal Committee (GRC) and Grievance Redressal Officer (GRO). The entire grievance procedure is communicated to all the employees and other stakeholders periodically. A summary flow-chart of this procedure is also affixed at the conspicuous spaces of the operational areas of the Company. Link for Grievance Redressal Procedure : Grievance Redressal Procedure (hginfra.com)

7. **Membership of employees & workers in association(s) or Unions recognized by the listed entity:**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employee	**1826**	**0**	**0**	**1656**	**0**	**0**
Male	1789	0	0	1623	0	0
Female	37	0	0	33	0	0
Total Permanent Workers	**3022**	**0**	**0**	**2378**	**0**	**0**
Male	3022	0	0	2378	0	0
Female	0	0	0	0	0	0

8. **Details of training given to employees & workers:**

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and Safety Measures		On Skills upgradation		Total (D)	On Health and Safety Measures		On Skills upgradation	
		No. B	% (B/A)	No. C	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
					Employees					
Male	1895	1895	100	1539	81.21	1771	1771	100	730	41.22
Female	43	0	0	42	97.67	38	12	31.57	32	84.21
Total	**1938**	**1895**	**97.78**	**1581**	**81.58**	**1809**	**1783**	**98.56**	**762**	**42.12**
					Workers					
Male	4767	4767	100	0	0	5274	5274	100	2342	44.41
Female	6	6	100	0	0	8	8	100	0	0
Total	**4773**	**4773**	**100**	**NA**	**NA**	**5282**	**5282**	**100**	**2342**	**44.34**

Note: The data for FY 22-23 has been revised basis revision to the monitoring procedure.

9. **Details of performance & career development reviews of employees & workers:**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
		Employees				
Male	1895	1574	83.06	1771	1061	59.91
Female	43	28	65.12	38	23	60.53
Total	**1938**	**1602**	**82.66**	**1809**	**1084**	**59.92**
		Workers				
Male	4767	3380	70.90	5274	2426	46.00
Female	6	0	0.00	8	0	0
Total	**4773**	**3380**	**70.82**	**5282**	**2426**	**45.93**

Note: The data for FY 22-23 has been revised basis revision to the monitoring procedure.

10. **Health and safety management system:**

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

Yes, HGIEL has diligently integrated an occupational health and safety management system into its operations. This comprehensive system encompasses a spectrum of measures to foster a secure working environment for its workforce. These measures entail not only ensuring the physical safety of the workplace but also encompassing robust protocols for employee training in safety procedures. Moreover, the company conducts routine safety inspections, and internal and external audits to identify potential hazards or risks, ensuring proactive mitigation strategies are promptly implemented. This steadfast commitment to occupational health and safety underscores HGIEL's dedication to the well-being and security of its employees.

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

At HGIEL, the process of hazard identification is a nuanced blend of detective work and collaborative brainstorming sessions. This multifaceted approach involves a series of meticulously planned steps, including regular and systematic inspections to proactively uncover potential hazards. Additionally, the company actively solicit input from its valued employees, recognizing their firsthand knowledge and experiences as invaluable resources in hazard detection. Furthermore, the company leverage data analysis of past incidents to glean insights into emerging patterns or recurring issues. Subsequently, each identified hazard undergoes a rigorous evaluation, where it meticulously assesses both the probability of occurrence and the potential severity of its impact. This comprehensive risk assessment enables it to make informed decisions regarding the most appropriate course of action, ensuring that, its response strategies are both effective and proportionate to the identified risks.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes. HGIEL has established structured procedures to empower its workers to report any work-related hazards they encounter. The company ensures that every employee has access to channels where they can easily and promptly communicate any potential risks they observe during their work. Additionally, the company prioritize the well-being of its workforce by granting them the autonomy to remove themselves from situations where they perceive imminent danger or hazards. This proactive approach underscores its commitment to fostering a culture of safety and empowerment within the organization, where every individual's voice is valued, and their safety is paramount.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes., At HGIEL, the company prioritize the well-being of its employees not only within the confines of the workplace but also extends its support to their overall health outside of work. The company's comprehensive employee benefits package includes access to a range of non-occupational medical and healthcare services. This encompasses provisions for regular check-ups, preventive screenings, and medical consultations aimed at promoting holistic wellness among our work-force. Additionally, the company provides resources and support networks to assist employees in navigating healthcare systems and accessing necessary medical interventions when needed. By offering these services, the company aims to demonstrate its commitment to the health and welfare of employees beyond their professional duties, fostering a culture of care and support within the organization.

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

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.07	0.08
Total recordable work-related injuries	Employees	0	0
	Workers	3	1
No. of fatalities	Employees	0	0
	Workers	3	2
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including the contract workforce

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

At HGIEL, safeguarding the well-being of employees is paramount, and it employ a multifaceted approach to ensure a safe and healthy workplace environment. This approach encompasses various proactive measures aimed at fostering a culture of safety and wellness within the organization.

First and foremost, the company prioritize ongoing safety training initiatives to equip its workforce with the knowledge and skills necessary to identify and mitigate potential hazards effectively. Through regular training sessions, company empower its employees to recognize risks and adhere to best practices in maintaining a safe working environment.

Additionally, the company provide all necessary safety equipment and resources to employees, ensuring they have the tools they need to perform their duties safely and efficiently. This includes personal protective equipment (PPE), ergonomic tools, and any specialized gear required for specific tasks.

Furthermore, HGIEL's commitment to safety extends to conducting routine safety inspections and audits to identify and address any potential hazards or compliance issues promptly. These inspections are carried out systematically, with a focus on proactive hazard prevention and continuous improvement.

Open communication is also a cornerstone of its safety culture, and the company actively encourage employees to report any safety concerns or hazards they encounter. By fostering an environment where employees feel empowered to voice their concerns without fear of reprisal, it can address issues proactively and collaboratively.

In addition to company's focus on physical safety, it recognize the importance of promoting overall health and wellness among workforce. To support this, HGIEL offer health and wellness programs that encompass initiatives such as fitness classes, nutritional guidance, stress management workshops, and access to healthcare resources.

Lastly, HGIEL is committed to promptly addressing any safety concerns raised by its employees, taking swift and decisive action to resolve issues and prevent recurrence. By prioritizing the safety and well-being of employees through these comprehensive measures, the company strive to create a workplace where everyone can thrive and contribute to its collective success.

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

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

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% (as per Monthly Activity Planner)
Working Conditions	100% (as per Monthly Activity Planner)

Note: The Company has an internal dedicated team to assess health & safety practices and working conditions in regular interval of time.

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

HGIEL responds to safety incidents by conducting thorough investigations to understand what happened and why to take action to prevent similar incidents from occurring again. This involves updating safety protocols, providing additional training, or making changes to equipment or procedures. HGIEL also regularly assesses health and safety practices and working conditions, addressing any significant risks or concerns promptly to maintain a safe environment for all employees.

In addition, HGIEL circulates incident alerts to share lessons learned from safety-related incidents. This helps to raise awareness among employees and prevent similar incidents from happening in the future.

Leadership indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employee (Y/N), (B) Workers (Y/N).

Workers are covered under our WC (Workmen Compensation) policy and employees are covered under our GPA (Group Personal Accident) policy. (A group term insurance having coverage of sixty times of gross salary is further announced and came into effect in Q4FY24)

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.

The company has formulated and adopted a stakeholder engagement plan to establish a conducive engagement system within the organization.

The stakeholder engagement plan is comprised of four steps:

a. Identification of stakeholders

b. Mapping of stakeholders on influence/ interest grid

c. Formulation of a communication plan

d. Feedback from stakeholders to revise the plan as and when needed.

The company has identified stakeholders according to the gravity of influence they hold on to the business. Stakeholders were mapped by the ESG Council in consultation with the HGIEL board members. Stakeholders of HGIEL are both an internal as well as external part of the organization. Internal stakeholders are employees, contractual workers, board members and the leadership team. External stakeholders are investors, lenders, customers/ clients, vendors/ suppliers, regulatory authorities, and the community.

The importance of the stakeholders to the business of the company is as follows:

S. No.	Stakeholder Group	Importance
1	Investors	Investors provide financial capital that enables the sustainable growth of HGIEL.
2	Lenders	Lenders provide debt capital for the expansion of HGIEL's business activities.
3	Customers/ Client/ Users/ Commuters	Customers/ Clients/ Users/ Commuters are bedrock for our growth as a Company. Their dissatisfaction may cause reputational risk. Hence, positive feedback is pivotal to the operations & maintenance.
4	Employees & Contractual Workforce	Employees and contractual workforce form the backbone of our business activities and play an important role in improving productivity, efficiency and boost our profits.
5	Government / Regulatory Authorities	HGIEL gets access to a quantum of projects through government/ regulatory authorities; they also provide operating licenses and impose regulatory measures.
6	Society (includes Local Communities & NGOs)	Society (local communities & NGOs) provides a better socio-economic context in our operating environment to ensure the long-term viability of our business activities. They also enable better implementation of our environment and social initiatives.
7	Vendors and Suppliers	Suppliers & vendors help us develop our business ecosystem, support our sustainability initiatives and create shared value.
8	Board of Directors & Leadership	Board of Director and leadership ensures the prosperity of HGIEL through collective direction of the Company's affairs whilst meeting the appropriate interests of our stakeholders and shareholders.

2. **List stakeholder groups identified as key for your entity & the method, frequency & purpose of engagement with each stakeholder group.**

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Employees & Contractual Workforce	No	- Training and seminars - Meetings & Reviews - HR programs - Employee satisfaction surveys - Departmental meetings - Townhall meetings - Quarterly Management communication	Periodically	- Work-life balance - Transparent appraisal and promotion policy - Stability of internal policy - Fair remuneration structure - Career Development Plan
Investors	No	- Scheduled investor meets - Quarterly results call	Quarterly	- Growth and profitability of Infra projects - Better communication about progress on Company targets - Discussion on future plans
Lenders	No	- Periodic Meetings - Consortium Meeting	Periodically	- Financial status of Client companies - Increased disclosure on Environment, Social and Governance (ESG) aspects
Clients	No	- Formal and informal feedback - Written communication	Periodically	- Quality and reliability of our service in construction & infra projects - Improved notifications of disruption, failures or maintenance for customer transparency - Future business plan
Government Regulatory / Authorities	No	- Scheduled meetings - Regular liaising - Industry Forums	Periodically	- Climate change awareness and alignment to Nationally Determined Contributions (NDC) - Timely compliance as per regulation
Society (Includes Local Communities & NGOs)	Yes	- Project-based stakeholder meets - Participation in CSR activities - Periodic meetings	Periodically	- Increased infrastructure for community members - Ethical business practices - Increased community involvement in social welfare - Transparency in business practices and their impacts

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Vendors and Suppliers	No	- Regular Supplier/ Vendor meets - Contract revision and negotiation meetings	Periodically	- Formal supplier assessment to verify ESG performance - Increased awareness for partnering in green initiatives
Board of Directors & Leadership	No	- Scheduled Board meetings - Scheduled and special Board Committee meeting	Periodically	- Diversification of business in Infra projects for grabbing competitive advantage in various business sectors - Focus on customer-centric policies and ethical billing - Proactive interaction with investors for ESG initiatives and strategy - Periodic review of perceived risks and impact of CSR activities - Implementation of procedures & systems

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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1826	1452	79.52	1771	730	41.22
Other than permanent	112	101	90.18	38	32	84.21
Total Employees	**1938**	**1553**	**80.13**	**1809**	**762**	**42.12**
Workers						
Permanent	3022	545	18.03	5274	2342	44.41
Other than permanent	1751	0	0.00	8	0	0
Total Workers	**4773**	**545**	**11.42**	**5282**	**2342**	**44.34**

Note - The data for FY 22-23 has been revised basis revision to the monitoring procedure.

2. **Details of minimum wages paid to employees and workers in the following format:**

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C/A)		No. (E)	% (E / D)	No. (F)	% (F /D)
Employees										
Permanent	**1826**	**47**	**2.57**	**1779**	**97.43**	**1656**	**36**	**2.17**	**1620**	**97.83**
Male	1789	45	2.52	1744	97.48	1623	36	2.22	1587	97.78
Female	37	2	5.41	35	94.59	33	0	0.00	33	100.00
Other than Permanent	**112**	**0**	**0.00**	**112**	**100.00**	**153**	**67**	**43.79**	**86**	**56.21**
Male	106	0	0.00	106	100.00	148	67	45.27	81	54.73
Female	6	0	0.00	6	100.00	5	0	0.00	5	100.00
Workers										
Permanent	**3022**	**529**	**17.50**	**2493**	**82.50**	**2378**	**109**	**4.58**	**2269**	**95.42**
Male	3022	529	17.50	2493	82.50	2378	109	4.58	2269	95.42
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	**1751**	**700**	**39.98**	**1051**	**60.02**	**2904**	**1107**	**38.12**	**1797**	**61.88**
Male	1745	700	40.11	1045	59.89	2896	1107	38.23	1789	61.77
Female	6	0	0.00	6	100.00	8	0	0.00	8	100.00

3. **Details of remuneration/ salary/ wages:**

a. **Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Million INR/Year)	Number	Median remuneration/ salary/ wages of respective category (Million INR/Year)
Board of Directors (Executive Directors)	3	18.00	-	-
Key Managerial Personnel	1	5.28	1	1.36
Employees other than BoD and KMP	1,785	0.48	36	0.54
Workers	3,022	0.18	-	-

Note: Other than permanent employees and workers' remuneration is not considered here.

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

	2023-24 Current Financial Year	2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	1.34%	1.17%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/ No).**

Yes, Grievance Redressal Officer appointed through Grievance Redressal Procedure is the focal point responsible for addressing human rights impacts or issues caused or contributed to by the business. There are different mechanism developed keeping in mind the accessibility of different stakeholders. All the issues are address and resolved in a time bound manner under the supervision of Grievance Redressal Committee.

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

The company has a Grievance Redressal Procedure (GRP) in place to address any form of grievances raised by the stakeholders. This procedure also serves as a medium to report breaches of human rights within the organization. This procedure encourages each stakeholder to raise their voices against any instance of human rights breach within the organization. It is hosted on the Company's website.

Grievances pertaining to infringement of human rights are reported formally to the Grievance Redressal Officer (GRO). The GRO will acknowledge the grievance and refer the same to the concerned function within a period of fifteen working days. In case of conflict between parties (the griever and concerned function), the grievance will be further investigated by the GRC. Based on the investigation and feedback, the GRC will take appropriate measures within fifteen working days. The entire process of grievance redressal will be completed within 45 working days.

Apart from GRP, the company has a PoSH policy and constituted ICC to redress PoSH-related grievances.

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

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

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

	2023-24 Current Financial Year	2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

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

The Prevention of Sexual Harassment (PoSH) Policy of the company facilitates a mechanism where the complainant can raise their concerns without any hesitation or fear.

The company also has a "Whistle-blower Policy", which encourages stakeholders to bring to the Company's attention instances of unethical behavior, discrimination, harassment, actual or suspected incidents of fraud or violation of the Code of Conduct that could adversely impact the Company's operations, business performance and/or reputation. The Company investigates such reported incidents in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No).

Yes, the business agreements and contracts of the company contain clauses on human rights requirements.

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	NA

Note: The assessments were carried out by HGIEL internally.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

As of now, there were no reported incidents of human rights breach across all the project sites of the Company. There were no reported instances of child labour and sexual harassment at workplace.

Leadership indicators

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?

The company is committed to ensuring compliance with the requirements of the Rights of Persons with Disabilities Act, 2016, and strives to provide an inclusive and accessible environment for differently-abled individuals.

It has made necessary modifications to office premises, including the installation of ramps, widening of doorways, and ensure accessible restroom facilities, to remove physical barriers. Accessible parking spaces have been designated for differently-abled visitors, located conveniently close to the entrance. Our Employees are trained to assist differently-abled visitors and are aware of their responsibilities in providing support and ensuring accessibility.

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:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From non-renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**0**	**0**
From non-renewable sources (in Gigajoules)		
Total electricity consumption (D)	68821.89	34174.25
Total fuel consumption (E)	1115079.5	978588.25
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	**1183901.39**	**1012762.50**
Total energy consumed (A+B+C+D+E+F)	**1183901.39**	**1012762.50**
Energy intensity per rupee of turnover (Total energy consumed in GJ / Revenue from operations in million INR)	28.96	22.92
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed in GJ / Revenue from operations adjusted for PPP)*	0.0005	0.0005
Energy intensity in terms of physical output (Total energy consumed in GJ/ Total Lane KM constructed)	931.89	753.66
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2023 by the World Bank for India which is 20.22.(weblink-https://data.worldbank.org/indicator/PA.NUS.PPP?end=2022&skipRedirection=true&start=2022&view=map)

Note: The data for FY 22-23 has been revised basis revision to the monitoring procedure. The data reported is for the 41 projects under construction during FY 23-24 and HGIEL's 4 offices in India.

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.

No.

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, the company does not have any sites identified as designated consumers under the PAT scheme.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	11,64,597.0	4,66,266.4
(ii) Groundwater	2,90,830.7	2,04,339.9
(iii) Third-party water	6,35,772.2	1,96,254.0
(iv) Seawater / desalinated water	-	-
(v) Others	1,58,232.8	1,25,334.2
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	22,49,432.7	9,92,194.5
Total volume of water consumption (in kilolitres)	22,49,432.7	9,92,194.5
Water intensity per rupee of turnover (Total water consumption in KL/ Revenue from operations in million INR)	43.9	22.5
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption in KL/ Revenue from operations adjusted for PPP)	0.001	0.0005
Water intensity in terms of physical output (Total water consumption IN KL/ Total Lane KM Constructed)	1770.60	738.36
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: The data for FY 22-23 has been revised basis revision to the monitoring procedure.

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.

No.

4. **Provide the following details related to water discharged:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**0**	**0**

Note: The treated water from STPs are used in activities such as dust suppression, gardening, vegetation etc.

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.

No.

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

All the project sites of the company have STPs. The company utilizes treated water for dust suppression at project sites. The company do not produce any process-related effluents in its operations.

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

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	Tons/year	22.5	28.2
SOx	Tons/year	4.9	0.7
Particulate matter (PM)	Tons/year	1.6	2.5
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

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.

No.

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	81337.5	72890.5
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	13668.79	6787.4
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in million INR)	tCO2 per Million Rupees	1.85	1.8
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	0.00004	0.0004
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope GHG emissions/ Total Lane KM Constructed)	-	74.78	59.29
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.

No.

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

FUEL CATALYST: Fuel Catalyst reformulates gasoline, diesel, fuel oil, propane and natural gas causing the reformulated fuels to produce more energy during combustion than these fuels otherwise would.

CPCB IV DG SET: Upgraded with Selective Catalytic Reduction (SCR) Technology to reduce pollution of toxic gases i.e. SOx, NOx, COx.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	103.44	57.28
E-waste **(B)**	0.59	0
Bio-medical waste **(C)**	0	0
Construction and demolition waste **(D)**	16.20	0
Battery waste **(E)**	21.00	29.29
Radioactive waste **(F)**	0	0
Other Hazardous waste		
Used Lube Oil **(G)**	98.39	61.11
Used Filters **(G)**	11.74	15.30
Chemical **(G)**	1.05	0.0
Other Non-hazardous waste generated		
Metal Scrap **(H)**	5296.64	4280.93
Paper & Hard board **(H)**	1.07	10.10
Wooden **(H)**	63.52	0.0
Tyre (Quantity in Number) **(H)**	5193.00	5458.00
Rubber/Tube **(H)**	8.90	31.34
Total (A+B + C + D + E + F + G + H)	**5622.53**	**4485.33**
Waste intensity per rupee of turnover (Total waste generated in MT/ Revenue from operations in million)	.11	.10
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated in MT/ Revenue from operations adjusted for PPP)	0.000002	0.000002
Waste intensity in terms of physical output (Total Waste generation/ Total Lane KM Constructed)	4.43	3.34
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	-	-
Plastic waste **(A) (MT)**	5.28	2.72
E-waste (B) (MT)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E) (MT)	0.13	0.09
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. (Used Oil) (G) (MT)	28.86	18.53
Other Non-hazardous waste (H)		
Metal Scrap (MT)	39.00	4.23
Tyre (Quantity in Number)	609	613

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Paper & Hardboard	0	0
Wooden	0	0
Rubber/Tube (MT)	0.03	0.11
(iii) Other recovery operations	-	-
Total	**73.30**	**25.67**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Sold	-	-
Plastic waste (A) (MT)	80.13	52.25
E-waste (B) (MT)	0.55	0.0
Bio-medical waste (C)	0	0.0
Construction and demolition waste (D) (MT)	16.20	0.0
Battery waste (E) (MT)	19.69	28.56
Radioactive waste (F)	0	0.0
Other Hazardous waste(G)		
Used Oil (MT)	57.08	43.67
Used Filters in (MT)	10.86	15.93
Chemical (MT)	1.05	0.0
Other Non-hazardous waste. (H)		
Metal Scrap (MT)	4865.03	4026.76
Paper & Hard board (MT)	1.07	10.10
Wooden (MT)	63.52	0.00
Tyre- Quantity (Number)	4379.00	4861.00
Rubber/Tube (MT)	8.65	32.43
Total	**5123.83**	**4209.70**

Note: The data for FY 22-23 has been revised basis revision to the monitoring procedure.

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.

No.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your entity to reduce usage of hazardous & toxic chemicals in your products & processes & the practices adopted to manage such wastes.**

The company has a waste management policy and procedure which list downs defined processes for managing wastes of different categories. It includes Waste water (Sand wash, Batching plant residual), Waste Lubricant oil/ Hydraulic oil, Dead batteries, Scrap filters, Scrap tyres, Metal Scrap, Electrical & electronic Waste, Bituminous mix waste & Waste concrete (construction & demolition waste), Rubber waste, Plastic waste, Municipal waste.

The company has a systematic approach to managing scrap materials. Once something is identified as scrap, the company sells it to specialized entities post thorough evaluation of that particular entity. The company responsibly manages its waste including timely disposal and re-use. The company also reduces chemical usage with eco-friendly alternatives and ensures safe disposal through timely sales. Additionally, the company has a SOP in place for environment-friendly disposal of unserviceable items. All types of scrap are systematically categorized either within the system or at the site, facilitating their organized segregation based on categories for efficient 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:**

S. 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 there of and corrective action taken, if any.
1	Part of Raipur-Visakhapatnam (AP-P1)	Highway Construction	Yes
2	Part of Raipur-Visakhapatnam (OD-5)	Highway Construction	Yes
3	Part of Varanasi Ranchi Kolkata Highway (P-13)	Highway Construction	Yes

Note-Yes, HGIEL has operations in ecologically sensitive areas where environmental approvals or clearances are required. The required environmental approvals or clearances, including those for projects falling in forest areas, are obtained by employers like NHAI (National Highways Authority of India), Railways, and Metro. HGIEL ensures compliance with environmental regulations, and the employers obtain necessary permits for operations in ecologically sensitive areas

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
EIA for all ongoing projects of HGIEL is undertaken by the project allocating agencies i.e. NHAI, Railway, Metro etc.					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention & Control of Pollution) Act, Air (Prevention & Control of Pollution) Act, Environment Protection Act & rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. 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
Yes, HGIEL is compliant with the applicable environmental laws, regulations, and guidelines.				

PRINCIPLE 7

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.

Essential indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   We are associated with three industry 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.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	National Highway Builder Federation (NHBF)	National
2	National Safety Council (NSC)	National
3	Indian Chamber of Commerce (ICC)	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.**

Name of authority	Brief of the case	Corrective action taken
	NIL	

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 details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant web link

SIA is not applicable to the Company in the current financial year. The company operates in a business model of EPC/ HAM/ Item rate contracts where the land for the construction of the road is provided by the developers, such as various national and state-owned government agencies and private players.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of project for which R&R is ongoing	State	District	No. of projects affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Not applicable. The company operates in a business model of EPC/ HAM/ Item rate contracts where the land for the construction of the road is provided by the developers such as various national and state-owned government agencies and private players. The responsibility of rehabilitation and resettlement is owned by the developers. So far, none of company's contracts have R&R obligations and hence it is not applicable for contractors like HGIEL.

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

Company has a Grievance Redressal Procedure (GRP) for all the stakeholders (including community). This GRP is a guideline for handling and redressing the grievances raised in a time bound manner and in compliance with the directions issued by the regulators. There are four modes for reporting grievances - complaint register, suggestion box, letter, and email.

Grievances are reported formally to the Grievance Redressal Officer (GRO), who acknowledges the grievance and refer the same to the concerned function within a period of fifteen working days. In case of any conflict between the parties (the griever and concerned function), grievance is further investigated by the Grievance Redressal Committee (GRC). GRC takes appropriate measures post investigation within fifteen working days.

Resolution is communicated to the stakeholder through GRO/concerned function for acknowledgement and feedback.

Additionally, the Project Manager and the CSR Head regularly engage with community stakeholders. Project Manager also serve as the first point of contact for the community to submit and redress grievances on a one-to-one basis.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	4.59%	5.05%
Directly from within India	100%	100%

Note : The data for FY 22-23 has been revised basis revision to the monitoring procedure.

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.**

Location	FY 2023-24	FY 2022-23
Rural	66.26%	66.51%
Semi-urban	0%	0%
Urban	23.52%	23.15%
Metropolitan	10.21%	10.34%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban/metropolitan)

Leadership indicators

2. **Provide the information (expenditure) on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

S. No.	State	Aspirational District	Amount Spent (in INR)
01	Andhra Pradesh	Vizianagaram	1.0048 million INR
02	Odisha	Koraput	0.7836 million INR
03	Rajasthan	Sirohi	20.6267 million INR

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 does not provide any kind of product/service directly to the end consumer. Its customer's complaints/ grievances are related to construction quality, timely project delivery, project quality etc. Customer complaints are received through email or verbal communications directly to project management teams. A complaint register is maintained for customers to record their complaints. The customers can reach out at grievance@hginfra.com for any kind of complaints and feedback

2. **Turnover of products &/ 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	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

*NA - Not Applicable. The Company is engaged in the business of Engineering, Procurement, Construction (EPC), and maintenance of roads, highways, bridges & flyovers, and other infrastructure contract works. Hence, the product is not owned by us and handed over to our client, e.g., NHAI, after completion.

3. Number of consumer complaints in respect of the following

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	Nil	0	0	Nil

*NA – Not Applicable.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has a policy on Information Security and Management available on the website – https://hginfra.com/pdf/information_security_management_policy_23.pdf

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.

Not applicable.

7. Provide the following information relating to data breaches:

a. **Number of instances of data breaches:** NIL. There were no instances of data breach in the current financial year.

b. **Percentage of data breaches involving personally identifiable information of customers:** NIL. There were no instances of data breaches involving personally identifiable information of customers.

c. **Impact, if any, of the data breaches:** Not Applicable. There were no data breaches.

DISCLAIMER-
'In case of any discrepancy in data submitted via XBRL, data reported in this BRSR REPORT shall prevail'.

Financial Statements

Independent Auditor's Report

To the Members of H.G. Infra Engineering Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of H.G. Infra Engineering Limited ("the Company"), which includes two jointly controlled operations consolidated on a proportionate basis (Refer Note 51 to standalone financial statements), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its total comprehensive income (comprising of profit and other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone 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 obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Our audit procedures in respect of this area included the following:
1. **Estimation of contract cost and revenue recognition. (Refer to Note 1 (iv) (i), 2 (c), 29 and 52) of the Standalone Financial Statements)** Revenue from construction contracts is recognised over a period of time in accordance with the requirements of Ind AS 115 'Revenue from Contracts with Customers'. The contract revenue amounts to ₹ 50,695.19 million for engineering, procurement and construction contracts, which usually extends over a period of 2-3 years, and the contract prices are fixed and, in few cases, subject to clauses with price variances and variable consideration. In accordance with Input method prescribed under Ind AS 115 'Revenue from Contracts with Customers', the contract revenue is measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total costs. This method requires the Company to perform an initial assessment of total estimated cost and reassess the total construction cost at the end of each reporting period to determine the appropriate percentage of completion.	i. Evaluated the accounting policy for revenue recognition and assessed compliance of the policy with the principles enunciated under Ind AS 115 - 'Revenue from Contracts with Customer'. ii. Understood and evaluated the design and implementation and tested the operating effectiveness of key internal financial controls, including those related to review and approval of estimated costs and review of provision for foreseeable losses, if any, by the authorised representatives. iii. We obtained the revenue workings (percentage of completion calculations) from the Company's management, for all contracts, containing actual costs incurred, estimated costs (comprising of actual costs and remaining costs to completion), estimated contract revenue and actual revenues recognised during the year based on proportion of actual costs to estimated costs. For sample of contracts, we agreed contract revenue with key contractual terms, agreed actual costs with system generated reports and agreed estimated costs with costs sheets for individual contracts approved by the authorised representatives.

Key Audit Matter	Our audit procedures in respect of this area included the following:
The estimation of total cost to complete the contract involves significant judgement and estimation throughout the period of contract, as it is subject to revision as the contract progresses - based on latest available information including physical work done on the ground, changes in cost estimates and need to accrue provision for onerous contracts, if any. Besides recognition of revenues based on actual costs and estimated costs to complete the work, at the period end, the measurement and recognition of contract assets (unbilled revenue) and contract liabilities (unearned revenue) related to each of the contracts is also dependent on cost estimates. In view of above, we have considered the estimation of construction contract costs as a key audit matter.	Reperformed the calculation of revenues during the year using proportion of actual costs to estimated costs and compared the results with workings provided by the Company. iv. For actual costs incurred during FY 2023-24, we tested the samples to appropriate supporting documents. v. To validate the remaining costs to completion, for sample contracts, we obtained the approved costs sheets (for each of such sample contracts) containing the breakdown of such costs. Evaluated the reasonableness of management's judgements and assumptions through comparison of actual margins during the year with base margins estimated at the beginning, comparison between financial progress (proportion of actual costs to estimated costs) and physical progress certified by the Independent Engineer, past trends of recovery of price escalation with incremental costs incurred and comparison of actual costs within similar contracts. vi. Assessed the adequacy and appropriateness of the disclosures made in standalone financial statements in compliance with the requirements of Ind AS 115 'Revenue from Contracts with Customers'.
2. Valuation of accounts receivable and contract assets in view of risk of credit losses. (Refer Note 1 (ix), 39(i), 7, 11 and 15 – Trade Receivables and Note 16(a) for contract asset to Standalone Financial Statements) Accounts receivable and Contract assets are significant items in the Company's standalone financial statements aggregating to ₹ 19,725.29 million as of March 31, 2024 and provision for impairment of receivables and contract assets amounted to ₹ 571.99 millions as at March 31, 2024. The Company has a concentration of credit exposure on certain customers, which include government and private organisations, where there are delays in collections due to various reasons. The management periodically assess the adequacy of provisions recognised, as applicable, on receivables and contract assets, based on factors such as credit risk of the customer, status of the project, discussions with the customers and underlying contractual terms and conditions. This involves significant judgement. Given the relative significance of these receivables and contract assets to the standalone financial statements and the nature and extent of audit procedures involved to assess the recoverability of receivables and contract assets, we determined this to be a key audit matter.	i. Understood and evaluated the design and tested the operating effectiveness of key internal financial controls in relation to determination of expected credit loss. ii. Obtained confirmation from parties, for sample balances, with respect to outstanding balances. Wherever confirmations are not received for the samples, performed alternate procedures through verification of Company's invoices approved by the respective customers which represents acknowledgement of work delivered. iii. Performed inquiry procedures with senior management of the Company regarding status of collectability of the receivable and contract assets. iv. In respect of material contract balances, corroborated our inquiry procedures with the correspondence between the Company and the customers, contracts and other documents. v. Assessed the inputs used by the Management to determine the amount of allowances by considering factors such as credit risk of the customer, cash collections, past history and status of the project, and correspondence with customers. vi. Presented the results of our work done to the audit committee. vii. Assessed the adequacy and appropriateness of the disclosures made in the standalone financial statements in this regard.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Responsibilities of Management and Board of Directors for the standalone financial statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("IND AS") specified under Section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and 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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 SAs 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 financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the standalone financial statements.

Other Matter

1. We did not audit the Company's share in two jointly controlled operations included in the standalone financial statements of the Company, which reflects total assets of ₹ 2.36 millions as at March 31, 2024, and total revenues of ₹ 11.36 millions, total net profit after tax of ₹ (0.05) million and total comprehensive income of ₹ (0.05) million for the year ended March 31, 2024, and cash outflows (net) of ₹ (0.05) million for the year then ended. The financial statements of these jointly controlled operations have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the standalone financial statements (including other information) in so far relates to the amounts and disclosures included in respect of these Jointly controlled operations, is based solely on the report of other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2.A. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(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 certain matters in respect of audit trail as stated in the paragraph 2B(f) below.

(c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flow dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C".

(g) The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

B. 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, in our opinion and to the best of our information and according to the explanations given to us:

(a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 46 to the standalone financial statements;

(b) The Company has long-term contracts for which there were no material foreseeable losses as at March 31, 2024. Refer Note 16(a) to the standalone financial statements. Further, the Company did not have any outstanding derivative contracts as at March 31, 2024;

(c) 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, 2024;

(d) 1. 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 share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

(e) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

(f) Based on our examination which included test checks, the Company has used an accounting software and two SAAS based applications (related to processing of leave and travel related data of employees) for maintaining its books of accounts. While the accounting software has a feature of recording audit trail (edit log) facility and same has been operated throughout the year for all relevant transactions, we were not able to verify this aspect in SAAS based applications as no underlying evidence, related to audit trail (edit log) facility, could be arranged by the Company from the service providers who manage these applications.

For audit trail (edit log) facility which was enabled and operated throughout the year for the accounting software, we did not come across any instance of audit trail feature being tempered with.

C. In our opinion and according to information and explanations given to us, the remuneration paid and provided by the Company to its directors during the current year is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 24505676BKGPQA3233

Place: Gurugram
Date: May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
ICAI Firm Registration No.134427W

Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 24120593BKCAMB9221

Place: Jaipur
Date: May 08, 2024

Annexure A to the Independent Auditor's Report on even date on the Standalone Financial Statements of H.G. Infra Engineering Limited

Auditor's Responsibilities for the Audit of the standalone financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 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 and Board of Directors.

- Conclude on the appropriateness of Management and Board of Director's 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 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2024 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.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 24505676BKGPQA3233

Place: Gurugram
Date: May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
ICAI Firm Registration No.134427W

Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 24120593BKCAMB9221

Place: Jaipur
Date: May 08, 2024

Annexure B To Independent Auditors' Report of even date on the Standalone Financial Statements of H.G. Infra Engineering Limited

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment, Investment property and relevant details of Right-of-use assets.

B. The Company has maintained proper records showing full particulars of Intangible assets.

(b) All the Property, plant and equipment are physically verified by the management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the Property, plant & equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) and Intangible assets during the year. Accordingly, provisions stated under clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of examination of the records of the Company, no proceeding has been initiated on or pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory (excluding material in transit) has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been properly dealt with in the books of account.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks and on the basis of security of current assets and immovable properties. We have been informed that based on discussions between the Company's management and the respective lenders, the Company has been filing quarterly statements on mutually agreed basis for reporting of current assets, represented by adjusted balances of Accounts receivables (excluding withheld balances by the respective debtors), Accounts payable (excluding payable to service vendors, provisions and balance for retention payable), Inventory (except material in transit), Contract assets (for outstanding upto three months), Advance to suppliers and Mobilisation Advances. These statements which have been filed for three quarters (upto December, 2023) by the Company are in agreement with the unaudited books of account of the Company for such respective quarters. Further, as on the date of this report, the Company is yet to file quarterly statement for the quarter ended March 31, 2024 (Refer Note 56 (ii) to the standalone financial statements.

iii (a) According to the information and explanation provided to us, the Company has made investment in Subsidiaries and granted unsecured loans to Subsidiaries and employees during the year. No advances in the nature of loans, guarantee or security have been provided by the Company during the year.

(A) The details of such loans to subsidiaries are as follows:

Particulars	Loans (₹ in Millions)
Aggregate amount granted/provided during the year	
- Subsidiaries	988.34
- Joint Ventures	-
- Associates	-
Balance Outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	2,267.57
- Joint Ventures	-
- Associates	-

(B) The details of loans to parties other than Subsidiaries, Joint ventures and Associates are as follows:

Particulars	Loans (₹ in Millions)
Aggregate amount granted/provided during the year	
- Loans to employees	25.12
Balance Outstanding as at balance sheet date in respect of above cases	14.51

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to grant of loans and investments made are not prejudicial to the interest of the Company.

(c) In case of the loans, schedule of repayment of principal and payment of interest have not been stipulated in respect of loans given to Subsidiary companies. In the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest. In respect of loans given to employees which are interest-free, the schedule for repayment of principal has been stipulated and the repayments have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans given to Subsidiary companies, the aforesaid loans are either repayable on demand of the Company or repayable at the option of such Subsidiary companies. For loans repayable on demand, we have been informed that the repayment has been made during the year when demanded by the Company and for loans which are repayable at the option of subsidiary companies, there is no due date specified therein. Therefore, in respect of aforesaid loans, there is no amount which is overdue for more than 90 days.

In respect of loans given to employees, there is no amount which is overdue for more than 90 days.

(e) According to the information and explanations provided to us, in respect of loans which are repayable on demand of the Company, the repayments have been done when demanded by the Company and therefore, these loans have not been renewed or extended. In respect of loans which are repayable at the option of subsidiaries companies, the question of the amount falling due during the year does not arise. In respect of loans to employees, the repayments which have fallen due, during the year, have not been renewed or extended.

Also, as mentioned in (d) above, there was no overdue amount during the year and therefore, the question of commenting whether any fresh loans were given to settle the overdue of existing loans does not arise.

(f) According to the information and explanation provided to us, the Company has granted loans which are repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

(Amount ₹ in Millions)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans granted during the year			
- Repayable on demand (A)	165.87	-	165.87
- Agreement does not specify any terms or period of repayment (repayable at the option of the borrower) (B)	822.47	-	822.47
Total (A+B)	988.34	-	988.34
Percentage of aforesaid loans (A+B) the total loans	**97.52%**		

iv. In our opinion, and according to the information and explanations given to us, the Company is engaged in providing infrastructural facilities as specified in schedule VI of the Act and accordingly, the 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 section 185 and 186(1) of the Act in respect of loans and investments made by it.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order are not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed dues in respect of professional tax and income-tax, though there have been a slight delays in a few cases and is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities during the year and there are no undisputed amounts payable in respect of afore-mentioned statutory dues as at March 31, 2024 which are outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and on the basis of examination of the records of the Company, the details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

(Amount ₹ in Millions)

Name of the statute	Nature of dues	Amount Involved	Amount Paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demand	9.16	1.83	2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax demand	7.22	-	2020-21	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax demand	10.19	-	2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax demand	84.21	-	2021-22	Commissioner of Income Tax (Appeals)
Central Goods and Service Tax Act, 2017	Demand	23.05	1.08	2017-18	Appellate Authority, Jodhpur
Central Goods and Service Tax Act, 2017	Demand	2.06	-	2018-19	Appellate Authority, Jodhpur
Central Goods and Service Tax Act, 2017	Demand	90.91	4.32	2017-18	Appellate Authority, Jodhpur

viii. According to the information and explanations given to us, there are no transactions (which are not accounted in the books of account) which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us, and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 21.1(a) to the standalone financial statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates or jointly controlled operations.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, jointly controlled operations or associate companies. Accordingly, reporting under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under paragraph 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, as represented to us by the Management, no whistle-blower complaints have been received by the Company during the year. Accordingly, the reporting under paragraph 3(xi)(c) of the order is not applicable to the Company.

xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act. The details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standard 24 “Related Party Disclosures” specified under Section 133 of the Act.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) In our opinion, the Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (“CIC”) as defined in the regulations made by Reserve

Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in Note 56 (xiv) to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors' and Management's plans 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 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 and based on our verification, the provisions of Section 135 of the Act, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act or to a Special Account as per the provisions of Section 135 read with schedule VII to the Act. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in this report.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 24505676BKGPQA3233

Place: Gurugram
Date: May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
ICAI Firm Registration No.134427W

Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 24120593BKCAMB9221

Place: Jaipur
Date: May 08, 2024

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT

of even date on the Standalone Financial Statements of H.G. Infra Engineering Limited

[Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of H.G. Infra Engineering Limited on the Financial Statements for the year ended March 31, 2024]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of H.G. Infra Engineering Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024 based on the internal control with reference to standalone 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 issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Managements' Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Reporting under Section 143 (3) (i) of the Act in respect of the adequacy of the internal financial controls with reference to the standalone financial statements is not applicable to two jointly controlled operations.

Our opinion is not modified in respect of this matter

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 24505676BKGPQA3233

Place: Gurugram
Date: May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
ICAI Firm Registration No.134427W

Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 24120593BKCAMB9221

Place: Jaipur
Date: May 08, 2024

Standalone Balance Sheet as at March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	7,261.67	6,211.66
Capital work-in-progress	3 (a)	42.01	719.45
Right-of-use assets	3 (b)	85.67	40.24
Investment properties	4	57.95	78.98
Intangible assets	5	16.70	15.45
Financial assets			
i. Investment	6	6,275.89	7,447.30
ii. Trade receivables	7	38.80	79.02
iii. Other financial assets	8	1,057.46	389.51
Deferred tax assets (net)	37 (b)	375.38	209.93
Non-current tax assets (net)	37 (e)	3.34	4.61
Other non-current assets	9	20.84	26.55
Total Non-current assets		**15,235.71**	**15,222.70**
Current assets			
Inventories	10	2,967.01	2,353.31
Financial assets			
i. Trade receivables	11	9,137.77	8,712.40
ii. Cash and cash equivalents	12	1,073.70	691.05
iii. Bank balances other than (ii) above	13	919.17	1,102.62
iv. Loans	14	14.51	62.07
v. Other financial assets	15	56.89	151.71
Contract assets	16 (a)	9,976.72	5,846.39
Other current assets	17	774.54	940.89
		24,920.31	**19,860.44**
Assets classified as held for sale	18	856.89	9.63
Total current assets		**25,777.20**	**19,870.07**
Total assets		**41,012.91**	**35,092.77**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	651.71	651.71
Other equity	20	22,533.22	17,132.64
Total equity		**23,184.93**	**17,784.35**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	21	1,501.18	2,360.59
ii. Lease liabilities	3 (b)	45.80	16.07
iii. Trade payables			
(a) total outstanding dues of micro and small enterprises	22	-	-
(b) total outstanding dues other than (iii) (a) above	22	775.52	194.77
Employee benefit obligations	23	121.79	144.61
Total Non-current liabilities		**2,444.29**	**2,716.04**
Current liabilities			
Financial liabilities			
i. Borrowings	24	3,010.89	2,676.08
ii. Lease liabilities	3 (b)	41.61	18.45
iii. Trade payables			
(a) total outstanding dues of micro and small enterprises	25	699.08	712.94
(b) total outstanding dues other than (iii) (a) above	25	7,658.72	6,528.82
iv. Other financial liabilities	26	50.24	289.23
Contract liabilities	16 (b)	2,847.79	3,589.94
Employee benefit obligations	27	242.15	208.30
Current tax liabilities (net)	37 (d)	120.86	141.37
Other current liabilities	28	712.35	427.25
Total current liabilities		**15,383.69**	**14,592.38**
Total liabilities		**17,827.98**	**17,308.42**
Total equity and liabilities		**41,012.91**	**35,092.77**

Statement of material accounting policies and estimates 1-2

The accompanying summary of material accounting policies and other explanatory notes are an integral part of the standalone financial statements.

As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer
Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	29	51,217.44	44,185.36
Other income	30	125.99	180.58
Total income		**51,343.43**	**44,365.94**
Expenses			
Cost of materials consumed	31	22,632.85	21,435.03
Contract and site expenses	32	16,556.02	13,039.95
Employee benefits expense	33	2,882.27	1,958.82
Finance costs	34	809.64	632.77
Depreciation and amortisation expense	35	1,411.61	963.48
Other expenses	36	926.56	648.53
Total expenses		**45,218.95**	**38,678.58**
Profit before exceptional item and tax		**6,124.48**	**5,687.36**
Exceptional item (Refer Note 55 (a))		1,067.40	-
Profit before tax		**7,191.88**	**5,687.36**
Income tax expense			
- Current tax	37 (a)	1,911.59	1,566.98
- Deferred tax charge/(benefit)	37 (a)	(174.59)	(93.45)
Total tax expense		**1,737.00**	**1,473.53**
Profit for the year		**5,454.88**	**4,213.83**
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurements gain / (loss) of net defined benefit plans	44	36.29	(10.34)
Income tax relating to above item	37 (a)	(9.13)	2.60
Other comprehensive income / (loss) for the year (Net of tax)		**27.16**	**(7.74)**
Total comprehensive income for the year		**5,482.04**	**4,206.09**
Earnings per equity share of face value of ₹ 10 each	50		
Basic earnings per share (Amount in ₹)		83.70	64.66
Diluted earnings per share (Amount in ₹)		83.70	64.66

Statement of material accounting policies and estimates 1-2

The accompanying summary of material accounting policies and other explanatory notes are an integral part of the standalone financial statements.

As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer
Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
A) Cash flows from operating activities		
Profit before exceptional item and tax	6,124.48	5,687.36
Adjustments for:		
Depreciation and amortisation expense	1,411.61	963.48
Interest income from financial assets at amortised cost	(86.93)	(79.14)
Loss allowances	254.35	175.10
Amount written off	48.88	-
Net (gain)/loss on disposal of Property, plant and equipment & Investment properties	16.66	(3.34)
Net unrealised exchange loss/(gain)	0.46	2.48
Rental income on investment properties	(1.23)	(1.47)
Finance costs	809.64	632.77
Operating profit before working capital changes	**8,577.92**	**7,377.24**
Changes in working capital:		
Decrease / (Increase) in trade receivables	(477.50)	(1,798.07)
Decrease / (Increase) in inventories	(613.70)	(517.79)
Decrease / (Increase) in contract assets	(4,341.21)	(2,495.87)
Decrease / (Increase) in other current assets	166.35	30.64
Decrease / (Increase) in other non current financial assets	(48.13)	(74.52)
Decrease / (Increase) in other current financial assets	94.82	(89.80)
Increase / (Decrease) in trade payables	1,696.79	3,081.33
Increase / (Decrease) in contract liabilities	(742.15)	1,481.49
Increase / (Decrease) in other current financial liabilities	(22.89)	10.92
Increase / (Decrease) in other current liabilities	303.36	252.07
Increase / (Decrease) in employee benefit obligations	47.32	184.10
Net Changes in Working Capital	**(3,936.94)**	**64.50**
Cash generated from operations	4,640.98	7,441.74
Income taxes paid (Net of refunds)	(1,930.83)	(1,570.83)
Net cash generated from Operating Activities	**2,710.15**	**5,870.91**
B) Cash flows from investing activities		
Investment in subsidiaries	(1,648.88)	(3,902.26)
Proceeds from Disposal of investment in Subsidiaries	2,535.14	-
Payment for purchases of Property, plant and equipment (Including CWIP and capital advance)	(2,229.88)	(3,381.04)
Payment for purchases of Intangible assets	(9.36)	(10.89)
Proceed from sale of Property, plant and equipment and Investment properties	188.05	215.00
Fixed deposits (placed) / redemption of fixed deposits (Net)	159.19	1.22
Interest received	86.93	79.14
Rental income on investment properties	1.23	1.47
Loans to employees and related parties	(190.99)	458.62
Repayment of loans by employees and related parties	238.54	(287.94)
Net cash (used in) Investing activities	**(870.03)**	**(6,826.68)**
C) Cash flows from financing activities		
Proceeds from long term borrowings	1,604.77	3,254.74
Repayment of long term borrowings	(1,821.64)	(1,039.36)

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
Repayment of non convertible debenture	(485.00)	-
Proceeds from /(Repayment) of short term borrowings (Net)	176.82	(327.74)
Dividend paid	(81.46)	(65.17)
Repayment of lease obligation	(40.70)	(24.62)
Finance cost paid	(810.26)	(623.41)
Net cash generated from / (used in) Financing activities	**(1,457.47)**	**1,174.44**
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	**382.65**	**218.67**
Cash and cash equivalents as at the beginning of the year	691.05	472.38
Cash and cash equivalents at the end of the year	**1,073.70**	**691.05**
Reconciliation of Cash and cash equivalents as per the cash flows statement		
Cash and cash equivalents comprise of the following (Refer Note 12):		
Cash on hand	0.45	1.95
Deposits with original maturity of less than three months	145.45	-
Bank Balance on current account	927.80	689.10
Total	**1,073.70**	**691.05**
Non cash investing activities		
- Acquisition of right-of-use of assets (Refer Note 3(b))	93.59	46.84

The accompanying summary of material accounting policies and other explanatory notes are an integral part of the standalone financial statements.

As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer
Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

A. Equity share capital

For the year ended March 31, 2024	No. of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 1, 2023	6,51,71,111	651.71
Changes in equity share capital during the year (Refer Note 19)	-	-
Balance as at March 31, 2024	**6,51,71,111**	**651.71**

For the year ended March 31, 2023	No. of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 1, 2022	6,51,71,111	651.71
Changes in equity share capital during the year (Refer Note 19)	-	-
Balance as at March 31, 2023	**6,51,71,111**	**651.71**

B. Other equity

Particulars	Attributable to owners of H.G. Infra Engineering Limited		
	Reserves and surplus		Total other equity
	Securities premium reserve	Retained earnings	
As at April 1, 2022	**2,694.47**	**10,297.25**	**12,991.72**
Profit for the year	-	4,213.83	4,213.83
Items that will not be reclassified to profit or loss			
- Remeasurements (loss) / gain of net defined benefit plans	-	(10.34)	(10.34)
- Income tax relating to these items	-	2.60	2.60
Total comprehensive income for the year	**-**	**4,206.09**	**4,206.09**
Less: Dividend paid	-	(65.17)	(65.17)
As at March 31, 2023	**2,694.47**	**14,438.17**	**17,132.64**
Profit for the year	-	5,454.88	5,454.88
Item that will not be reclassified to profit or loss			
- Remeasurements gain /(loss) of net defined benefit plans	-	36.29	36.29
- Income tax relating to this item	-	(9.13)	(9.13)
Total comprehensive income for the year	**-**	**5,482.04**	**5,482.04**
Less: Dividend paid	-	(81.46)	(81.46)
As at March 31, 2024	**2,694.47**	**19,838.75**	**22,533.22**

The accompanying summary of material accounting policies and other explanatory notes are an integral part of the standalone financial statements.
As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer

Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

Background

H.G. Infra Engineering Limited ("the Company") is a Public Limited Company listed on the Bombay Stock Exchange and National Stock Exchange on March 9, 2018. Its registered office is at 14, Panchwati Colony, Ratanada, Jodhpur – 342001, Rajasthan, India.

The Company is engaged in the business of Engineering, Procurement and Construction (EPC), Maintenance of roads, bridges, flyovers and other infrastructure contract works.

These Standalone financial statements were reviewed by the Audit Committee and authorized to be issued by the Board of Directors on May 08, 2024.

(a) Basis of preparation

(i) Compliance with Ind AS

The Standalone financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

The Standalone financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities measured at fair value;
- Assets held for sale – measured of fair value less cost of sell and
- Defined benefit plans - plan assets measured at fair value

(iii) New and amended standards adopted by the Company

- The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Company has applied these amendments for the first-time in these standalone financial statements.
- **Amendments to Ind AS 1 -** Disclosure of accounting policies: The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the standalone financial statements.
- **Amendments to Ind AS 8 -** Definition of accounting estimates: The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the standalone financial statements.
- **Amendments to Ind AS 12 -** Deferred tax related to assets and liabilities arising from a single transaction: The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. This amendment does not have any material impact on the standalone financial statements.

(iv) New Standards (including amendments) issued but not yet effective

MCA notifies new standards or amendments to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes forming part of the Standalone Financial Statements
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(b) Operating Cycle

The Company classifies an asset as current when:

- it expects to realise the asset or intends to sell or consume it in normal operating cycle
- it holds the asset primarily for the purpose of trading
- it expects to realise the asset within twelve months after the reporting period or
- the asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

The Company classifies a liability as current when:

- it expects to settle the liability in its normal operating cycle
- it holds the liability primarily for the purpose of trading
- the liability is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current, non current classification of assets and liabilities.

1 Material Accounting Policies

Pursuant to the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective 01-04-2023, the company is required to disclose 'material accounting policy Information' in lieu of the earlier requirement of disclosing 'significant accounting policies'.

This note provides a list of the material accounting policies adopted in the preparation of these Standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

i. Joint control operation

The Company recognises its direct right to the assets, liabilities, revenues 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 Standalone financial statements under the appropriate headings. Details of the joint operation are set out in note 51.

ii. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Managing Director of the Company has been identified as CODM and he assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 41 for segment information.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

iii. Foreign currency translation

(i) Functional and presentation currency

Items included in the Standalone financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The Standalone financial statements are presented in Indian rupee, which is Companies functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Standalone Statement of profit and loss.

iv. Revenue recognition

The Company derives revenue principally from following streams:

- Construction contracts
- Sale of Services (Operation and Maintenance contracts)

(i) Construction contracts

The Company recognises revenue from engineering, procurement and construction contracts (‘EPC’) over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. EPC contracts are generally accounted for as a single performance obligation as it involves complex integration of goods and services.

The performance obligations are satisfied over time as the work progresses. The Company recognises revenue using input method (i.e percentage-of-completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Company estimates the amount of consideration to which it will be entitled in exchange for work performed.

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.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to customers are generally due upon expiration of the contract period.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A liability is recognised for advance payments and it is not considered as a significant financing component because it is used to meet working capital requirements at the time of project mobilisation stage. The same is presented as contract liability in the statement of financial position.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in Standalone Statement of profit and loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion was calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

(ii) Sale of Services (Operation and Maintenance contracts)

Revenue from providing operating and maintenance services is recognised in the accounting period in which the services are rendered. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

(iii) Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost using the effective interest method is recognised in the Standalone Statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(iv) Other income

All other income is accounted on accrual basis when no significant uncertainty exist regarding the amount that will be received.

v. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Notes forming part of the Standalone Financial Statements

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Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses / tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Standalone Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

vi. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Company, which does not have recent third party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Standalone Statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Notes forming part of the Standalone Financial Statements
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Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in Standalone Statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

vii. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

viii. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Standalone Balance Sheet.

ix. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

x. Inventories

Inventories are stated at lower of cost and net realizable value.

Cost of raw material, stores and spare parts and construction materials includes cost of purchases and other cost incurred in bringing the inventories to the present location and condition. Cost is determined using rolling weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to complete the contract.

xi. 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.

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

Financial Assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- those measured subsequently at fair value (either through other comprehensive income, or through profit or loss) and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in the Standalone Statement of profit and loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

- fair value (either through other comprehensive income, or through profit or loss)
- amortized cost

When assets are measured at fair value, gains and losses are either recognised in the Standalone Statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in Other Comprehensive Income (i.e. fair value through other comprehensive income (FVOCI)).

(i) Financial assets measured at amortised cost:

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Assets that are held for collecting contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in financial income using effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gain/(losses).

(ii) Financial assets measured at Fair Value through Other Comprehensive Income ("FVTOCI"):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains of losses, interest income and foreign exchange gains and losses which are recognised in Standalone Statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in Standalone Statement of profit and loss.

(iii) Financial assets measured at Fair Value through Profit or Loss ("FVTPL"):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in Standalone Statement of profit and loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Notes forming part of the Standalone Financial Statements
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Debt instruments

Subsequent measurement of debt instruments depends on the Company business model for managing the asset and the cash flow characteristics of the asset. Debt instrument are classified as amortised cost instruments.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39(i) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables (including contract assets), the Company applies the simplified approach required by Ind AS 109, which requires lifetime ECL to be recognised as loss allowances.

Derecognition of Financial Assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent Measurement

Financial liabilities are classified as measured at amortized cost. Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Standalone Statement of profit and loss. Any gain or loss on derecognition is also recognized in Standalone Statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

xii. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or

Notes forming part of the Standalone Financial Statements

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realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

xiii. Property, plant and equipment

Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Standalone Statement of profit and loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the written down value (WDV) / Straight Line Method (SLM) over the estimated useful lives of the assets, based on technical evaluation done by management's expert, which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

The management estimates useful lives of the tangible fixed assets as follows:

Class of Asset	Estimated Useful Life	As per Schedule II	Method of Depreciation
Building	60	60	Straight Line
Plant & machinery *	20/15	20	Written Down Value
Shuttering Material	5	5	Straight Line
Computers	3	3	Straight Line
Furniture and fixtures	10	10	Straight Line
Motor cycles	10	10	Written Down Value
Vehicles other than Motor cycle	8	8	Written Down Value
Office Equipment	5	5	Straight Line

Based on the technical experts assessment of useful life of the aforementioned assets, Plant and machinery i.e Cranes are being depreciated over the useful life different from the prescribed useful life under Schedule II the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

* It includes Low value assets (LVA) having useful life of 1 year.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Standalone Statement of profit and loss within other gains/ (losses). (Also refer note 2(a)).

Notes forming part of the Standalone Financial Statements

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xiv. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately from the other assets in the Standalone Balance Sheet.

xv. Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties have a useful life of 60 years. The useful life has been determined based on technical evaluation performed by the management expert.

xvi. Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Purchases costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Class of Asset	Estimated Useful Life	As per Schedule II	Method of Depreciation
Computer Software	6	6	Straight Line

xvii. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Notes forming part of the Standalone Financial Statements

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xviii. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Standalone Statement of profit and loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Standalone Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

xix. Provisions and contingent liabilities

Provisions

Provisions are recognised when Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xx. Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Standalone Balance Sheet.

(ii) Other long term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Standalone Statement of profit and loss.

The obligations are presented as current liabilities in the Standalone Balance Sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Notes forming part of the Standalone Financial Statements
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(iii) Post-employment obligations

The Company operates the following post-employment schemes.

- Defined benefit plan i.e. gratuity
- Defined contribution plans such as provident fund, superannuation etc.

Gratuity obligations (Also, Refer note 2(b))

The liability or asset recognized in the Standalone Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of profit and loss .

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Standalone Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in Standalone Statement of profit and loss as past service cost.

Defined contribution plans

The Company pays contribution to defined contribution schemes such as provident fund etc. The Company has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

xxi. Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xxii. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xxiii. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company; and
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

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(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xxiv. Rounding of amounts

All amounts disclosed in the Standalone financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III, unless otherwise stated.

2 Critical estimates and judgments

The preparation of the Standalone financial statements requires use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgments or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone financial statements.

The areas involving critical estimates or judgments are:

(a) Estimation of useful life of Property, plant and equipment

The Company estimates the useful life of the Property, plant and equipment as mentioned in note 1(xiii) above, which is based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than the life estimated, depending on technical innovations and competitor actions.

(b) Estimation of defined benefit obligation

The cost of the defined benefit gratuity plan and other post-employment employee benefits and the present value of the gratuity obligation 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 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. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Refer note 44 for key actuarial assumptions.

(c) Revenue recognition for construction contract - Refer note 1 (iv) and note 52

(d) Impairment of trade receivables (including Contract Assets) – Refer note 1 (ix) and 7,11, 16(a) and 39(i)

(e) Estimation of fair value of level 3 financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Refer note 38 on fair value measurements where the assumptions and methods to perform the same are stated.

Notes forming part of the Standalone Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

Note 3 (a) - Property, plant and equipment & Capital work-in-progress

Particulars	Freehold land	Building	Plant and machinery	Office Equipment	Vehicles	Computers	Furnitures and fixtures	Total	Capital work-in-progress
For the year ended March 31, 2023									
Gross carrying amount									
Opening gross carrying amount	**133.46**	**85.65**	**7,371.24**	**0.66**	**237.57**	**64.09**	**184.61**	**8,077.28**	**21.51**
Additions	282.28	3.81	2,334.43	-	140.72	29.64	83.27	**2,874.15**	3,458.06
Disposals / Capitalisation	-	-	(568.54)	(0.06)	(20.16)	(15.23)	(11.00)	**(614.99)**	(2,760.12)
Closing gross carrying amount	**415.74**	**89.46**	**9,137.13**	**0.60**	**358.13**	**78.50**	**256.88**	**10,336.44**	**719.45**
Accumulated depreciation									
Opening accumulated depreciation	**-**	**7.07**	**3,322.46**	**0.21**	**153.96**	**39.85**	**81.24**	**3,604.79**	**-**
Depreciation charge during the year	-	1.33	826.57	0.24	49.63	15.50	36.06	**929.33**	-
Disposals	-	-	(374.81)	(0.02)	(16.72)	(14.25)	(3.54)	**(409.34)**	-
Closing accumulated depreciation	**-**	**8.40**	**3,774.22**	**0.43**	**186.87**	**41.10**	**113.76**	**4,124.78**	**-**
Net carrying amount as on March 31, 2023	**415.74**	**81.06**	**5,362.91**	**0.17**	**171.26**	**37.40**	**143.12**	**6,211.66**	**719.45**
For the year ended March 31, 2024									
Gross carrying amount									
Opening gross carrying amount	**415.74**	**89.46**	**9,137.13**	**0.60**	**358.13**	**78.50**	**256.88**	**10,336.44**	**719.45**
Additions	-	-	2,462.36	42.91	146.29	25.85	1.88	**2,679.29**	1,448.08
Disposals / Capitalisation	(21.94)	(19.09)	(477.61)	(2.12)	(44.65)	(20.22)	(47.38)	**(633.01)**	(2,125.52)
Transfer to Assets classified as held for sale (Refer Note 18)	(70.62)	-	-	-	-	-	-	**(70.62)**	
Closing gross carrying amount	**323.18**	**70.37**	**11,121.88**	**41.39**	**459.77**	**84.13**	**211.38**	**12,312.10**	**42.01**
Accumulated depreciation									
Opening accumulated depreciation	**-**	**8.40**	**3,774.22**	**0.43**	**186.87**	**41.10**	**113.76**	**4,124.78**	**-**
Depreciation charge during the year	-	1.38	1,226.37	11.86	79.96	21.35	13.15	**1,354.07**	-
Disposals	-	(2.68)	(337.99)	(0.91)	(40.09)	(18.38)	(28.37)	**(428.42)**	-
Closing accumulated depreciation	**-**	**7.10**	**4,662.60**	**11.38**	**226.74**	**44.07**	**98.54**	**5,050.43**	**-**
Net carrying amount as on March 31, 2024	**323.18**	**63.27**	**6,459.28**	**30.01**	**233.03**	**40.06**	**112.84**	**7,261.67**	**42.01**

Notes:

1) Refer Note 48 (a) capital commitments for disclosure of contractual commitment for acquisition of Property, plant and equipment.

2) Refer Note 45 for information on Property, plant and equipment hypothecated and mortgaged as security by the Company.

3) Capital work-in-progress mainly comprises of equipments acquired for the newly initiated Projects.

Notes forming part of the Standalone Financial Statements
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Capital work-in-progress (CWIP)

Ageing of CWIP - Balance as at March 31, 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	42.01	-	-	-	42.01
Projects temporarily suspended	-	-	-	-	-

No CWIP project mentioned above is overdue or exceeded its cost compared to its original plan.

Ageing of CWIP - Balance as at March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	719.45	-	-	-	719.45
Projects temporarily suspended	-	-	-	-	-

No CWIP project mentioned above is overdue or exceeded its cost compared to its original plan.

Note 3 (b) - Right-of-use assets & Lease liabilities

(i) Amounts recognised in Balance sheet

The balance sheet shows following amounts relating to leases:

Particulars	As at March 31, 2024	As at March 31, 2023
Right-of-use assets		
Leasehold Land	85.67	40.24
	85.67	**40.24**
Lease Liabilities		
Current	41.61	18.45
Non-current	45.80	16.07
	87.41	**34.52**
Maturity Anaylsis of Lease Liabilities as at year end:		
Less than one year	41.61	18.45
One to five years	45.80	16.07
More than five years	-	-
	87.41	**34.52**

(ii) Amounts recognised in the statement of profit and loss

The statement of profit and loss shows following amounts relating to leases:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of right-of-use assets (Refer Note 35)		
Leasehold Land	48.16	19.02
	48.16	**19.02**

Notes forming part of the Standalone Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Finance cost (Refer Note 34)		
Interest and finance charges on lease liabilities	5.14	2.17
Other expenses (Refer Note 36)		
Expense relating to short-term leases	48.80	43.79
Expense relating to leases of low-value assets that are not shown above as short-term leases	10.28	24.38
	64.22	**70.34**

The total cash outflow for the leases for the year ended March 31, 2024 was ₹ 40.70 Million (March 31, 2023; ₹ 24.62 Million).

Additons to the right-of-use of assets during the year ended March 31, 2024 was ₹ 93.59 Million (March 31, 2023; ₹ 46.84 Million).

Note 4 - Investment Properties

Investment properties for the year is described below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross carrying amount	**89.93**	**96.38**
Less: Transfer to Assets classified as held for sale (Refer Note 18)	(21.59)	-
Less: Disposals	-	(6.45)
Closing gross carrying amount	**68.34**	**89.93**
Accumulated depreciation		
Opening accumulated depreciation	10.95	9.96
Less: Transfer to Assets classified as held for sale (Refer Note 18)	(1.95)	-
Less: Disposals	-	(0.46)
Depreciation charge during the year	1.39	1.45
Closing accumulated depreciation	**10.39**	**10.95**
Net carrying amount	**57.95**	**78.98**

(i) The investment properties consists of commercial property in India given on cancellable and non cancellable leases for a period of 1 to 11 months.

(ii) The Company has no restrictions on the realisability of its investment property and no contractual obligation to develop or for repair, maintenance and enhancements.

(iii) Amounts recognised in the Statement of profit and loss for investment properties:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income from investment property (Refer Note 30 and 47)	1.23	1.47
Profit from investment properties before depreciation	**1.23**	**1.47**
Depreciation	1.39	1.45
Profit / (Loss) from investment properties	**(0.16)**	**0.02**

Notes forming part of the Standalone Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Leasing arrangements

(a) Operating leases

The Company has given certain investment properties on operating lease. These lease arrangements range for a period between one to eleven months and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under (Refer Note 47):

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Within one year	1.23	1.47
Later than one year but not later than five years	-	-
Total	**1.23**	**1.47**

(iv) Fair value of investment properties

Particulars	As at March 31, 2024	As at March 31, 2023
Investment properties	134.83	119.67

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The Company has obtained independent valuations report of investment properties from registered valuers as defined under rule 2 of Companies (Registered Valuers & Valuation) Rule, 2017. The main inputs used are quantum, area, location, demand, rental growth rates, expected vacancy rates, terminal yields and discount rates.

Note 5 - Intangible assets

	Amount
For the year ended March 31, 2023	
Gross Carrying Amount	
Opening Gross Carrying Amount	45.29
Additions	10.89
Disposals	(0.05)
Closing Gross Carrying Amount	**56.13**
Accumulated amortisation	
Opening Accumulated amortisation	**27.03**
Amortisation Charge for the year	13.68
Disposals	(0.03)
Closing Accumulated amortisation	**40.68**
Net Carrying Amount as on March 31, 2023	**15.45**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Amount
For the year ended March 31, 2024	
Gross Carrying Amount	
Opening Gross Carrying Amount	**56.13**
Additions	9.36
Disposals	(0.96)
Closing Gross Carrying Amount	**64.53**
Accumulated amortisation	
Opening Accumulated amortisation	**40.68**
Amortisation Charge for the year	7.99
Disposals	(0.84)
Closing Accumulated Depreciation	**47.83**
Net Carrying Amount as on March 31, 2024	**16.70**

Note 6 - Investment

Particulars	As at March 31, 2024	As at March 31, 2023
Non current investment		
Investment in equity instruments (Fully paid-up)		
Unquoted		
Investments in subsidiary (unquoted Investments - cost) (Refer Note 1 below)	3,918.32	5,291.62
Investment in associates (Refer Note 2 below)	90.00	90.00
Investments in instruments entirely equity in nature (Refer Note 3 below)	2,267.57	2,065.68
	6,275.89	**7,447.30**

Note:

1. **Investments in subsidiary (unquoted Investments - At cost)*:**

Particulars	Face value of each share	As at March 31, 2024			As at March 31, 2023		
		No. of Shares	Pledge shares	Amount	No. of Shares	Pledge shares	Amount
Gurgaon Sohna Highway Private Limited#	10	-	-	-	6,60,30,000	1,98,09,000	728.94
H.G. Rewari Ateli Highway Private Limited#	10	-	-	-	3,82,25,000	1,94,94,750	382.25
H.G. Ateli Narnaul Highway Private Limited#	10	-	-	-	9,52,11,000	4,85,57,610	952.11
H.G. Rewari Bypass Private Limited	10				12,28,335	3,68,501	583.80
H.G. Raipur Visakhapatnam AP-1 Private Limited	10	3,81,174	1,94,399	379.70	3,81,174	1,94,399	379.70
H.G. Khammam Devarapalle Pkg-1 Private Limited	10	11,89,000	4,33,500	797.24	8,50,000	4,33,500	533.50
H.G. Khammam Devarapalle Pkg-2 Private Limited	10	14,10,500	5,22,750	658.35	10,25,000	5,22,750	439.00
H.G. Raipur Visakhapatnam OD-5 Private Limited	10	6,76,000	3,44,760	572.21	6,76,000	2,02,800	572.21
H.G. Raipur Visakhapatnam OD-6 Private Limited	10	11,37,750	5,80,253	718.61	11,37,750	5,80,253	718.61

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Particulars	Face value of each share	As at March 31, 2024			As at March 31, 2023		
		No. of Shares	Pledge shares	Amount	No. of Shares	Pledge shares	Amount
H.G. Karnal-Ringroad Private Limited	10	16,80,000	8,56,800	787.61	1,50,000	-	1.50
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited	10	1,50,000	76,500	1.50	-	-	-
H.G. Varanasi-Kolkata PKG-13 Private Limited	10	1,50,000	45,000	1.50	-	-	-
H.G. Foundation (Section 8 Company of the Companies Act 2013)	10	10,000	-	0.10	-	-	-
H.G. Solar Projects Private Limited	10	15,000	-	1.50	-	-	-
Total (A)				**3,918.32**			**5,291.62**
Investment classified as held for sale (Refer Note 18 & 55 (b))							
H.G. Rewari Bypass Private Limited	10	14,38,065	4,31,420	757.00	-	-	-
				757.00			**-**

*The Company secures contracts by submitting bids in response to tenders. Subsequent to award of contract the Company is required to form Special Purpose Vehicle ("SPV") Companies (subsidiary companies) to execute the awarded projects. As at March 31, 2024 the Company has 9 SPVs (March 31, 2023 10 SPVs) as above.

2. Investment in Associates

Particulars	Face value of each share	As at March 31, 2024			As at March 31, 2023		
		No. of Shares	Pledge shares	Amount	No. of Shares	Pledge shares	Amount
Safety First Engineering Private Ltd	10	1,23,465	-	86.49	1,23,465	-	86.49
Safety First (Partnership Firm)	-	-	-	3.51	-	-	3.51
Total (B)				**90.00**			**90.00**

3) Investments in instruments entirely equity in nature** :

Particulars	As at March 31, 2024	As at March 31, 2023
H.G. Rewari Ateli Highway Private Limited#	-	337.25
H.G. Ateli Narnaul Highway Private Limited#	-	283.32
H.G. Raipur Visakhapatnam AP-1 Private Limited	619.42	479.58
H.G. Khammam Devarapalle Pkg-1 Private Limited	98.36	44.97
H.G. Khammam Devarapalle Pkg-2 Private Limited	85.80	40.07
H.G. Raipur Visakhapatnam OD-5 Private Limited	1,027.72	772.72
H.G. Raipur Visakhapatnam OD-6 Private Limited	295.14	107.77
H.G. Karnal-Ringroad Private Limited	73.13	-
H.G. Varanasi-Kolkata Pkg-10 Highway Private Limited	40.50	-
H.G. Varanasi-Kolkata Pkg-13 Highway Private Limited	27.50	-
Total (C)	**2,267.57**	**2,065.68**
Total Investment (A + B + C)	**6,275.89**	**7,447.30**

****Terms of optionally convertible unsecured loan**

The SPVs have a sole option / discretion to convert loan's in whole to equity shares at any time during the tenure of loan. If the conversion is exercised, loans shall be converted into a fixed number of equity shares at a fixed price of ₹ 10 each. The equity shares derived from the conversion of the loan's shall rank pari passu with the existing shares of the SPVs with respect

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to all rights therein and the Company shall have the same rights in respect of such shares as the other shares held by the existing shareholder(s). Further, the SPVs have a sole option / discretion to redeem loans in whole at any time during the tenure of the loan's.

A description of Company's financial instrument risks, including risk management objectives and policies is given in Note 39. The methods used to measure financial assets reported at fair value are described in Note 38.

 # Refer Note 55 (a)

Note 7 - Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Non current trade receivables (Unsecured)		
Trade receivables from contract with customers	53.46	93.68
Less: Loss allowance (Refer Note 39(i))	(14.66)	(14.66)
	38.80	**79.02**

Note: Non current trade receivables represent long term retentions related to construction contracts.

Ageing of trade receivables - Balance as on March 31, 2024:

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	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	-	-	1.00	9.70	14.76	8.30	5.04	38.80
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	14.66	14.66
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**-**	**1.00**	**9.70**	**14.76**	**8.30**	**19.70**	**53.46**
Less: Loss allowance								(14.66)
Total trade receivable (net)								**38.80**

Ageing of trade receivables - Balance as on March 31, 2023:

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	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	-	-	0.27	10.30	5.59	37.61	25.25	79.02
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	14.66	14.66
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-

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Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**-**	**0.27**	**10.30**	**5.59**	**37.61**	**39.91**	**93.68**
Less: Loss allowance								(14.66)
Total trade receivable (net)								**79.02**

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	38.80	79.02
Trade receivables which have significant increase in credit risk	14.66	14.66
Trade receivables – credit impaired	-	-
Total	**53.46**	**93.68**
Less: Loss allowance	(14.66)	(14.66)
	38.80	**79.02**

Refer Note 39 (i) for movement of loss allowance and credit risk.

Note 8 - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Other non current financial assets		
Deposits with remaining maturity more than 12 months (Refer Note below)	288.17	263.91
Security deposits	173.73	125.60
Receivable against Sale of SPVs (Refer Note 55 (a))	595.56	-
	1,057.46	**389.51**

Note:

Deposits includes lien with banks against bank guarantee and third parties given for the project of ₹ 837.14 million as at March 31, 2024 (March 31,2023 ₹ 878.50 million).

Note 9 - Other non current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances*	20.71	26.42
Balances with government authorities	0.13	0.13
	20.84	**26.55**

* Refer Note 48 (a) capital commitments for disclosure of contractual commitment for acquisition of Property, plant and equipment.

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(All amounts are in ₹ million, unless otherwise stated)

Note 10 - Inventories (At lower of Cost or net realisable value)*

Particulars	As at March 31, 2024	As at March 31, 2023
Project materials [(including material in transit amounts to ₹ 42.26 Million) (March 31, 2023 ₹ 81.04 Million)] (At Cost)	2,653.59	2,097.40
Stores and Spares (At cost)	313.42	255.91
	2,967.01	**2,353.31**

* Pledged as charged against short term borrowings (Refer Note 45).

Note 11 - Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables from contract with customers	6,061.66	6,998.59
Trade receivables from contract with customers - related parties (Refer Note 43)	3,154.46	1,748.69
Less: Loss allowance (Refer Note 39(i))	(78.35)	(34.88)
	9,137.77	**8,712.40**

Note: Trade receivables include retentions of ₹ 818.19 Million (March 31, 2023 ₹ 1,690.15 Million) related to construction contracts.

Certain retention money receivables which are contractually due after one year however which can be released early on submission of bank guarantee have been considered as current considering the past history and management expectation.

Ageing of trade receivables - Balance as on March 31, 2024:

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	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	-	7,874.13	699.23	174.06	292.68	41.23	56.44	9,137.77
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	12.01	-	-	66.34	78.35
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**7,874.13**	**699.23**	**186.07**	**292.68**	**41.23**	**122.78**	**9,216.12**
Less: Loss allowance								(78.35)
Total trade receivable (net)								**9,137.77**

Notes forming part of the Standalone Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

Ageing of trade receivables - Balance as on March 31, 2023:

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	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	452.56	6,270.78	866.00	478.54	274.91	141.73	227.88	8,712.40
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	34.88	34.88
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**452.56**	**6,270.78**	**866.00**	**478.54**	**274.91**	**141.73**	**262.76**	**8,747.28**
Less: Loss allowance								(34.88)
Total trade receivable (net)								**8,712.40**

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	9,137.77	8,712.40
Trade receivables which have significant increase in credit risk	78.35	34.88
Trade receivables – credit impaired	-	-
Total	**9,216.12**	**8,747.28**
Less: Loss allowance	(78.35)	(34.88)
	9,137.77	**8,712.40**

Refer Note 39 (i) for movement of loss allowance and credit risk.

Note 12 - Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- In current accounts	927.80	689.10
Deposits with original maturity of less than three months	145.45	-
Cash on hand	0.45	1.95
	1,073.70	**691.05**

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 13 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Deposit with maturity more than 3 months but less than 12 months (Refer Note 1 and 2 below)	885.15	1,065.57
Interest Accrued	34.02	37.05
	919.17	**1,102.62**

Note:

1. Deposits includes lien with banks against bank guarantee and third parties given for the project of ₹ 837.14 million as at March 31, 2024 (March 31,2023 ₹ 878.50 million).
2. Above carrying value (net of lien) of other bank balance are subject to a charge to secure the Company's secured borrowing (Refer Note 21, 24 and 45).

Note 14 - Loans (Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
Loan to Subsidiary (Refer Note 43 and 49)	-	50.74
Loan to employees	14.51	11.33
	14.51	**62.07**

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Loan considered good – Secured	-	-
Loan considered good – Unsecured	14.51	62.07
Loan which have significant increase in credit risk	-	-
Loan – credit impaired	-	-
Total	**14.51**	**62.07**
Less: Loss allowance	-	-
	14.51	**62.07**

Note 15 - Other financial assets (Unsecured, Considered good unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Other receivable against deferred guarantee commission income (Refer Note 43)	-	1.42
Other receivables	75.83	169.23
Less: Loss allowance (Refer Note 39(i))	(18.94)	(18.94)
	56.89	**151.71**

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Other financial assets considered good – Secured	-	-
Other financial assets considered good – Unsecured	56.89	151.71
Other financial assets which have significant increase in credit risk	18.94	18.94
Other financial assets – credit impaired	-	-
Total	**75.83**	**170.65**
Less: Loss allowance	(18.94)	(18.94)
Total	**56.89**	**151.71**

Note 16 (a) - Contract assets

Particulars	As at March 31, 2024	As at March 31, 2023
Amount due from customers for contract works	10,455.70	6,114.49
Less: Loss allowance (Refer Note 39(i))	(478.98)	(268.10)
	9,976.72	**5,846.39**

Note 16 (b) - Contract liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liabilities (Refer Note 52)	2,847.79	3,589.94
	2,847.79	**3,589.94**

Significant changes in contract assets and liabilities

Contract assets have increased as the Company has completed work ahead of the agreed payment schedules for construction contracts. The Company also recognised a loss allowance for contract assets in accordance with Ind AS 109. Contract liabilities have decreased as Company has adjusted mobilisation advance against client billing.

Note 17 - Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to suppliers	232.17	218.03
Advance to sub contractor	31.39	15.02
Other advances		
Prepayments	129.74	127.91
Advance to employees	1.49	4.48
Balances with government authorities	379.75	575.45
	774.54	**940.89**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 18 - Assets classified as held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Freehold Land (Refer Note 3 (a)) (Refer Note 1 below)	80.25	9.63
Investment Property (Refer Note 4) (Refer Note 2 below)	19.64	-
Investment (Refer Note 6 & 55 (b))	757.00	-
	856.89	**9.63**

Note 1 : The Board in their meeting dated February 2, 2024 have resolved to sell the land situated at Village Bagru Khurd, Jaipur to H.G. Ekaaya Resorts Private Limited and the sale is expected to be completed before June 2024.

Note 2 : The Company has also entered into an agreement for sale of its investment property situated in Noida, Uttar Pradesh. The sale is expected to be completed by end of April 2024.

Note 19 - Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised :		
80,000,000 (March 31, 2023 : 80,000,000) Equity Shares of ₹ 10 each	**800.00**	**800.00**
Issued, Subscribed and Paid up		
65,171,111 (March 31, 2023 : 65,171,111) Equity Shares of ₹ 10 each	651.71	651.71
	651.71	**651.71**

(a) Movement in equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at beginning of the year	6,51,71,111	651.71	6,51,71,111	651.71
Add: Shares issued during the year	-	-	-	-
Balance as at end of the year	**6,51,71,111**	**651.71**	**6,51,71,111**	**651.71**

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of ₹ 10 per share. Accordingly, all equity rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed by the board of directors is subject to the approval of shareholders in annual general meeting. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital that has not been paid. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

(c) Details of shareholders holding more than 5% shares in the Company

Equity shares	Number of Shares	% holding
Girishpal Singh Family Trust	1,61,86,440	24.84%
(As at March 31, 2023)	(1,61,86,440)	(24.84%)
Vijendra Singh Family Trust	1,61,89,128	24.84%
(As at March 31, 2023)	(1,61,89,128)	(24.84%)
Harendra Singh Family Trust	1,61,96,789	24.85%
(As at March 31, 2023)	(1,61,96,789)	(24.85%)

As per the records of the Company, including its registers of shareholders (members) and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal and beneficial ownerships.

(d) There are no shares allotted as fully paid up pursuant to contracts without being received in cash since incorporation.

(e) There are no shares which are reserved to be issued under options and there are no securities issues / outstanding which are convertible into equity shares.

(f) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceeding the current year end.

(g) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(h) Details of shareholding of promotors:

Shares held by promoter & promoter group at the end of March 31, 2024

Sr. No	Promoter name & promoter group	No of Shares	% of total shares	% Change during the year
1	Harendra Singh	100	0.00%	0.00%
2	Girishpal Singh	100	0.00%	0.00%
3	Vijendra Singh	100	0.00%	0.00%
4	Harendra Singh Family Trust	1,61,96,789	24.85%	0.00%
5	Vijendra Singh Family Trust	1,61,89,128	24.84%	0.00%
6	Girishpal Singh Family Trust	1,61,86,440	24.84%	0.00%
7	Hodal Singh	100	0.00%	0.00%
8	Nisha Singh	100	0.00%	0.00%
9	Poonam Singh	100	0.00%	0.00%
10	Vaibhav Choudhary	100	0.00%	0.00%
11	Harendra Singh HUF (Karta-Harendra Singh)	100	0.00%	0.00%

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Shares held by promoter & promoter group at the end of March 31, 2023

Sr. No	Promoter name & promoter group	No of Shares	% of total shares	% Change during the year
1	Harendra Singh	100	0.00%	0.00%
2	Girishpal Singh	100	0.00%	0.00%
3	Vijendra Singh	100	0.00%	0.00%
4	Harendra Singh Family Trust	1,61,96,789	24.85%	0.00%
5	Vijendra Singh Family Trust	1,61,89,128	24.84%	0.00%
6	Girishpal Singh Family Trust	1,61,86,440	24.84%	0.00%
7	Hodal Singh	100	0.00%	0.00%
8	Nisha Singh	100	0.00%	0.00%
9	Poonam Singh	100	0.00%	0.00%
10	Vaibhav Choudhary	100	0.00%	0.00%
11	Harendra Singh HUF (Karta-Harendra Singh)	100	0.00%	0.00%

Note 20 - Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and surplus		
Securities premium reserve	2,694.47	2,694.47
Retained earnings	19,838.75	14,438.17
	22,533.22	**17,132.64**
a) Securities premium reserve		
Opening balance	2,694.47	2,694.47
Changes during the year	-	-
Closing balance (a)	**2,694.47**	**2,694.47**
b) Retained Earnings		
Opening balance	14,438.17	10,297.25
Net profit for the year	5,454.88	4,213.83
Less: Dividend paid	(81.46)	(65.17)
Items of other comprehensive income/ (loss) recognised directly in retained earnings		
- Remeasurements gain/ (loss) of defined benefit obligations, net of tax	27.16	(7.74)
Closing balance (b)	**19,838.75**	**14,438.17**
Total other equity (a+b)	**22,533.22**	**17,132.64**

Nature and purpose of reserves

a) Securities premium reserve :

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained Earnings:

Retained earnings represents the profit that the Company earned till date, less remeasurement gains/ (loss) of defined benefit plans and can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 21 - Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Non current borrowings*		
Secured :		
Term loans		
Banks (Refer Note 21.1)		
In Indian Currency	1,098.93	1,165.49
In Foreign Currency	-	47.44
Financial institutions (Refer Note 21.1)	301.39	578.64
Vehicle loan		
Banks (Refer Note 21.1)	99.07	73.68
Financial institutions (Refer Note 21.1)	1.79	10.34
8% Rated, listed, senior, secured, redeemable, non convertible debenture (Refer Note 21.1)	-	485.00
	1,501.18	**2,360.59**

*Refer Note 39 (ii) for liquidity risk management and Refer note 45 for Assets pledged as security.

Secured Borrowings

21.1 The details of rate of interest and repayment of secured borrowings are as under :

S. No.	Particulars	Number of loans outstanding as at		Amount outstanding as at		Interest % per annum	Frequency of instalments	Instalments commencing from - to		Remarks
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023			March 31, 2024	March 31, 2023	
1	Term loans - from banks (in Indian Currency)	955	654	2,144.93	2,118.73	6.60 % to 9.25%	Monthly	Apr 21 to March 27	Apr 20 to May 26	Reference note (b) below
2	Term loans - from banks (in Foreign Currency)	1	1	47.90	47.44	3M EURIBOR - Spread + 1.2 PCT	Quarterly	Jul 22 to Jul 24	Jul 22 to Jul 24	Reference note (b) below
3	Term loans - from financial institution	173	159	735.22	1,028.68	6.60 % to 9.50%	Monthly	Jan 21 to Apr 27	Aug 20 to Dec 25	Reference note (b) below
4	Vehicles loans - from bank	61	42	177.57	117.15	6.80 % to 9.00%	Monthly	Oct 21 to May 27	Jul 20 to Jul 26	Reference note (c) below
5	Vehicles loans - from financial institution	8	9	10.34	20.38	6.90 % to 8.11%	Monthly	Feb 22 to Aug 25	Dec 19 to Aug 25	Reference note (c) below
6	8% Rated, listed, senior, secured, redeemable, non convertible debenture	1	1	485.00	970.00	9.54%	Quarterly	Sep 23 to Dec 24	Sep 23 to Dec 24	Reference note (d) below

a) The Company has obtained term loans and vehicles loans from Banks/ Financial Institutions during the Financial year as mentioned above. As per the Loan Agreement, the said loan was availed for the purpose of respective Equipment and Vehicle financing. The Company has used such borrowings for the purposes as stated in the Loan Agreement.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

b) Secured term loans from banks and financial institution

All term loans have been obtained for financing the asset purchased and are secured by hypothecation of respective assets purchased out of loan, comprising Property, plant and equipment and Constructions Equipment. (Refer Note 45)

c) Secured vehicles loans from banks and financial institution

All vehicles loans are secured by hypothecation of respective vehicles financed though the loan arrangements. (Refer Note 45)

d) Secured Non convertible Debentures

Non convertible Debentures (NCD's) are secured by:

(i) Exclusive charge, by way of hypothecation, over identified assets being construction equipment or plant & machinery; and

(ii) Personal guarantee by Mr. Harendra Singh and Mr. Vijendra Singh.

Note 22 - Trade payable

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current trade payable		
(a) Trade payables: micro and small enterprises	-	-
(b) Trade payables: others	775.52	194.77
(c) Trade payables to related parties	-	-
	775.52	**194.77**

Note: Non current Trade Payables represents amount retained as per the terms of contract.

Ageing of trade payables - Balance as on March 31, 2024:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	775.52	-	-	-	-	775.52
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**-**	**775.52**	**-**	**-**	**-**	**-**	**775.52**

Ageing of trade payables - Balance as on March 31, 2023:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	194.77	-	-	-	-	194.77
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**-**	**194.77**	**-**	**-**	**-**	**-**	**194.77**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 23 - Employee benefit obligations

Particulars	As at March 31, 2024	As at March 31, 2023
Non current employee benefit obligations		
Gratuity (Refer Note 44 (ii) b)	87.00	100.45
Compensated Absences (Refer Note 44 (i))	34.79	44.16
	121.79	**144.61**

Note 24 - Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Current borrowings		
Loans repayable on demand		
Secured		
Working capital loans (in Indian Currency)*	687.44	385.84
Current maturities of long-term debts		
Term loans		
Banks (Refer Note 21.1)**		
In Indian Currency	1,046.00	953.24
In Foreign Currency	47.90	-
Financial institutions (Refer Note 21.1)**	433.83	450.04
Vehicle loan		
Banks (Refer Note 21.1)**	78.50	43.47
Financial institutions (Refer Note 21.1)**	8.55	10.04
8% Rated, listed, senior, secured, redeemable, non convertible debenture (Refer Note 21.1)**	485.00	485.00
Unsecured		
Payable under MSMED trade receivable discounting system (TReDS)***	223.67	348.45
	3,010.89	**2,676.08**

***Nature of Security in relation to Working Capital loans**

a) Primary Security - First Pari Passu charge in favour of the Banks by way of Hypothecation of the Company's entire current assets (present and future) including, but not limited to, stocks of raw materials, stock in progress, finished goods, stores and spares and receivables, margin money deposits, security deposits etc.

b) Collateral Security - First Pari Passu charge in favor of Banks by way of mortage of certain identified immovable properties of the Company and personal and corporate guarantors as per the collateral agreement.

c) All the working capital loans are also secured by personal guarantee of Mr. Hodal Singh, Mr. Girishpal Singh, Mr. Vijendra Singh, Mr. Harendra Singh, Mr. Shailesh Patel, Mr. Vaibhav Choudhary and Corporate Gurantee of M/s Hotel Marudhar (Partnership Firm), M/s H.G. Luxury Hotels Private Limited, M/s H.G. Acerage Developers Private Limited and M/s Valencia Leisure Private Limited. Personal guarantee of Mr. Jodhalal Kalma, Mr. Sanjeev Kumar Choudhary (family friends of Promoters, not to be classified as related parties) and Mrs Nisha Singh (part of promoter group) have been released in the current year.

d) The working capital Loans are repayable on demand and interest rate on the above loan from banks in consortium are linked to the respective bank base rate/ MCLR which are floating in nature. The interest rate ranges from 7.55% to 10.35% per annum on rupees working capital loans.

For Security details of Term loans, vehicle loans and 8% Rated, listed, senior, secured, redeemable, non convertible debentures, Refer Note 21.1.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Compliance of Debt Covenants

Working Capital loans contain certain debt covenants relating to limitation on indebtedness, Current ratio, Net Debt to EBIDTA ratio, Interest coverage ratio, Total outside liablity to Adjusted Tangible net worth, Minimum net working capital Limit, Minimum Credit Rating, Total outside liablity to Tangible net worth, Debt service coverage ratio and Minimum Targeted sales. The Limitation on indebtness covenants get suspended if the Company meets certain prescribed criteria. The Company has satisfied all debt covenants mentioned above. The other loans do not carry any debt covenants.

The Company has not defaulted of any loans payables during the year ended March 31, 2024.

**Refer Note 39 (ii) for liquidity risk management and Refer Note 45 for Assets pledged as security".

***The carrying amounts of current borrowings includes payables in respect of vendors which are subject to a factoring arrangement ('the factors'). Under this arrangement, H.G. Infra Engineering Limited has transferred the relevant payables to the factor in exchange for timely payment to MSMED Vendors. Therefore, the amount repayable under the factoring agreement to the factors is presented as unsecured borrowings.

Note 25 - Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
(a) Trade payables: micro and small enterprises	699.08	712.94
(b) Trade payables: others	7,447.06	6,464.07
(c) Trade payables to related parties (Refer Note 43)	211.66	64.75
	8,357.80	**7,241.76**

Note: Trade Payable include retentions of ₹ 218.78 Million (March 31, 2023 ₹ 1,227.22 Million) retained as per the terms of contract.

Ageing of trade payables - Balance as on March 31, 2024 :

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	161.85	392.27	139.90	0.28	0.29	4.49	699.08
(ii) Others	1,587.96	5,138.06	922.66	10.04	-	-	7,658.72
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,749.81**	**5,530.33**	**1,062.56**	**10.32**	**0.29**	**4.49**	**8,357.80**

Ageing of trade payables - Balance as on March 31, 2023 :

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	106.55	539.19	62.42	0.29	0.84	3.65	712.94
(ii) Others	1,246.42	3,667.25	1,485.28	48.91	34.26	46.70	6,528.82
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,352.97**	**4,206.44**	**1,547.70**	**49.20**	**35.10**	**50.35**	**7,241.76**

Note - Dues from micro and small enterprises

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Following disclosures required for Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the company.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) The principal amount remaining unpaid to supplier as at the end of accounting year	690.34	707.62
(b) The interest due thereon remaining unpaid to supplier at the end of accounting year	0.01	0.27
(c) The amount of interest paid in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
(d) 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 this Act.	3.68	-
(e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	3.69	0.27
(f) 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	8.74	5.05

Note 26 - Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	15.50	16.12
Capital creditors	34.69	250.17
Other payables	0.05	22.94
	50.24	**289.23**

Note 27 - Employee benefit obligations

Particulars	As at March 31, 2024	As at March 31, 2023
Employee benefits payable	216.11	195.93
Compensated Absenses (Refer Note 44)	26.04	12.37
	242.15	**208.30**

Note 28 - Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	699.96	395.57
Advance received for sale of goods	1.02	0.77
Advance received for sale of property, plant and equipments	11.37	29.63
Excess contribution from JV partner	-	1.28
	712.35	**427.25**

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 29 - Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers (Refer Note 52)		
Construction contracts	50,695.19	43,580.03
Sale of services (Operation and maintenance contracts)	325.89	432.58
Other operating revenue	196.36	172.75
	51,217.44	**44,185.36**

Note 30 - Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income from financial assets at amortised cost	86.93	79.14
Rental income (Refer Note 47)	36.63	34.57
Net gain on disposal of property, plant and equipment & Investment properties	-	3.34
Miscellaneous income	2.43	63.53
	125.99	**180.58**

Note 31 - Cost of materials consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Construction material, stores and spares		
Opening stock at the beginning of the year	2,353.31	1,835.52
Add: Purchases during the year	23,246.55	21,952.82
Less: Closing stock at the end of the year	(2,967.01)	(2,353.31)
	22,632.85	**21,435.03**

Note 32 - Contract and site expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sub contracting expenses	14,514.92	10,733.24
Indirect taxes (Labour cess and road tax expenses etc.)	371.14	357.09
Insurance expenses	59.97	51.93
Contract labour charges	15.71	20.46
Hire charges for machinery and others (Refer Note 53)	369.57	289.58
Site and other direct expenses	883.31	1,160.56
Repairs and maintenance - plant and equipment	233.94	290.95
Technical consultancy	107.46	136.14
	16,556.02	**13,039.95**

Notes forming part of the Standalone Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Note 33 - Employee benefit expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus & other allowances	2,392.05	1,589.77
Contribution to provident and other funds (Refer Note 44 (ii) (a))	111.04	58.33
Gratuity (Refer Note 44 (ii) (b))	31.77	33.13
Staff welfare expenses	347.41	277.59
	2,882.27	**1,958.82**

Note 34 - Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on :		
Term loan		
In Indian Currency*	245.57	146.52
In Foreign Currency*	2.71	0.85
Working capital loan*	202.20	139.75
Interest on 8% Rated, listed, senior, secured, redeemable, non convertible debenture*	79.86	88.28
Interest on late payment of micro and small enterprises	3.69	0.28
Interest and finance charges on lease liabilities (Refer Note 3(b))	5.14	2.17
Interest on late payment of Income tax	4.35	14.72
Other borrowing cost	266.12	240.20
	809.64	**632.77**

*Refer Note 21.1 & 24 for details of rate of interest, term & condition and repayment of secured borrowings.

Note 35 - Depreciation and amortisation expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of Property, plant and equipment (Refer Note 3(a))	1,354.07	929.33
Depreciation of Right-of-use assets (Refer Note 3(b))	48.16	19.02
Depreciation on Investment property (Refer Note 4)	1.39	1.45
Amortisation of Intangible assets (Refer Note 5)	7.99	13.68
	1,411.61	**963.48**

Note 36 - Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Repairs and maintenance	39.61	26.45
Rates and taxes	13.70	28.82
Sitting fees	5.09	2.48
Lease rent (Refer Note 3 (b) and Refer Note 53)	59.08	68.17
Payment to auditors (Refer Note (a) below)	11.01	9.68
Advertisement and business promotion	15.21	14.00
Travelling and conveyance	79.60	62.34
Corporate social responsibility expenditure (Refer Note (b) below)	123.05	65.98

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Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Legal and professional fees	75.15	45.26
Electricity expenses	64.64	69.51
Printing and stationery	20.98	19.46
Loss allowances (Net of reversals) (Refer Note 39 (i))	254.35	175.10
Amount written off (Refer Note 39 (i))	48.88	-
Telephone and communication	12.43	9.94
Net foreign exchange differences	0.46	2.48
Net loss on disposal of property, plant and equipment	17.12	-
Miscellaneous expenses	86.20	48.86
	926.56	**648.53**

(a) Payment to auditors ((Net of GST of ₹ 1.71 Million (Previous year: ₹ 1.29 Million))

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Audit Fees	6.73	6.21
Certification fees	2.77	3.21
Reimbursements of expenses	1.51	0.26
Total payments to auditors	**11.01**	**9.68**

(b) Expenditure towards Corporate Social Responsibility (CSR) activities

Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are reaching healthcare and disaster management, education, rural development projects, assistance for setting up homes and shelters, environmental sustainability and animal welfare. A CSR committee has been formed by the Company as per the Act. The funds are utilized throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
i. Amount required to be spent as per Section 135 of the Act		
Gross Amount required to be spent as per Section 135 of the Act	89.21	65.98
Add: Amount Unspent from previous years	-	13.44
Total Gross amount required to be spent during the year	**89.21**	**79.42**
ii. Amount approved by the Board to be spent during the year	89.21	65.98
iii. Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	123.05	79.42
iv. Details related to amount spent		
Contribution in relation to:		
Ongoing projects	101.14	51.22
Other than Ongoing projects	21.91	14.76
Accrual towards unspent obligations in relation to:		
Ongoing projects	-	-
Other than Ongoing projects	-	-
	123.05	**65.98**

Notes forming part of the Standalone Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

v. Details of ongoing CSR projects

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance unspent at the beginning of the year*	-	13.44
Amount required to be spent during the year	101.14	51.22
Amount spent during the year:		
a. HG Care – Adoption of villages (HRDP)	(19.96)	(35.94)
b. HG Ki Pathshala - Adoption of schools/ hostels	(42.28)	(26.38)
c. HG Care – Green Drive	(38.90)	(2.34)
Balance unspent as at end of the year*	-	-

*Details of Unspent amount as at Year end	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
With the Company's Account	-	-	-
In Separate CSR Unspent Account	-	-	13.44

vi. Details of CSR expenditure in respect of other than ongoing projects

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance unspent at the beginning of the year	-	-
Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	-	-
Amount required to be spent during the year	21.91	14.76
Amount spent during the year for		
a. HGIEL Scholarships	(6.59)	(5.59)
b. HG Care – Community Welfare	(15.32)	(6.67)
c. HG Care – Animal Welfare	-	(2.50)
Balance unspent as at end of the year	-	-

vii. Details of Parties to whom contribution has been made

Name	Nature of Relationship	Year ended March 31, 2024	Year ended March 31, 2023
H.G. Foundation (Refer Note 43)	Section 8 Company incorporated by the Company	95.77	-
H.G. Foundation (Refer Note 43)	Trust incorporated by the Company	-	79.42
Moinee Foundation	Implementing Agency	25.00	-
Green Yatra Trust	Implementing Agency	2.28	-
		123.05	**79.42**

viii. Disclosures on Shortfall

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross amount Required to be spent by the Company during the year (Refer (i) above)	89.21	79.42
Actual Amount Spent by the Company during the year (Refer (iii) & (iv) above)	(123.05)	(79.42)
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-

Notes forming part of the Standalone Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Note 37 - Taxation

37 (a) - Income tax expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
Current tax on profits for the year	1,910.62	1,566.98
Adjustment for current tax of prior period	0.97	-
Total current tax expense (A)	**1,911.59**	**1,566.98**
Deferred tax		
(Increase) / decrease in deferred tax assets	(195.98)	(102.11)
Increase / (decrease) in deferred tax liabilities	21.39	8.66
Total deferred tax charge/ (benefit) (B)	**(174.59)**	**(93.45)**
Income tax expense (A+B)	**1,737.00**	**1,473.53**

Other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax on other comprehensive income	(9.13)	2.60
	(9.13)	**2.60**

37 (b) - Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Disallowance under Section 43B of Income Tax Act, 1961	37.21	39.51
Loss allowance for trade receivable	148.72	84.71
Disallowances under section 40(a)(ia) of Income Tax Act, 1961	104.30	42.55
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	93.73	43.65
Lease liabilities	22.00	8.69
Total deferred tax assets (A)	**405.96**	**219.11**
Right-of-use assets	(21.56)	(10.13)
Others	(9.02)	0.94
Total deferred tax liabilities (B)	**(30.58)**	**(9.19)**
Net deferred tax assets (A+B)	**375.38**	**209.93**

Movement in deferred tax assets

Particulars	As at April 1, 2022	(Charged) / credited to profit and loss	(Charged) / credited to OCI	As at March 31, 2023
Disallowance under section 43B of Income Tax Act, 1961	18.88	18.03	2.60	39.51
Loss allowance for trade receivable	48.93	35.78	-	84.71
Disallowance under section 40(a)(ia) of Income Tax Act, 1961	5.60	36.95	-	42.55
Indexation on land	8.28	(8.28)	-	-
Deferred tax assets arising on lease liabilities	3.10	5.59	-	8.69
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	29.61	14.04	-	43.65
Total deferred tax assets	**114.40**	**102.11**	**2.60**	**219.11**

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(All amounts are in ₹ million, unless otherwise stated)

Particulars	As at April 1, 2023	(Charged) / credited to profit and loss	(Charged) / credited to OCI	As at March 31, 2024
Disallowance under section 43B of Income Tax Act, 1961	39.51	6.83	(9.13)	37.21
Loss allowance for trade receivable	84.71	64.01	-	148.72
Disallowance under section 40(a)(ia) of Income Tax Act, 1961	42.55	61.75	-	104.30
Deferred tax assets arising on lease liabilities	8.69	13.31	-	22.00
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	43.65	50.08	-	93.73
Total deferred tax assets	**219.11**	**195.98**	**(9.13)**	**405.96**

Movement in deferred tax liabilities

Particulars	As at April 1, 2022	Charged / (credited) to profit and loss	Charged / (credited) to OCI	As at March 31, 2023
Right-of-use assets	-	10.13	-	10.13
Others	0.53	(1.47)	-	(0.94)
Total deferred tax liabilities	**0.53**	**8.66**	**-**	**9.19**

Particulars	As at April 1, 2023	Charged / (credited) to profit and loss	Charged / (credited) to OCI	As at March 31, 2024
Right-of-use assets	10.13	11.43	-	21.56
Others	(0.94)	9.96	-	9.02
Total deferred tax liabilities	**9.19**	**21.39**	**-**	**30.58**

37 (c) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rate

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before income tax expense	**6,124.48**	**5,687.36**
Statutory tax rate applicable to the Company	25.17%	25.17%
Tax expense at applicable tax rate	**1,541.41**	**1,431.40**
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	30.97	16.62
Donation	11.74	4.49
Interest on late payment of income tax	3.63	3.70
Profit of jointly controlled operations	0.01	(0.03)
Indexation on land	-	8.28
Deduction for Section 80JJAA as per Income tax Act, 1961	(19.02)	-
Interest payable to micro and small enterprises	0.93	0.07
Adjustment for current tax of prior period	0.97	-
Loss on disposal of Property, plant and equipment	4.31	-
Capital Gain Tax (Net)	175.45	-
Others	(13.40)	9.00
Income tax expense	**1,737.00**	**1,473.53**
Total expenses as per standalone Profit and loss statement	**1,737.00**	**1,473.53**

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37 (d) - Current tax liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	141.37	144.32
Add: Additional income tax provision	1,910.62	1,566.98
Add: Income tax adjustment for earlier years	0.97	-
Less: Income tax paid	(1,932.10)	(1,569.93)
	120.86	**141.37**

37 (e) - Non-current tax asset (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	4.61	3.71
Add: Advance tax paid / (refund received)	0.14	0.90
Less: Recovery of tax assets attributable to JCO	(1.41)	-
Less: Income tax provision created during the year	-	-
	3.34	**4.61**

Note 38 - Fair Value Measurements

(i) Financial instruments by category

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets - Amortised cost		
Investment*	-	-
Trade receivables (net of loss allowance)	9,176.57	8,791.42
Cash and cash equivalents	1,073.70	691.05
Bank balances other than cash and cash equivalents	919.17	1,102.62
Loans	14.51	62.07
Other receivable against deferred guarantee commission income	-	1.42
Other receivable (net of loss allowance)	56.89	150.29
Deposits with remaining maturity more than 12 months	288.17	263.91
Security deposits	173.73	125.60
Receivable against Sale of SPVs	595.56	-
Total financial assets	**12,298.30**	**11,188.38**
Financial liabilities - Amortised cost		
Borrowings	4,512.07	5,036.67
Trade payables	9,133.32	7,436.53
Interest accrued	15.50	16.12
Capital creditors	34.69	250.17
Other payables	0.05	22.94
Lease Liabilities	87.41	34.52
Total financial liabilities	**13,783.04**	**12,796.95**

* Investments in subsidiaries and associates 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 tables above.

Notes forming part of the Standalone Financial Statements
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(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair value of the financial instruments that are measured at amortised cost and for which fair value are disclosed in the financial statements.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes instruments like listed equity instruments, traded bonds and mutual funds that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives etc) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is in the case of unlisted securities.

(iii) Fair value of financial instruments measured at amortised cost - Level 3

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Deposits with Banks	288.17	288.17	263.91	263.91
Total financial assets	**288.17**	**288.17**	**263.91**	**263.91**
Financial liabilities				
Borrowings	1,501.18	1,502.54	2,360.59	2,368.74
Total financial liabilities	**1,501.18**	**1,502.54**	**2,360.59**	**2,368.74**

The carrying amounts of short term loans, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other receivables, trade payables, current borrowings, interest accrued, capital creditors and other payables are considered to be the same as their fair value due to their short-term nature. The impact of fair value on non-current financial assets and non-current financial liabilities (not considered above) is not expected to have material impact on the standalone financial statements, hence not dislcosed above.

The fair value of security deposits were not calculated based on their future cash flows discounted at current lending rate as these security deposits are expected to continue to remain till the existence of the Company.

Note 39 - Financial Risk Management

The Company's activities expose it to a variety of financial risks namely credit risk, liquidity risk and market 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) 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. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, contract assets, security deposits, deposit with banks, loans, others receivables and cash and cash equivalents.

Impairment of Financial Assets :

The Company has three types of financial assets that are subject to expected credit loss model:

1. Trade Receivables for construction contracts

2. Contract Assets relating to construction contracts

3. Loans and Other receivables

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While cash and cash equivalents and deposits with banks are subject to impairment requirements of Ind AS 109, the identified impairment on these assets is Nil.

For Trade receivables and Contract assets for construction contracts : Management makes the assessment of the credit risk on trade receivables and contract assets considering the customer profile. Customers of the Company mainly consists of the government promoted entities and some large private corporates. In case of government customers which forms the majority of the revenue, credit risk is low.

Considering the nature of business, each contract and its customer is evaluated for the purpose of assessment of loss allowances. The reasons for loss allowances could be recovery of claims, disputes with customer, customers ability to pay, delays in approval by government authorities, and expected time to recover the amount. Management makes an assessment considering facts of each contract, past trends, terms of the contract and accordingly considers the need for loss allowances, if any.

For Loans and Other receivables : The Company's investments in debt instruments and certain loans are considered to be low risk investments.

(A) The following table gives details in respect of percentage of revenue generated from government promoted agencies and private corporates:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from government promoted agencies	60%	73%
Revenue from private corporates	40%	27%
	100%	**100%**

The Company secured contracts by submitting bids in response to tenders in terms of which it is required to form Special Purpose Vehicle (SPV) Companies (Subsidiary Companies) to execute the awarded projects. As at March 31, 2024 the Company has 9 SPVs (As at March 31, 2023 the Company had 10 SPVs) who have received contracts from government promoted agencies and revenue related to SPV's for work executed by the Company has been grouped in Revenue from government promoted agencies.

The movement in loss allowance for expected credit loss on trade and other receivables including contract assets is as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	**336.58**	**194.42**
Changes in loss allowances		
Additions (Refer Note 36)	254.35	206.73
Released (Refer Note 36)	-	(31.63)
Bad debts written off *	-	(32.94)
Closing Balance	**590.93**	**336.58**

* Amounts pertaining to Delhi Vadodara-PKG-04 amounting to ₹ 48.88 million charged directly to Statement of Profit and Loss for the year ended March 31, 2024. Refer Note 36.

Maturity analysis of trade and other receivables including contract assets as on March 31, 2024

Ageing	0 - 180 days	181 - 365 days	More than 365 days	Total
Trade Receivables - Related Parties	2,908.21	8.28	237.97	3,154.46
Trade Receivables - Others	5,666.15	187.49	261.48	6,115.12

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Ageing	0 - 180 days	181 - 365 days	More than 365 days	Total
Contract Assets	8,928.30	687.38	840.02	10,455.70
Other receivables	24.36	17.02	34.45	75.83
Sub total	**17,527.02**	**900.17**	**1,373.92**	**19,801.11**
Less: Loss allowance	-	12.01	578.92	590.93
Total	**17,527.02**	**888.16**	**795.00**	**19,210.18**

Maturity analysis of trade and other receivables including contract assets as on March 31, 2023

Ageing	0 - 180 days	181 - 365 days	More than 365 days	Total
Trade Receivables- Related Parties	1,510.59	127.95	110.15	1,748.69
Trade Receivables- Others	6,079.01	360.90	652.36	7,092.27
Contract Assets	5,431.19	151.80	531.50	6,114.49
Other receivables	122.84	17.73	28.66	169.23
Sub total	**13,143.63**	**658.38**	**1,322.67**	**15,124.68**
Less: Loss allowance	-	-	336.58	336.58
Total	**13,143.63**	**658.38**	**986.09**	**14,788.10**

Note on recoverability of amount due from certain trade receivables and other receivable

The Company has long outstanding dues amounting to ₹ 2,274.09 Million (including contract assets of amounting to ₹ 1,527.40 Million) as at March 31, 2024 (March 31, 2023 ₹ 1,981.05 Million) from certain customers which due to liquidity issues have remain unpaid. There is no dispute on the said balances and balances have been confirmed by the parties. The Company is very actively engaged with them for recovery of the said balance. Based on the latest discussions, correspondences exchanges, evaluation of the credit profile of the customer, the Company has considered a provision of ₹ 590.93 Million (for the year ended March 31, 2023 : ₹ 336.58 Million) towards the said balances.

(A) As at the year end, the Company held cash and cash equivalents of ₹ 1073.70 Million (March 31, 2023 ₹ 691.05 Million). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

(B) Deposit with banks are held with bank counterparties with good credit rating.

(ii) Liquidity risk

Liquidity risk defined is as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. Company's objective is to, at all time maintain optimum levels of liquidity to meet its financial obligations. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and by having access to funding through an adequate amount of committed credit lines. In addition, processes and policies related to such risks are overseen by senior management.

Management monitors rolling forecasts of the Company’s liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at by senior management in accordance with practice and limits set by the Company. These limits take into account the liquidity of the market in which the entity operates. In addition, the Company’s liquidity management policy involves projecting cash flows in major currencies and

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considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate		
Expiring within one year (bank overdraft and other facilities)	3,522.60	2,454.12

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings and compliance of financial and other covenants.

Maturities of financial liabilities

The table summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments:

Particulars	Carrying Amount	Less than 1 year	1 - 5 Years	Total
As at March 31, 2024				
Borrowings	4,512.07	3,010.89	1,501.18	4,512.07
Interest payable	15.50	15.50	-	15.50
Trade payables	9,133.32	8,357.80	775.52	9,133.32
Capital creditors	34.69	34.69	-	34.69
Other payables	0.05	0.05	-	0.05
Lease liabilities	87.41	41.61	45.80	87.41
Financial guarantee contracts *	6,720.00	-	-	-
		11,460.54	**2,322.50**	**13,783.04**

Particulars	Carrying Amount	Less than 1 year	1 - 5 Years	Total
As at March 31, 2023				
Borrowings	5,036.67	2,676.08	2,360.59	5,036.67
Interest payable	16.12	16.12	-	16.12
Trade payables	7,436.53	7,241.76	194.77	7,436.53
Capital creditors	250.17	250.17	-	250.17
Other payables	22.94	22.94	-	22.94
Lease liabilities	34.52	18.45	16.07	34.52
Financial guarantee contracts *	10,779.50	-	-	-
		10,225.52	**2,571.43**	**12,796.95**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due for less than 1 year, equal their carrying balances as the impact of discounting is not significant.

* Guarantee issued by the Company to the bankers on behalf of H.G. Raipur Visakhapatnam AP-1 Private Limited and H.G. Rewari Bypass Private Limited (all the Subsidiary Companies except H.G. Karnal-Ring Road Private Limited as at March 31, 2023) is with respect to limits availed by them. These amounts will be payable in case of default by the subsidiary Companies. As of the reporting date, the subsidiary Companies has not defaulted and hence, the Company does not have any present obligation to third parties in relation to such guarantee.

(iii) 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 two types of risks i.e. interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and creditors for capital expenditures.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates is insignificant and relates primarily to the Company's creditors for capital expenditures. The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies. As at March 31, 2024, Company's foreign currency exposure amounts to ₹ 47.90 Million (as at March 31, 2023 ₹ 47.44 Million).

1. Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in Euro are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities		
Euro (In Million)	0.53	0.53
Term Loan	47.90	47.44
Exposure to foreign currency risk (liabilities)	**47.90**	**47.44**

2. Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in Euro exchange rates with all other variables held constant.

Particulars	Change in Euro rate	Increase / (Decrease) in profit before tax	
		Year ended March 31, 2024	Year ended March 31, 2023
Increase in exchange rate	5%	(2.40)	(2.44)
Decrease in exchange rate	5%	2.40	2.44

The Change in exchange rates does not affect the components of other equity.

(b) Interest 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 risk of changes in market rate is limited to short term working capital loans at variable rate taken from banks as the Company's long term borrowings bear fixed interest rate.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company manages the interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

1. Interest rate exposure

Particulars	Weighted average interest rate		As at March 31, 2024	As at March 31, 2023
	As at March 31, 2024	As at March 31, 2023		
Variable rate borrowings	8.43	8.25	687.44	385.84
Fixed rate borrowings	8.14	7.57	3,824.63	4,650.83
Total borrowings			**4,512.07**	**5,036.67**

An analysis by maturities is provided in liquidity risk note above.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

2. Sensitivity

Profit or loss is sensitive to higher / lower interest expense as a result of changes in interest rates. A 20 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the Company's profit before tax will be impacted by a change in interest rate as follows:

Particulars	Increase / (Decrease) in profit before tax	
	Year ended March 31, 2024	Year ended March 31, 2023
Increase in interest rate by 20 basis points (20 bps)	(4.05)	(2.37)
Decrease in interest rate by 20 basis points (20 bps)	4.05	2.37

Note 40 - Capital Management

(a) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company and borrowings.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's aim is to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt (Refer Note 42)	3,541.28	4,396.26
Total equity	23,184.93	17,784.35
Net debt to equity ratio	**15%**	**25%**

The net debt to equity ratio for the current year decreased from 25% to 15% following the repayment of loans and foreclosure in certain cases on accounts of proceeds from sale of Investment in SPVs Companies.

(b) Dividends

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Equity shares		
Final dividend for the year ended March 31, 2023 of ₹ 1.25 (March 31, 2022 - ₹ 1.00) per fully paid equity share	-	81.46
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, subsequent to year end the Board of directors have recommended the payment of a final dividend of ₹ 1.50 per fully paid equity share (March 31, 2023 ₹ 1.25)	97.76	-

The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

(c) Loan Covenants

Under the terms of major borrowing facilities the Company is required to comply with the following financial covenants:

Financial Covenants	Requirement
a. Total outside liabilities/Adjusted Tangible Net Worth	Not more than 1.62 (in times)
b. Total outside liabilities (including contigment liabilities)/ Adjusted Tangible Net Worth	Not more than 5.00 (in times)
c. EBITDA/Net Interest Expenses	Greater than 5.00 (in times)
d. Net Debt/EBITDA	Not more than 2.75 (in times)
e. Current Ratio	Not less than 1.20 (in times)
f. Total outside liabilities/Tangible Net Worth	Less than 4.00 (in times)
g. Net Working Capital	Not less than 25% of Current Assets
h. Mimimum Targeted Sale*	Not less than ₹ 55,200
i. Debt Service Coverage Ratio	More than 1.50 (in times)
j. Company's Credit Rating as per ICRA	Minimum A+

* Subject to 10% margin.

The Company has complied with these financial covenants throughout the year.

Note 41 - Segment Reporting

In terms of Paragraph 4 of Ind AS 108 'Operating Segments', entity wide disclosures have been presented in the consolidated financial statements.

Note 42 - Net Debt Reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	1,073.70	691.05
Current borrowings	(1,396.11)	(1,219.29)
Current maturities of long term borrowings	(1,614.78)	(1,456.79)
Interest accrued but not due	(15.50)	(16.12)
Non current borrowings	(1,501.18)	(2,360.59)
Lease liabilities	(87.41)	(34.52)
Net Debt	**(3,541.28)**	**(4,396.26)**

Particulars	Other assets	Liabilities from financing activities				Total
	Cash and cash equivalents	Lease liabilities	Non-current borrowings	Current borrowings*	Interest accrued**	
Net debt as at April 1, 2022	**472.38**	**(12.30)**	**(1,598.01)**	**(1,548.54)**	**(6.76)**	**(2,693.23)**
Additions to right-of-use of assets	-	(46.84)	-	-	-	(46.84)
Cash flows	218.67	24.62	(2,215.38)	327.74	-	(1,644.35)
Reclassification for current maturity of long term borrowings	-	-	1,455.28	(1,455.28)	-	-
Interest expense	-	(2.17)	-	-	(375.40)	(377.57)
Interest paid	-	2.17	-	-	366.04	368.21
Gain/ (loss) on restatement	-	-	(2.48)	-	-	(2.48)
Net debt as at March 31, 2023	**691.05**	**(34.52)**	**(2,360.59)**	**(2,676.08)**	**(16.12)**	**(4,396.26)**

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Particulars	Other assets	Liabilities from financing activities				Total
	Cash and cash equivalents	Lease liabilities	Non-current borrowings	Current borrowings*	Interest accrued**	
Additions to right-of-use of assets	-	(93.59)	-	-	-	(93.59)
Cash flows	382.65	40.70	701.87	(176.82)	-	948.40
Reclassification for current maturity of long term borrowings	-	-	157.99	(157.99)	-	-
Interest expense	-	(5.14)	-	-	(543.69)	(548.83)
Interest paid	-	5.14	-	-	544.31	549.45
Gain/ (loss) on restatement	-	-	(0.45)	-	-	(0.45)
Net debt as at 31 March 2024	**1,073.70**	**(87.41)**	**(1,501.18)**	**(3,010.89)**	**(15.50)**	**(3,541.28)**

*Includes current maturities of long term borrowings, cash credit facility, payable under MSMED trade receivable discounting system (TReDS).

**Except for other borrowing costs.

Note 43 - Related Party transactions

I Name of related parties and nature of relationship:

Related parties where control exits

A) Subsidiary

Gurgaon Sohna Highway Private Limited (till November 21, 2023)

H.G. Ateli Narnaul Highway Private Limited (till November 21, 2023)

H.G. Rewari Ateli Highway Private Limited (till November 21, 2023)

H.G. Rewari Bypass Private Limited

H.G. Raipur Visakhapatnam AP-1 Private Limited

H.G. Khammam Devarapalle PKG-1 Private Limited

H.G. Khammam Devarapalle PKG-2 Private Limited

H.G. Raipur Visakhapatnam OD-5 Private Limited

H.G. Raipur Visakhapatnam OD-6 Private Limited

H.G. Karnal-Ringroad Private Limited

H.G. Varanasi-Kolkata PKG-10 Highway Private Limited

H.G. Varanasi-Kolkata PKG-13 Private Limited

H.G. Solar Projects Private Limited

H.G. Foundation (Section 8 Company of the Companies Act 2013)

B) Step Down Subsidiary

Norangdesar Solar Developer Private Limited

Rasisar Solar Developer Private Limited

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

C) Jointly Controlled Operations

HGIEPL - MGCPL JV

HGIEPL - RANJIT JV (till March 29, 2024)

Other Related Parties with whom transactions have taken place during the year

D) Associates

M/s Safety First (A Registered Partnership Firm)

Safety First Engineering Private Limited

E) Key Management Personnel

Mr. Vijendra Singh	- Whole Time Director
Mr. Harendra Singh	- Chairman and Managing Director
Mr. Ashok Kumar Thakur	- Non-Executive Independent Director
Mrs. Pooja Hemant Goyal	- Non-Executive Independent Director
Mrs. Sharada Sunder	- Additional Independent Director (w.e.f February 8, 2023)
Mrs. Monica Widhani	- Additional Independent Director (w.e.f February 8, 2023)
Mr. Onkar Singh	- Non-Executive Independent Director (till September 7, 2022)
Mr. Manjit Singh	- Non-Executive Independent Director (w.e.f. May 13, 2022)
Mr. Dinesh Kumar Goyal	- Executive Director
Mr. Rajeev Mishra	- Chief Financial Officer
Mrs. Ankita Mehra	- Company Secretary

F) Relatives of Key Management Personnel

Mr. Girishpal Singh*	- Brother of Mr. Harendra Singh
Mr. Vaibhav Choudhary*	- Son of Mr. Girishpal Singh
Mr. Hodal Singh*	- Father of Mr. Harendra Singh
Ms. Ridhima Choudhary	- Daughter of Mr. Harendra Singh
Mrs. Nisha Singh*	- Wife of Mr. Harendra Singh

*Also part of promoter's group. Refer Note 19 (h).

G) Enterprises over which key management personnel and their relatives are able to exercise significant influence

H.G. Traders

H.G. Infra Toll Way Private Limited

B2B Genie Private Limited

Mahadev Stone Crusher

HGIEPL - TPL JV

H.G. Foundation (Trust)

Raghusons Infra Engineering Private Limited

Hotel Marudhar (Partnership Firm)

H.G. Luxury Hotels Private Limited

H.G. Acerage Developers Private Limited

Valencia Leisure Private Limited

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

II Transactions with related parties

A) Key Management personnel compensation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	68.54	54.18
Director's sitting fees	5.09	2.48
Total compensation	**73.63**	**56.66**

Compensation exclude post employment employee benefits since these are based on actuarial valuation on an overall company basis.

B) Transactions during the year

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of material		
Mahadev Stone Crusher	1.33	4.92
H.G. Traders	0.69	-
B2B Genie Private Limited	0.25	-
Purchases		
M/s Safety First (A Registered Partnership Firm)	80.31	252.15
B2B Genie Private Limited	1,525.33	204.53
Mahadev Stone Crusher	8.37	-
H.G. Traders	0.27	-
Guarantee Commission Income received from		
H.G. Ateli Narnaul Highway Private Limited	0.97	3.39
H.G. Rewari Ateli Highway Private Limited	-	0.51
H.G. Rewari Bypass Private Limited	0.83	1.37
H.G. Raipur Visakhapatnam AP-1 Private Limited	0.57	0.10
Contract Revenue		
HGIEPL - TPL JV	6.94	124.38
Gurgaon Sohna Highway Private Limited	29.47	56.02
H.G. Ateli Narnaul Highway Private Limited	71.35	254.58
H.G. Rewari Ateli Highway Private Limited	30.54	287.48
H.G. Rewari Bypass Private Limited	272.65	2,090.12
H.G. Raipur Visakhapatnam AP-1 Private Limited	2,314.51	3,048.98
H.G. Khammam Devarapalle PKG-1 Private Limited	2,922.68	432.55
H.G. Khammam Devarapalle PKG-2 Private Limited	2,373.23	408.83
H.G. Raipur Visakhapatnam OD-5 Private Limited	3,981.06	4,524.19
H.G. Raipur Visakhapatnam OD-6 Private Limited	3,219.33	3,675.31
H.G. Karnal-Ringroad Private Limited	2,109.64	-
HGIEPL - MGCPL JV	0.59	2.82
Rasisar Solar Developer Private Limited	84.65	-
Purchases of Property, plant and equipment		
Gurgaon Sohna Highway Private Limited	-	3.50
Contract & site expenses		
H.G. Infra Toll way Private Limited	111.02	130.69
Raghusons Infra Engineering Private Limited	-	43.02
Mahadev Stone Crusher	2.40	12.86
H.G. Traders	0.78	0.54

Notes forming part of the Standalone Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent Paid for Office		
Mr. Hodal Singh	0.66	0.60
Mr. Girishpal Singh	0.56	0.51
Sitting Fees		
Mr. Onkar Singh	-	0.41
Ms. Pooja Hemant Goyal	0.61	0.50
Mr. Ashok Kumar Thakur	1.15	0.76
Mr. Manjit Singh	1.32	0.81
Mrs. Sharada Sunder	1.05	-
Mrs. Monica Widhani	0.96	-
Remuneration		
Key management personnel:		
Mr. Vijendra Singh*	18.00	15.00
Mr. Harendra Singh*	39.00	30.00
Mr. Dinesh Kumar Goyal*	4.89	4.45
Mr. Rajeev Mishra*	5.29	3.71
Mrs. Ankita Mehra*	1.36	1.02
* Post employment employee benefits is not included, as it is provided on overall basis based on actuarial valuation.		
Remuneration to relatives of KMP		
Mr. Vaibhav Choudhary	10.81	10.81
Ms. Ridhima Choudhary	2.40	2.40
Corporate social responsibility expenditure		
H.G. Foundation (Trust)	-	65.98
H.G. Foundation (Section 8 Company of the Companies Act 2013)	95.77	-
Donation		
H.G. Foundation (Trust)	13.65	10.46
H.G. Foundation (Section 8 Company of the Companies Act 2013)	32.65	-
Guarantees given on behalf of Company		
Mr. Vijendra Singh	7,859.70	6,540.50
Mr. Harendra Singh	7,859.70	6,540.50
Mr. Girishpal Singh	7,859.70	6,540.50
Mr. Hodal Singh	7,859.70	6,540.50
Mrs. Nisha Singh##	-	6,540.50
Hotel Marudhar (Partnership Firm)	7,859.70	6,540.50
H.G. Luxury Hotels Private Limited	7,859.70	6,540.50
H.G. Acerage Developers Private Limited	7,859.70	6,540.50
Valencia Leisure Private Limited	7,859.70	6,540.50
Mr. Vaibhav Choudhary	30,000.00	-
Guarantees issue / (release) on behalf of Subsidiary Company		
H.G. Ateli Narnaul Highway Private Limited	(4,059.50)	-
H.G. Raipur Visakhapatnam OD-5 Private Limited	(200.00)	-
H.G. Raipur Visakhapatnam OD-6 Private Limited	(136.93)	-
H.G. Khammam Devarapalle Pkg-1 Private Limited**	-	231.63
H.G. Karnal-Ringroad Private Limited**	299.13	-
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited**	390.93	-
H.G. Varanasi-Kolkata PKG-13 Private Limited**	277.53	-

Notes forming part of the Standalone Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Insurance premium paid towards keyman term policy taken by Company		
Mr. Vijendra Singh	5.52	5.52
Mr. Harendra Singh	5.45	5.45
Mr. Vaibhav Choudhary	5.15	5.15
Insurance claim received from Subsidiary Company		
H.G. Ateli Narnaul Highway Private Limited	1.01	-
H.G. Rewari Bypass Private Limited	6.64	-
Loans given		
Gurgaon Sohna Highway Private Limited	40.70	139.86
H.G. Ateli Narnaul Highway Private Limited	46.50	219.40
H.G. Rewari Ateli Highway Private Limited	-	1.19
H.G. Rewari Bypass Private Limited	78.67	78.16
Loan given to KMP		
Mr. Rajeev Mishra	-	0.80
Salary advance given to KMP		
Mr. Vijendra Singh	-	0.88
Advance from customers received (Contract liability)		
Gurgaon Sohna Highway Private Limited	-	6.51
H.G. Rewari Bypass Private Limited	-	91.25
H.G. Raipur Visakhapatnam AP-1 Private Limited	-	677.50
H.G. Khammam Devarapalle Pkg-1 Private Limited	147.20	464.41
H.G. Khammam Devarapalle Pkg-2 Private Limited	121.41	383.05
H.G. Raipur Visakhapatnam OD-5 Private Limited	31.10	2,082.11
H.G. Raipur Visakhapatnam OD-6 Private Limited	66.78	968.50
H.G. Karnal-Ringroad Private Limited	1,197.11	-
Loans repayment		
Gurgaon Sohna Highway Private Limited	40.70	244.23
H.G. Ateli Narnaul Highway Private Limited	47.50	295.23
H.G. Rewari Ateli Highway Private Limited	0.08	41.60
H.G. Rewari Bypass Private Limited	128.33	28.50
Loans repayment by KMP		
Mr. Rajeev Mishra	0.53	0.22
Investment Made		
H.G. Rewari Bypass Private Limited	173.20	118.80
H.G. Khammam Devarapalle Pkg-1 Private Limited	263.74	532.00
H.G. Khammam Devarapalle Pkg-2 Private Limited	219.35	437.50
H.G. Raipur Visakhapatnam OD-5 Private Limited	-	570.71
H.G. Raipur Visakhapatnam OD-6 Private Limited	-	717.11
H.G. Karnal-Ringroad Private Limited	786.11	1.50
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited	1.50	-
H.G. Varanasi-Kolkata PKG-13 Private Limited	1.50	-
H.G. Solar Projects India Private Limited	1.50	-
M/s Safety First (A Registered Partnership Firm)	-	3.51
Safety First Engineering Pvt. Ltd.	-	86.49
H.G. Foundation (Section 8 Company of the Companies Act 2013)	0.10	-

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Investments in instruments entirely equity in nature		
H.G. Rewari Ateli Highway Private Limited	(337.25)	31.40
H.G. Ateli Narnaul Highway Private Limited	(283.32)	-
H.G. Raipur Visakhapatnam AP-1 Private Limited	139.84	471.26
H.G. Khammam Devarapalle Pkg-1 Private Limited	53.40	42.60
H.G. Khammam Devarapalle Pkg-2 Private Limited	45.73	37.70
H.G. Raipur Visakhapatnam OD-5 Private Limited	255.00	744.41
H.G. Raipur Visakhapatnam OD-6 Private Limited	187.38	107.27
H.G. Karnal-Ringroad Private Limited	73.12	-
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited	40.50	-
H.G. Varanasi-Kolkata PKG-13 Private Limited	27.50	-
Sale of Property, plant and equipment		
H.G. Luxury Hotels Private Limited	2.06	-
Mrs. Nisha Singh	65.00	-

C) Outstanding balances

Particulars	As at March 31, 2024	As at March 31, 2023
Other Current Liabilities		
Employee benefits payable		
Mr. Vaibhav Choudhary	2.39	2.26
Mr. Vijendra Singh	0.85	-
Mr. Harendra Singh	0.93	0.92
Mr. Rajeev Mishra	0.26	0.15
Mr. Dinesh Kumar Goyal	0.33	0.29
Ms. Ridhima Choudhary	0.15	0.16
Mrs. Ankita Mehra	0.10	0.07
Investment		
Gurgaon Sohna Highway Private Limited***	-	728.94
H.G. Rewari Ateli Highway Private Limited***	-	382.25
H.G. Ateli Narnaul Highway Private Limited***	-	952.11
H.G. Rewari Bypass Private Limited	-	583.80
H.G. Raipur Visakhapatnam AP-1 Private Limited	379.70	379.70
H.G. Khammam Devarapalle Pkg-1 Private Limited	797.24	533.50
H.G. Khammam Devarapalle Pkg-2 Private Limited	658.35	439.00
H.G. Raipur Visakhapatnam OD-5 Private Limited	572.21	572.21
H.G. Raipur Visakhapatnam OD-6 Private Limited	718.61	718.61
H.G. Karnal-Ringroad Private Limited	787.61	1.50
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited	1.50	-
H.G. Varanasi-Kolkata PKG-13 Private Limited	1.50	-
H.G. Solar Projects India Private Limited	1.50	-
H.G. Foundation (Section 8 Company of the Companies Act 2013)	0.10	-
M/s Safety First (A Registered Partnership Firm)	3.51	3.51
Safety First Engineering Pvt Ltd	86.49	86.49
Investment classified as held for sale		
H.G. Rewari Bypass Private Limited	757.00	-

Notes forming part of the Standalone Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Investments in instruments entirely equity in nature		
H.G. Rewari Ateli Highway Private Limited***	-	337.25
H.G. Ateli Narnaul Highway Private Limited***	-	283.32
H.G. Raipur Visakhapatnam AP-1 Private Limited	619.42	479.58
H.G. Khammam Devarapalle Pkg-1 Private Limited	98.36	44.97
H.G. Khammam Devarapalle Pkg-2 Private Limited	85.80	40.07
H.G. Raipur Visakhapatnam OD-5 Private Limited	1,027.72	772.72
H.G. Raipur Visakhapatnam OD-6 Private Limited	295.14	107.77
H.G. Karnal-Ringroad Private Limited	73.13	-
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited	40.50	-
H.G. Varanasi-Kolkata PKG-13 Private Limited	27.50	-
Trade Receivables		
HGIEPL -TPL JV	246.24	238.10
Gurgaon Sohna Highway Private Limited	-	31.44
H.G. Ateli Narnaul Highway Private Limited	-	21.03
H.G. Rewari Bypass Private Limited	-	229.81
H.G. Raipur Visakhapatnam AP-1 Private Limited	616.78	320.51
H.G. Khammam Devarapalle Pkg-1 Private Limited	600.40	74.13
H.G. Khammam Devarapalle Pkg-2 Private Limited	328.14	123.03
H.G. Raipur Visakhapatnam OD-5 Private Limited	440.89	337.97
H.G. Raipur Visakhapatnam OD-6 Private Limited	396.58	372.67
H.G. Karnal-Ringroad Private Limited	430.62	-
Rasisar Solar Developer Private Limited	94.81	-
Advance to Vendor		
B2B Genie Private Limited	-	28.89
Other receivable against deferred Guarantee Commission Income		
H.G. Ateli Narnaul Highway Private Limited	-	0.90
H.G. Rewari Bypass Private Limited	-	0.41
H.G. Raipur Visakhapatnam AP-1 Private Limited	-	0.11
Loans		
H.G. Ateli Narnaul Highway Private Limited	-	1.00
H.G. Rewari Ateli Highway Private Limited	-	0.08
H.G. Rewari Bypass Private Limited	-	49.66
Loans to KMP		
Mr. Rajeev Mishra	0.05	0.58
Salary Advance to KMP		
Mr. Vijendra Singh	-	0.88
Trade Payable		
H.G. Traders	0.76	0.59
Mahadev Stone Crusher	0.44	0.55
Raghusons Infra Engineering Private Limited	-	32.21
H.G. Infra Toll way Private Limited	23.12	0.43
M/s Safety First (A Registered Partnership Firm)	39.80	30.97
B2B Genie Private Limited	134.31	-
Advance from customers (Contract liability)		
H.G. Ateli Narnaul Highway Private Limited	-	26.64
Gurgaon Sohna Highway Private Limited	-	1.71
H.G. Rewari Bypass Private Limited	24.16	39.39
H.G. Raipur Visakhapatnam AP-1 Private Limited	101.56	506.25

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
H.G. Raipur Visakhapatnam OD-5 Private Limited	210.30	1,041.05
H.G. Raipur Visakhapatnam OD-6 Private Limited	150.34	484.25
H.G. Khammam Devarapalle Pkg-1 Private Limited	305.80	406.36
H.G. Khammam Devarapalle Pkg-2 Private Limited	189.17	335.17
H.G. Karnal-Ringroad Private Limited	623.19	-
Guarantees issue on behalf of Subsidiary Company		
H.G. Ateli Narnaul Highway Private Limited#	-	4,059.50
H.G. Rewari Bypass Private Limited*	2,200.00	2,200.00
H.G. Raipur Visakhapatnam AP-1 Pvt Ltd*	4,520.00	4,520.00
H.G. Khammam Devarapalle Pkg-1 Private Limited**	231.63	231.63
H.G. Khammam Devarapalle Pkg-2 Private Limited**	191.13	191.13
H.G. Raipur Visakhapatnam OD-5 Private Limited#	-	200.00
H.G. Raipur Visakhapatnam OD-6 Private Limited#	-	136.93
H.G. Karnal-Ringroad Private Limited**	299.13	-
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited**	390.93	-
H.G. Varanasi-Kolkata PKG-13 Private Limited**	277.53	-
Guarantees outstanding on behalf of Company		
Mr. Vijendra Singh	30,970.00	22,140.30
Mr. Harendra Singh	30,970.00	22,140.30
Mr. Girishpal Singh	30,000.00	22,140.30
Mr. Hodal Singh	30,000.00	22,140.30
Mrs. Nisha Singh##	-	22,140.30
Hotel Marudhar (Partnership Firm)	30,000.00	22,140.30
H.G. Luxury Hotels Private Limited	30,000.00	22,140.30
H.G. Acerage Developers Private Limited	30,000.00	22,140.30
Valencia Leisure Private Limited	30,000.00	22,140.30
Mr. Vaibhav Choudhary	30,000.00	-

* Guarantees outstanding to the extent of borrowings availed by Subsidiary Company as at March 31, 2024 amounts to ₹ 3832.50 Million (March 31, 2023 ₹ 5,971.20 Million). Refer Note 46 (d).

Guarantees issue on behalf of Subsidiary Company which have been released during the year.

Guarantees receive on behalf of Company which have been released during the year.

** Performance Bank Guarantees issue on behalf of Subsidiary Company.

*** Investment in SPVs sold during the year. Refer Note 55 (a).

D) Terms and conditions

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

All outstanding balances are unsecured and repayable in cash.

There is no loss allowance has been recognised during the year in respect of receivable due from related parties except for HGIEPL - TPL JV, wherein Provision for loss allowance made amounting to ₹ 62.09 Million during the year.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 44 - Employee benefit obligations

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non- Current	Current	Non- Current
Compensated Absences	26.04	34.79	12.37	44.16
Gratuity	-	87.00	-	100.45
	26.04	**121.79**	**12.37**	**144.61**

(i) Compensated Absences

The employees of the Company are entitled to compensated absences as per the policy of the Company. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months. Accordingly, these compensated absences have been classified as Non current liabilities as at March 31, 2024.

Particulars	As at March 31, 2024	As at March 31, 2023
Current compensated absences not expected to be settled within the next 12 months	34.79	44.16

(ii) Post employment obligations

(a) Defined Contribution Plans:

Provident fund

Employers' contribution to employees' pension scheme 1995

Employers' contribution to Employee State Insurance Corporation (ESIC)

The provident fund and pension scheme are operated by regional provident fund commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to Provident Fund	50.90	24.84
Contribution to E.S.I.C	13.18	6.82
Contribution to Pension Fund	46.96	26.67
	111.04	**58.33**

The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

(b) Defined Benefit Obligations:

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Contributions are made to a gratuity based upon actuarial valuation done at the year end of every financial year using “Projected Unit Credit” method. The charge on account of provision for gratuity has been included in Employee Benefits Expense in the Statement of Profit and Loss except remeasurements i.e. actuarial gains and losses and the return on plan assets, included in other comprehensive income.

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of Obligation (i)	Fair Value of plan Assets (ii)	Net Amount (i-ii)
As on April 1, 2022 (A)	**98.15**	**41.17**	**56.98**
Current service cost	29.20	-	29.20
Past service cost	-	-	-
Interest expense/ income on plan assets	6.20	2.27	3.93
Total Amount Recognised in profit and loss (B)	**35.40**	**2.27**	**33.13**
Remeasurements			
Assets, excluding amount included in interest expense/(income)	-	(0.20)	0.20
(Gain)/loss from change in demographic assumptions	6.69	-	6.69
(Gain)/loss from change in financial assumptions	2.43	-	2.43
Experience (gains)/losses	1.02	-	1.02
Total amount recognised in other comprehensive income (C)	**10.14**	**(0.20)**	**10.34**
Employer contributions (D)	-	-	-
Benefit payments (E)	(6.59)	(6.59)	-
Balance as on March 31, 2023 (A+B+C+D+E)	**137.10**	**36.65**	**100.45**

Particulars	Present Value of Obligation (i)	Fair Value of plan Assets (ii)	Net Amount (i-ii)
As on April 1, 2023 (A)	**137.10**	**36.65**	**100.45**
Current service cost	24.35	-	24.35
Past service cost	-	-	-
Interest expense/ income on plan assets	10.08	2.66	7.42
Total Amount Recognised in profit and loss (B)	**34.43**	**2.66**	**31.77**
Remeasurements			
Assets, excluding amount included in interest expense/(income)	-	(1.11)	1.11
(Gain)/loss from change in demographic assumptions	(18.39)	-	(18.39)
(Gain)/loss from change in financial assumptions	(19.32)	-	(19.32)
Experience (gains)/losses	0.31	-	0.31
Total amount recognised in other comprehensive income (C)	**(37.40)**	**(1.11)**	**(36.29)**
Employer contributions (D)	-	8.93	(8.93)
Benefit payments (E)	(10.93)	(10.93)	-
Balance as on March 31, 2024 (A+B+C+D+E)	**123.20**	**36.20**	**87.00**

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate (per annum)	7.07%	7.27%
Salary growth rate	11.20%	14.96%
Expected Return on plan assets	6.79%	7.01%
Employee Turnover/ Withdrawal Rate	For Ages	For Ages
	18-30 : 36.90%	18-30 : 25.50%
	31-40 : 43.90%	31-40 : 25.29%
	41-50 : 45.40%	41-50 : 25.70%
	51-57 : 45.10%	51-57 : 24.21%
Expected average remaining working lives of employees	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Sensitivity Analysis

The sensitivity of the defined benefit obligation to increase and decrease in the weighted principal assumptions by 0.50% is as below:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Discount	Salary escalation	Discount	Salary escalation
Impact of increase in 50 BPS on DBO	(1.17)	1.34	(3.01)	2.61
Impact of decrease in 50 BPS on DBO	1.20	(1.32)	3.14	(2.68)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iii) The major categories of plans assets are as follows:

The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') & Aditya Birla Sun Life Insurance Company Liimited (ABSLI) as per the investment pattern stipulated for Pension and Group Schemes fund by Insurance Regulatory and Development Authority regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

(iv) Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Demographic Risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Asset volatility : The defined benefit plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. 100% of the plan asset investments is in insurer managed funds. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level.

Notes forming part of the Standalone Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Salary Inflation Risk : Higher than expected increases in salary will increase the defined benefit obligation.

Interest-Rate Risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(v) Defined Benefit Obligations and Employer Contributions

The Company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

Expected contributions to defined benefit plans for the year ending March 31, 2024 are ₹ 99.79 Million (Year ending March 31, 2023 ₹ 134.80 million).

The weighted average duration of the defined benefit obligation is 3.04 years (March 31, 2023: 6.16 years). The expected maturity analysis of undiscounted gratuity is as follows:

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2024	As at March 31, 2023
1st Following Year	48.31	21.84
2nd Following Year	32.75	20.66
3rd Following Year	21.22	20.46
4th Following Year	14.43	18.54
5th Following year	10.11	18.01
Sum of 6th & succeeding Following years	16.35	101.95

Note 45 - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Financial Assets		
Floating Charge		
Trade Receivables (net of loss allowance)	9,137.77	8,712.40
Cash and cash equivalents	1,073.70	691.05
Bank balances other than cash and cash equivalents (net of lien)	82.03	224.12
Loans	14.51	62.07
Other financial assets (net of loss allowance)	56.89	151.71
Non-financial assets		
Contract assets	9,976.72	5,846.39
Other current assets	774.54	940.89
Inventories	2,967.01	2,353.31
Total Current Assets pledged as Security (A)	**24,083.17**	**18,981.94**
Non-Current		
Plant and machinery	4,687.96	4,155.54
Building	76.36	78.68
Vehicles	215.61	151.31
Freehold Land	251.76	493.73
Total Non-Current assets pledged as Security (B)	**5,231.69**	**4,879.26**
Total Assets pledged as Security (A+B)	**29,314.86**	**23,861.20**

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 46 - Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Claims against the Company not acknowledged as debts	23.25	20.27
(b) Direct tax demand disputed in appeals	102.40	20.23
(c) Indirect tax demand disputed in appeals	100.75	-

The Company has evaluated the impact of the Supreme Court (SC) judgement dated February 28, 2019 in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the Company believes that the aforesaid judgement does not have material impact on the Company. The Company will continue to monitor and evaluate its position based on future events and developments.

(d) Details of corporate guarantees given*

Guarantees given on behalf of	Name of Bank	Sanction Limit	As at March 31, 2024	As at March 31, 2023
H.G. Ateli Narnaul Highway Private Limited**	State Bank of India	4,059.50	-	3,321.20
H.G. Rewari Bypass Private Limited	Canara Bank	2,200.00	1,932.50	1,650.00
H.G. Raipur Visakhapatnam AP-1 Pvt Ltd	BOB & Indian bank	4,520.00	1,900.00	1,000.00
Total		**10,779.50**	**3,832.50**	**5,971.20**

* Purpose of Coporate Guarantees Given- Guarantee issued by the Company to the bankers on behalf of above subsidiary Companies is with respect to limits availed by them.

** Guarantees issue on behalf of Subsidiary Company which have been released during the year.

Note 47 - Disclosure of operating leases under Ind AS 116

The Company rents out its equipments and flats (classified in investment property) on operating lease basis. These lease arrangements range for a period between one to eleven months and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. There are no contingent rents recognised as income in the period.

Amounts recognised in the Standalone Statement of Profit and Loss

Particulars	Refer Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Equipments given on hire	30	35.40	33.10
Flats given on hire		1.23	1.47
		36.63	**34.57**
Minimum lease payments receivable on leases of Equipment & investment properties are as follows:			
Within 1 year		36.63	34.57
Between 1 to 5 years		-	-
Later than 5 years		-	-

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 48 - Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment [(net of capital advance amounts to ₹ 4.03 Million) (March 31, 2023 ₹9.86 Million)]	14.36	109.76

(b) Other commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Guarantees given to lenders of subsidiary companies	8,110.36	11,539.19
Loan commitments to subsidiary companies (SPVs)	2,250.00	2,199.26

Note :

The guarantees given to lenders of subsidiaries are unlikely to be called, as subsidiaries are in a position to service principal and interest, covered by such guarantees.

Note 49 - Loan & Investment in subsidiaries

The Company has been legally advised that outstanding loan aggregating to ₹ Nil (as at March 31, 2023, ₹ 50.74 Million) and Investments in instruments entirely equity in nature aggregating to ₹ 2,267.57 Million (as at March 31, 2023, ₹ 2,065.68 Million) made towards financing the subsidiary do not come under the preview of Section 186 of Companies Act, 2013 as the company is in the business of constructing and developing infrastructure facilities.

Note 50 - Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit for the year	5,454.88	4,213.83
Weighted average number of equity shares outstanding (Number)	6,51,71,111	6,51,71,111
Earning per Share (basic and diluted) (Amount in ₹)	83.70	64.66
Nominal value per equity share (Amount in ₹)	10	10

Note 51 - Interests in other entities

Details of the Company's interests in other entities are as under:

Particulars	Place of business / Country of incorporation	Ownership Interests		Principal activities
		As at March 31, 2024	As at March 31, 2023	
Joint controlled operations				
HGIEPL – Ranjit JV*	India	0%	30%	Road construction
HGIEPL – MGCPL JV	India	30%	30%	Road construction

The country of incorporation and principal place of above entities is in India.

*HGIEPL-RANJIT (JV) has been dissolved on March 29, 2024 by mutual consent of Joint operators. As at March 31, 2024, ₹ 0.05 million is receivable from HGIEPL-RANJIT (JV), classified as Other current financial assets - Other receivable. Refer Note 15.

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Significant judgment: Classification of joint arrangements

The Company has entered into Partnership firms / Association of person whose legal form confers separation between the parties to the joint arrangement and the Company itself. Also, as per the contractual arrangements, the parties to the joint arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Accordingly the Joint arrangements have been identified as joint operations.

Financial impact of Joint controlled operations

The Company accounts for assets, liabilities, revenue and expenses relating to its interest in joint controlled operations based on the internal agreements/arrangements entered into between the parties to the joint arrangements for execution of projects. Accordingly the Company has consolidated on proportionate basis, its share of the following:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income	11.36	63.45
Expenditure (including tax)	11.41	63.33

Particulars	As at March 31, 2024	As at March 31, 2023
Total Assets	2.36	40.25
Total Liabilities	2.30	36.06

Note 52 - Revenue from contracts with customers

52.1 - Disaggregation of revenue from contracts with customers

The Company has determined the categories for disaggregation of revenue considering the types/nature of contracts. The Company recognises revenue from following types construction contracts, sale of services and sale of goods at the point in time and over time as below:

Year ended March 31, 2024	Construction Contracts	Sale of Services (Maintenance Contract)	Total
Revenue from external customers	33,443.18	253.44	33,696.62
Revenue from related parties	17,252.01	72.45	17,324.46
	50,695.19	**325.89**	**51,021.08**
Timing of revenue recognition			
- At a point in time	43.13	325.89	369.02
- Over time	50,652.06	-	50,652.06
	50,695.19	**325.89**	**51,021.08**

Year ended March 31, 2023	Construction Contracts	Sale of Services (Maintenance Contract)	Total
Revenue from external customers	28,801.98	432.58	29,234.56
Revenue from related parties	14,778.05	-	14,778.05
	43,580.03	**432.58**	**44,012.61**
Timing of revenue recognition			
- At a point in time	509.02	432.58	941.60
- Over time	43,071.01	-	43,071.01
	43,580.03	**432.58**	**44,012.61**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

The Company recognised revenue amounting to ₹ 2,930.47 Million (March 31, 2023 ₹ 1,953.15 million) in the current reporting period that was included in the contract liability balance of previous year (Refer Note 16 (b)).

52.2 - Unsatisfied performance obligations

The aggregate amount of transaction price allocated to performance obligations that are unsatisfied as at the end of reporting period is ₹ 1,24,871 Million (as at March 31, 2023 ₹ 1,27,095.99 Million), primarily represented by Construction Contracts including Road projects and Railways contracts. These contracts have a life cycle of 2-3 years. Management expects that around 45%-50% of the transaction price allocated to unsatisfied contracts as of March 31, 2024 will be recognised as revenue during next reporting period depending upon the progress on each contracts.

The amount disclosed above does not include variable consideration.

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

Note 53 - Disclosure of operating leases under Ind AS 116

Leases as lessee

The Company has obtained premises (office, residential and Camp) and equipments taken on lease. The terms of lease include terms of renewals, increase in rent in future period, cancellation, etc. The agreements are executed for a period of 1 month to 36 months with a renewable clause and also provide for termination at will by either party giving a prior notice of 1 to 3 months at any time during the lease term. The Company classifies all the leases for period less than 12 months and leases of low-value assets as short term leases. Accordingly, they have been accounted for by applying paragraph 6 of Ind AS 116 - Leases and ₹ 59.08 Million (March 31, 2023 ₹ 43.79 Million) has been recognised as expense in standalone profit & loss account.

Amounts recognised in the Standalone Statement of Profit and Loss

Particulars	Refer Note No.	As at March 31, 2024	As at March 31, 2023
Contract and site expenses	32		
Hire charges for machinery and others		369.57	289.58
Other expenses	36		
Lease rent (Refer Note 3(b)(ii))		59.08	68.17
Total Expenses		**428.65**	**357.75**

Note 54 - Disclosure under Regulation 34(3) read with para A Schedule V to Securities and Exchange Board of India (SEBI) (Listing obligations and disclosure requirements) Regulations 2015.

Loans given to Wholly owned subsidiaries:

Particulars	Amount outstanding as at		Maximum balance outstanding during the year ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Gurgaon Sohna Highway Private Limited	-	-	40.70	179.48
H.G. Ateli Narnaul Highway Private Limited*	-	284.32	330.82	539.55
H.G. Rewari Ateli Highway Private Limited*	-	337.33	337.34	378.83
H.G. Rewari Bypass Private Limited	-	49.66	64.32	49.66
H.G. Raipur Visakhapatnam AP-1 Private Limited*	619.42	479.58	619.42	479.58
H.G. Khammam Devarapalle PKG-1 Private Limited*	98.36	44.97	98.36	44.97
H.G. Khammam Devarapalle PKG-2 Private Limited*	85.80	40.07	85.80	40.07

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Particulars	Amount outstanding as at		Maximum balance outstanding during the year ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
H.G. Raipur Visakhapatnam OD-5 Private Limited*	1,027.72	772.72	1,027.72	772.72
H.G. Raipur Visakhapatnam OD-6 Private Limited*	295.14	107.77	295.14	107.77
H.G. Karnal-Ringroad Private Limited*	73.13	-	73.12	-
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited*	40.50	-	40.50	-
H.G. Varanasi-Kolkata PKG-13 Private Limited*	27.50	-	27.50	-

* Including investment in optionally convertible unsecured loan (Refer Note 6).

1. The Company has not given any loans or advances in the nature of loan to any Companies, in which Directors are interested.

2. The above loans were given to the subsidiaries for their normal business activities.

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) of the Act. Accordingly, disclosure under section 186 (4) of the Act, is not applicable to the Company.

Note 55 - Exceptional items and Investments classified as held for sale

a) During the year ended March 31, 2024, pursuant to the share purchase agreement (SPA') dated May 03, 2023, the Company had agreed to sell its entire shareholding in 4 of its wholly owned subsidiaries namely Gurgaon Sohna Highway Private Limited, H.G. Ateli Narnaul Highway Private Limited, H.G. Rewari Ateli Highway Private Limited and H.G. Rewari Bypass Private Limited, respectively, to Highways Infrastructure Trust ("the Buyer") and Highway Concessions One Private Limited ("The Investment Manager of the buyer"). The transaction is subject to satisfaction of the conditions as set out in the SPA which includes obtaining third-party approvals/ regulatory approvals and is subject to satisfaction of certain contractual covenants.

   The certificates for 'Commercial Operation Date' (the "COD"), related to projects execution, have been already obtained by Gurgaon Sohna Highway Private Limited, H.G. Ateli Narnaul Highway Private Limited and H.G. Rewari Ateli Highway Private Limited from their respective customers in accordance with contract between them and such customers. In the extra-ordinary general meeting held on October 31, 2023, pursuant to the SPA, the Company has also obtained approval from its members to transfer its 100% shareholding in these subsidiaries. During the year, pursuant to the SPA, the Company had sold its entire shareholding in three subsidiaries on November 21, 2023 i.e. Date of Transfer (DOT') for a total sale consideration amounting to ₹ 3,130.70 Million. The resultant gain of ₹ 1,067.40 Million has been disclosed as an exceptional item in the standalone financial statement. Also, there is receivables of ₹ 595.56 Million against afoersaid sale which is classified as Non-current other financial assets. (Refer Note 8).

b) H.G. Rewari Bypass Private Limited attained Provisional COD effective May 25, 2023 basis completion of most of the work under the project in accordance with its contractual commitments with the respective customer and has applied for monetization of this project to NHAI on December 04, 2023 i.e. post completion of 6 months from the date of provisional COD according to relevant guidelines issued by NHAI in this respect read with agreement between H.G. Rewari Bypass and the customer.

   As at March 31, 2024, the Company's management has assessed the conditions (as set out in SPA), the process undergoing for obtaining necessary approvals and likelihood of getting them together with timelines, and accordingly, classified its investments (including subordinated debt classified as equity investments) in H.G. Rewari Bypass Private Limited as "Assets Held for Sale" under current assets, in accordance with guidance available in Indian Accounting Standard (Ind AS) - 105 "Non-current Assets Held for Sale and Discontinued Operations". The realisable value, from this sale transaction, is expected to be higher than carrying value of "Assets held for sale" (net of corresponding liabilities) as at March 31, 2024.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 56 - Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

During the year the Company has been sanctioned working capital limits in excess of ₹ 50 Million, in aggregate, from banks on the basis of security of current assets and certain identified immovable properties. Basis discussion between the Company and the respective lenders, the Company has been filing quarterly statements on mutually agreed basis for reporting, related to adjusted balances of Accounts receivables (excluding withheld balances of the respective debtors), Accounts payable (excluding payables to service vendors, provisions and balance for retention payable), Inventory (except Goods in Transit), Contract assets (upto 3 months outstanding), Advance to suppliers, Mobilisation Advances. These statements, which have been filed for three quarters (upto December 2023) by the Company are in agreement with the unaudited books of account of the Company for such respective quarters. Further, the Company is in the process of filling quarterly returns and statements for the quarter ended March 31, 2024.

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company has transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

Name of struck off company	Nature of transaction with struck off company	Balance outstanding as at March 31, 2024	Balance outstanding as at March 31, 2023	Relationship with the struck off company
Star Wire India Limited	Payable	-	0.03	None
Varsha Logistics Private Limited	Payable	0.18	-	None

(v) Loans or advances to specified persons

Type of borrower	Amount of loan or advance in the nature of loan outstanding as at March 31, 2024	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding as at March 31, 2023	Percentage to the total loans and advances in the nature of loans
(a) Repayable on demand				
Gurgaon Sohna Highway Private Limited	-	0.00%	-	0.00%
H.G. Ateli Narnaul Highway Private Limited	-	0.00%	1.00	0.05%
H.G. Rewari Ateli Highway Private Limited	-	0.00%	0.08	0.00%
H.G. Rewari Bypass Private Limited	-	0.00%	49.66	2.33%
(b) Without specifying any terms or period of repayment				
H.G. Ateli Narnaul Highway Private Limited	-	0.00%	283.32	13.32%
H.G. Rewari Ateli Highway Private Limited	-	0.00%	337.25	15.85%
H.G. Raipur Visakhapatnam AP-1 Private Limited	619.42	27.14%	479.58	22.54%
H.G. Khammam Devarapalle Pkg-1 Private Limited	98.36	4.31%	44.97	2.11%

Notes forming part of the Standalone Financial Statements
as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Type of borrower	Amount of loan or advance in the nature of loan outstanding as at March 31, 2024	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding as at March 31, 2023	Percentage to the total loans and advances in the nature of loans
H.G. Khammam Devarapalle Pkg-2 Private Limited	85.80	3.76%	40.07	1.88%
H.G. Raipur Visakhapatnam OD-5 Private Limited	1,027.72	45.03%	772.72	36.32%
H.G. Raipur Visakhapatnam OD-6 Private Limited	295.14	12.93%	107.77	5.06%
H.G. Karnal-Ringroad Private Limited	73.13	3.20%	-	0.00%
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited	40.50	1.77%	-	0.00%
H.G. Varanasi-Kolkata PKG-13 Private Limited	27.50	1.21%	-	0.00%

(vi) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vii) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PPE, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets), Investment Property or intangible assets or both during the current or previous year.

(xi) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) and 4 to the financial statements, are held in the name of the Company.

(xii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xiii) The Company has a fund and non fund based facility limit of ₹ 30,000 million (March 31, 2023 ₹ 22,000.00 Million) with Bank which is secured by way of first charge on hypothecation of current assets viz. raw materials, stores and spares and receivables and certain identified immovable properties.

The Company has utilised the fund and non fund based facility during the FY 2023-24 and FY 2022-23 for working capital purposes.

Further,the charge has been created on hypothecation of the aforesaid current assets and immovable properties.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

(xiv) - Analytical ratios

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	% Variance	Reason (Required if variance more than 25%)
(a) Current ratio	Current Assets	Current Liabilities	1.68	1.36	23.06%	
(b) Debt-equity ratio	Total Debt (Borrowings)	Total Equity	0.19	0.28	-31.28%	Refer Note (a) below
(c) Debt service coverage ratio	Earning available for debt service	Finance Costs + Repayment of borrowings	2.83	4.97	-42.92%	Refer Note (b) below
(d) Return on equity ratio	Profits after tax	Average Total Equity	0.24	0.24	-0.70%	
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	8.51	10.23	-16.87%	
(f) Trade receivables turnover ratio	Revenue from operations	Average Trade receivables	5.70	5.60	1.84%	
(g) Trade payables turnover ratio	Net Purchases of raw material + Sub contracting expenses + Hire charges for machinery and other + Site and other direct expenses	Average Trade payables	4.64	5.70	-18.71%	
(h) Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)	4.93	8.37	-41.14%	Refer Note (c) below
(i) Net profit ratio	Profit after tax	Revenue from operations	10.65%	9.54%	11.68%	
(j) Return on capital employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.25	0.28	-9.60%	
(k) Return on investment	Earnings before interest and taxes	Total assets	0.17	0.18	-6.12%	

(a) Reason for significant change in Debt-equity ratio

The change is on account of repayment of loans and foreclosure in certain cases on accounts of proceeds from sale of Investment in SPVs Companies.

(b) Reason for significant change in Debt service coverage ratio

The change is on account of repayment of loans and foreclosure in certain cases on accounts of proceeds from sale of Investment in SPV Companies.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

(c) Reason for significant change in Net capital turnover ratio

The Change is on account of significant increase in Company's Revenue from Operation as compared to previous year and investment in H.G. Rewari Bypass is classified as Asset held for sale under Current assets.

(xv) - Utilisation of borrowed funds and share premium

The Company has not advanced or given loans or invested funds to any other person or entity, 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.

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:

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.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676

Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458

Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer

Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Independent Auditor's Report

To the Members of H.G. Infra Engineering Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **H.G. Infra Engineering Limited** ("the Company"), which includes two jointly controlled operations consolidated on proportionate basis (hereinafter referred to as "the Holding Company"), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates (Refer Note 51 to consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and the other financial information of subsidiaries and jointly controlled operations, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associates as at March 31, 2024, its consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) to (c) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Our audit procedures in respect of this area included the following:
1. Estimation of contract cost and revenue recognition. (Refer to Note 1(vi), 2(d), 29 and 53 of the Consolidated Financial Statements) Revenue from construction contracts is recognised over a period of time in accordance with the requirements of Ind AS 115, 'Revenue from Contracts with Customers'. The contract revenue amounts to Rs. 50,992.68 million for engineering, procurement and construction contracts, which usually extends over a period of 2-3 years, and the contract prices are fixed and, in few cases, subject to clauses with price variances and variable consideration. In accordance with Input method prescribed under Ind AS 115, the contract revenue is measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total costs. This method requires the management to perform an initial assessment of total estimated cost and reassess the total	i. Evaluated the accounting policy for revenue recognition and assessed compliance of the policy with the principles enunciated under Ind AS 115 - 'Revenue from Contracts with Customer'. ii. Understood and evaluated the design and tested the operating effectiveness of key internal financial controls, including those related to review and approval of estimated costs and review of provision for foreseeable losses, if any, by the authorised representatives. iii. We obtained the revenue workings (percentage of completion calculations) from the management, for all contracts, containing costs incurred, estimated costs (comprising of actual costs and remaining costs to completion), estimated contract revenue and actual revenues recognised during the year based on proportion of actual costs to estimated costs. For sample of contracts, we agreed contract revenue with key contractual terms, agreed

Key Audit Matter	Our audit procedures in respect of this area included the following:
construction cost at the end of each reporting period to determine the appropriate percentage of completion. The estimation of total cost to complete the contract involves significant judgement and estimation throughout the period of contract, as it is subject to revision as the contract progresses – based on latest available information including physical work done on the ground, changes in cost estimates and need to accrue provision for onerous contracts, if any. Besides recognition of revenues based on actual costs and estimated costs to complete the work, at the period end, the measurement and recognition of contract assets (unbilled revenue) and contract liabilities (unearned revenue) related to each of the contracts is also dependent on cost estimates. In view of above, we have considered the estimation of construction contract costs as a key audit matter.	actual costs with system generated reports and agreed estimated costs with costs sheets for individual contracts approved by the authorised representatives. Reperformed the calculation of revenues during the year using proportion of actual costs to estimated costs and compared the results with workings provided to us. iv. For actual costs incurred during FY 2023-24, we tested the samples to appropriate supporting documents. v. To validate the remaining costs to completion, for sample contracts, we obtained the approved costs sheets (for each of such sample contracts) containing the breakdown of such costs. Evaluated the reasonableness of management's judgements and assumptions through comparison of actual margins during the year with base margins estimated at the beginning, comparison between financial progress (proportion of actual costs to estimated costs) and physical progress certified by the Independent Engineer, past trends of recovery of price escalation with incremental costs incurred and comparison of actual costs within similar contracts. vi. Assessed the adequacy and appropriateness of the disclosures made in consolidated financial statements in compliance with the requirements of Ind AS 115.
2. Valuation of accounts receivable and contract assets in view of risk of credit losses. (Refer note 1(xi), 39(i), 2(e), 7 and 11 – Trade Receivables and Note 16(a) for contract asset to Consolidated Financial Statements) Accounts receivable and Contract assets are significant items in the Group's consolidated financial statements aggregating to Rs. 17,692.81 million as of March 31, 2024 and provision for impairment of receivables and contract assets amounted to Rs. 571.99 million as at March 31, 2024. The Group has a concentration of credit exposure on certain customers, which include government and private organisations, where there are delays in collections due to various reasons. The management periodically assess the adequacy of provisions recognised, as applicable, on receivables and contract assets, based on factors such as credit risk of the customer, status of the project, discussions with the customers and underlying contractual terms and conditions. This involves significant judgement Given the relative significance of these receivables and contract assets to the consolidated financial statements and the nature and extent of audit procedures involved to assess the recoverability of receivables and contract assets, we determined this to be a key audit matter.	i. Understood and evaluated the design and tested the operating effectiveness of key internal financial controls in relation to determination of expected credit loss. ii. Obtained confirmation from parties, for sample balances, with respect to outstanding balances. Wherever confirmations are not received for the samples, performed alternate procedures through verification of invoices approved by the respective customers which represents acknowledgement of work delivered. iii. Performed inquiry procedures with senior management regarding status of collectability of the receivable and contract assets. iv. In respect of material contract balances, corroborated our inquiry procedures with the correspondence between the Group and the customers, contracts and other documents. v. Assessed the inputs used by the Management to determine the amount of allowances by considering factors such as credit risk of the customer, cash collections, past history and status of the project, and correspondence with customers. vi. Presented the results of our work done to the audit committee. vii. Assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements in this regard.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in annual report, but does not include the consolidated financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act 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 and its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the consolidated financial statements.

Other Matters

a. We did not audit the financial statements of two jointly controlled operations included in the standalone financial statements of the Holding Company, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 2.36 million as at March 31, 2024, Group's share of total revenues (before consolidation adjustments) of Rs. 11.36 million, Group's share of total net profit/(loss) after tax (before consolidation adjustments) of Rs. (0.05) million and Group's share of total comprehensive income (before consolidation adjustments) of Rs. (0.05) million for the year ended March 31, 2024 and Group's share of cash outflows (before consolidation adjustments) of Rs. (0.05) million (net) for the year then ended, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled operations and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on the reports of such other auditors.

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

b. We did not audit the financial statements of eleven subsidiaries and two step-down subsidiaries, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 24,749.31 million as at March 31, 2024, Group's share of total revenues (before consolidation adjustments) of Rs. 19,620.92 million, Group's share of total net profit after tax (before consolidation adjustments) of Rs. 941.50 million and Group's share of total comprehensive income (before consolidation adjustments) of Rs. 941.50 million, for the year ended March 31, 2024, and Group's cash inflow (before consolidation adjustments) of Rs. 103.10 million (net) for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on the reports of such other auditors.

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

c. We did not audit the special purpose financial statements of three subsidiaries, which has been disposed off during the year and whose financial statements reflect Group's share of total revenues (before consolidation adjustments) of Rs. 454.91 million, Group's share of total net profit/ (loss) after tax (before consolidation adjustments) of Rs. (115.08) million and Group's share of total comprehensive income (before consolidation adjustments) of Rs. (115.08) million for the period April 01, 2023 upto November 21, 2023 (i.e. date of sale) and the Group's cash inflow (before consolidation adjustments) of Rs. 491.83 million (net) for the period ended as on date, as considered in the consolidated financial statements. These special purpose financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on the reports of such other auditors.

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

d. The consolidated financial statements also include the Group's share of net profit after tax of Rs. 3.64 million and total comprehensive income of Rs. 3.64 million for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of two associates, whose financial information have not been audited. The aforementioned unaudited financial information have been furnished to us by the management and our opinion on the consolidated financial statements, in so far relates to the amounts and disclosures in respect of these associates, is solely based on such unaudited financial information as certified by the management. In our opinion and according to the information and explanations given to us by the management, this unaudited financial information is not material to the Group.

Our opinion is not modified with respect to the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiaries included in the consolidated financial statements of the Group, to which reporting under CARO is applicable, we report that there are no qualification or adverse remarks.

   Further, as per information and explanation given to us by the Holding Company, the following companies included in the consolidated financial statements for the year ended March 31, 2024, and covered under that Act but for which the respective reports under Section 143(11) of the Act have not yet been issued by their respective statutory auditors:

   Safety First India Private Limited

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors of the subsidiaries, as were audited by other auditors referred to in paragraph (b) and (c) Other Matters section above, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept, so far as it appears from our examination of those books and the reports of other auditors, except for certain matters in respect of audit trail as stated in paragraph 2B(f) below;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiaries (referred to in Paragraph (b) Other Matters section above), none of the directors of the Holding Company and its subsidiaries, are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of internal financial controls with reference to financial statements of the Holding Company and its subsidiaries and the operating effectiveness of such controls, refer to our separate report in “Annexure B”;

g. The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate financial statements of the subsidiaries (referred to in Paragraph (b) and (c) of Other Matters section above):

a. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note 46 to the consolidated financial statements.);

b. There were no material foreseeable losses on long-term contracts including derivative contracts. (Refer Note 16(a) to the consolidated financial statements);

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group;

d. 1. The respective Managements of the Holding Company and its subsidiaries, whose financial statements have been audited under the Act, have represented to us and the auditors of such subsidiaries, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, 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 of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

2. The respective Managements of the Holding Company and its subsidiaries, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries, from any persons or entities, including foreign entities (“Funding Parties”) with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, 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;

3. Based on the audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us and those performed

by the other auditors of the subsidiaries whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding Company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement;

e. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act.

f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiaries whose financial statements have been audited under the Act, have used accounting softwares for maintaining their books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

   i. The Holding Company has also used two SAAS based applications (related to processing of leave and travel related data of employees) for maintaining its books of accounts. For these two applications, we were not able to verify whether the feature of recording audit trail (edit log) facility has been operated throughout the year for all relevant transactions, as no underlying evidence, related to audit trail (edit log) facility, could be arranged by the Holding Company from the service providers who manage these applications.

   ii. In case of six subsidiaries, the feature of recording audit trail (edit log) facility was enabled on May 17, 2023 and has operated till March 31, 2024, for all relevant transactions recorded in the software.

   iii. In case of three subsidiaries, the feature of recording audit trail (edit log) facility was enabled on May 12, 2023 and has operated till March 31, 2024, for all relevant transactions recorded in the software.

   iv. In case of four subsidiaries incorporated during the year, the feature of recording audit trail (edit log) facility was enabled on the date of their incorporation and has operated till March 31, 2024, for all relevant transactions recorded in the software.

   v. In case of three subsidiaries disposed off during the year, the feature of recording audit trail (edit log) facility was enabled on May 17, 2023 onwards, for all relevant transactions recorded in the software.

   Further, where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with, during the period in which it was operational, as mentioned above, during the course of our audit.

C. In our opinion, according to information and explanations given to us, the remuneration paid/provided by the entities included in the Group, which are incorporated as companies, to their respective directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 24505676BKGPQB2310

Place: Gurugram
Date: May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
ICAI Firm Registration No.134427W

Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 24120593BKCAMJ4246

Place: Jaipur
Date: May 08, 2024

Annexure A to the Independent Auditor's Report

on even date on the Consolidated Financial Statements of H.G. Infra Engineering Limited

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.

- Conclude on the appropriateness of the management and 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 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 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2024 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.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 24505676BKGPQB2310

Place: Gurugram
Date: May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
ICAI Firm Registration No.134427W

Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 24120593BKCAMJ4246

Place: Jaipur
Date: May 08, 2024

Annexure B to the Independent Auditor's Report

of even date on the Consolidated Financial Statements of H.G. Infra Engineering Limited

[Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of H.G. Infra Engineering Limited on the consolidated financial statements for the year ended March 31, 2024]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of H.G. Infra Engineering Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries, which are companies incorporated under the Act, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to two subsidiaries (H.G. Norangdesar Solar Private Limited and H.G. Rasisar Solar Private Limited), two associates (Safety First Engineering Private Limited and Safety First (Partnership Firm)) and two jointly controlled operations (HGIEPL — Ranjit (JV), HGIEPL — MGCPL (JV)), pursuant to MCA notification GSR 583(E) dated 13 June 2017.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiaries, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 its business, including adherence to the respective 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

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 financial statements, whether due to fraud or error.

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 Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

(a) Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to fourteen subsidiaries is based on the corresponding reports of the auditors of such companies incorporated under the Act.

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

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 24505676BKGPQB2310

Place: Gurugram
Date: May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
ICAI Firm Registration No.134427W

Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 24120593BKCAMJ4246

Place: Jaipur
Date: May 08, 2024

Consolidated Balance Sheet as at March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	7,259.90	6,213.61
Capital work-in-progress	3 (a)	136.82	719.45
Right-of-use assets	3 (b)	85.67	40.24
Investment Properties	4	57.95	78.98
Intangible assets	5	16.70	15.45
Financial assets			
i. Investment	6	104.93	101.29
ii. Trade receivables	7	38.80	79.02
iii. Other financial assets	8	15,539.93	15,730.53
Deferred tax assets	37 (b)	375.48	209.94
Non-current tax assets (net)	37 (e)	52.34	202.70
Other non-current assets	9	95.89	694.41
Total Non-current assets		**23,764.41**	**24,085.62**
Current assets			
Inventories	10	2,967.01	2,353.31
Financial assets			
i. Trade receivables	11	6,729.16	7,281.51
ii. Cash and cash equivalents	12	1,152.90	934.67
iii. Bank balances other than (ii) above	13	919.17	1,769.93
iv. Loans	14	14.51	11.33
v. Other financial assets	15	1,534.24	4,093.30
Contract assets	16 (a)	10,352.86	5,846.43
Other current assets	17	3,714.99	2,881.05
		27,384.84	**25,171.53**
Assets classified as held for sale	18 (a)	3,194.54	9.63
Total Current Assets		**30,579.38**	**25,181.16**
Total assets		**54,343.79**	**49,266.78**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	651.71	651.71
Other equity	20	23,898.60	18,567.04
Non-controlling interests	51 (c)	0.03	-
Total equity		**24,550.34**	**19,218.75**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	21	10,924.91	14,820.28
ii. Lease liabilities	3 (b)	45.80	16.07
iii. Trade payables			
(a) total outstanding dues of micro and small enterprises	22	-	-
(b) total outstanding dues other than (iii) (a) above	22	775.52	194.77
Deferred tax liability (net)	37 (b)	309.19	279.60
Employee benefit obligations	23	121.79	144.61
Total Non-current liabilities		**12,177.21**	**15,455.33**
Current liabilities			
Financial liabilities			
i. Borrowings	24	4,119.29	4,247.23
ii. Lease liabilities	3 (b)	41.61	18.45
iii. Trade payables			
(a) total outstanding dues of micro and small enterprises	25	699.08	712.94
(b) total outstanding dues other than (iii) (a) above	25	7,658.72	6,528.82
iv. Other financial liabilities	26	76.21	313.87
Contract liabilities	16 (b)	1,804.32	1,926.24
Employee benefit obligations	27	242.82	208.30
Current tax liabilities (net)	37 (d)	120.86	141.37
Other current liabilities	28	816.93	495.48
Liabilities associated with assets classified as held For sale	18 (b)	2,036.40	-
Total Current liabilities		**17,616.24**	**14,592.70**
Total liabilities		**29,793.45**	**30,048.03**
Total equity and liabilities		**54,343.79**	**49,266.78**

Statement of material accounting policies and estimates 1-2

The accompanying summary of material accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer

Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	29	53,784.79	46,220.08
Other income	30	179.88	182.30
Total income		**53,964.67**	**46,402.38**
Expenses			
Cost of materials consumed	31	22,632.85	21,435.03
Contract and site expenses	32	16,615.37	13,107.40
Employee benefits expense	33	2,890.71	1,981.81
Finance costs	34	2,168.50	1,537.69
Depreciation and amortisation expense	35	1,411.72	963.82
Other expenses	36	1,027.97	742.18
Total expenses		**46,747.12**	**39,767.93**
Profit before exceptional item, share of net profit of Associate and tax		**7,217.55**	**6,634.45**
Share of net profit / (loss) of associates accounted using the equity method	6	3.64	11.29
Exceptional item	56(a)	177.98	-
Profit before tax		**7,399.17**	**6,645.74**
Income tax expense			
- Current tax	37 (a)	1,985.04	1,732.86
- Deferred tax charge /(benefit)	37 (a)	28.27	(19.03)
Total tax expense		**2,013.31**	**1,713.83**
Profit for the year		**5,385.86**	**4,931.91**
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurements (loss) of net defined benefit plans	44	36.29	(10.34)
Income tax relating to this item	37 (a)	(9.13)	2.60
Other comprehensive income / (loss) for the year (Net of tax)		**27.16**	**(7.74)**
Total comprehensive income for the year		**5,413.02**	**4,924.17**
Profit for the year attributable to :			
Owners	20	5,385.86	4,931.91
Non-controlling Interests	51(c)	-	-
		5,385.86	**4,931.91**
Other comprehensive income / (loss) for the year (Net of tax) attribulable to :			
Owners	20	27.16	(7.74)
Non-controlling Interests	51(c)	-	-
		27.16	**(7.74)**
Total comprehensive income for the year attributable to :			
Owners	20	5,413.02	4,924.17
Non-controlling Interests	51(c)	-	-
		5,413.02	**4,924.17**
Earnings per equity share of face value of Rs. 10 each	50		
Basic earnings per share (Amount in Rs.)		82.64	75.68
Diluted earnings per share (Amount in Rs.)		82.64	75.68

Statement of material accounting policies and estimates 1-2

The accompanying summary of material accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer
Place : Jaipur
Date : **May** 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
A) Cash flows from Operating Activities		
Profit before exceptional item and tax	7,221.19	6,645.74
Adjustments for:		
Depreciation and amortisation expense	1,411.72	963.82
Share of net profit of Associate	(3.64)	(11.29)
Interest Income from financial assets at amortised cost	(141.41)	(109.07)
Loss allowances	254.35	175.10
Amount written off	48.88	-
(Gain) /loss on disposal of Property, plant and equipment & Investment Properties (net)	16.66	(3.34)
Net unrealised exchange loss/ (gain)	0.46	2.48
Rental income on investment properties	(1.23)	(1.47)
Finance costs	2,168.50	1,537.69
Operating profit before working capital changes	**10,975.48**	**9,199.66**
Changes in working capital:		
Decrease / (Increase) in trade receivables	472.52	(966.65)
Decrease / (Increase) in inventories	(613.69)	(517.79)
Decrease / (Increase) in contract assets	(4,717.31)	(2,420.87)
Decrease / (Increase) in other current assets	(1,308.23)	(1,490.80)
Decrease / (Increase) in other non current financial assets	(2,858.37)	(5,430.30)
Decrease / (Increase) in other current financial assets	(5,947.77)	(2,143.95)
Decrease / (Increase) in other non current assets	202.30	201.89
(Decrease) / Increase in trade payables	1,704.14	3,081.33
(Decrease) / Increase in contract liabilities	(97.76)	376.87
(Decrease) / Increase in other current financial liabilities	661.43	(19.36)
(Decrease) / Increase in other current liabilities	341.14	308.20
(Decrease) / Increase in employee benefit obligations	47.99	183.09
Net Changes in Working Capital	**(12,113.61)**	**(8,838.34)**
Cash generated from / (used in) operations	(1,138.13)	361.32
Income taxes paid (Net of refunds)	(1,968.41)	(1,754.55)
Net cash (used in) Operating Activities	**(3,106.54)**	**(1,393.23)**
B) Cash flows from Investing Activities		
Investment in associates	-	(90.00)
Proceeds from disposal of investment in subsidiaries (net of cash disposed)	1,813.12	-
Payment for purchases of Property, plant and equipment (Including CWIP and capital advance)	(2,325.28)	(3,377.52)
Payment for purchases of Intangible assets	(9.36)	(10.89)
Proceed from sale of Property, plant and equipment and Investment properties	188.05	214.35
Fixed deposits (placed) / redemption of fixed deposits (Net)	363.56	(626.06)
Interest received	141.41	109.07
Rental income on investment properties	1.23	1.47
Loans to employees	(28.30)	20.02
Repayment of loans by employees	25.12	(20.26)
Net cash generated from / (used in) Investing Activities	**169.55**	**(3,779.82)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
C) Cash flows from Financing Activities		
Proceeds from long term borrowings	7,919.87	9,504.28
Repayment of long term borrowings	(2,435.79)	(1,943.90)
Repayment of non convertible debenture	(485.00)	-
Proceeds from/ (Repayment) of short term borrowings (Net)	487.14	(327.74)
Dividend paid	(81.46)	(65.17)
Repayment of lease obligation	(40.70)	(24.62)
Finance cost paid	(2,171.53)	(1,527.44)
Net cash generated from Financing Activities	**3,192.53**	**5,615.41**
Net (Decrease) / increase in cash and cash equivalents (A+B+C)	**255.54**	**442.36**
Cash and cash equivalents as at the beginning of the year	934.67	492.31
Cash and cash equivalents at the end of the year	**1,190.21**	**934.67**
Reconciliation of cash and cash equivalents as per cash flows statement		
Cash and cash equivalents comprise of the following (Refer Note 12):		
Cash on hand	0.45	1.95
Deposits with original maturity of less than three months	145.45	212.00
Bank balance on current account	1,007.00	720.72
	1,152.90	**934.67**
Cash & cash equivalents pertaining to Assets classified as held for sale (Refer note 56(b))	37.31	-
Total cash and cash equivalents	**1,190.21**	**934.67**
Non cash investing activities		
- Acquisition of right-of-use of assets (Refer Note 3(b))	93.59	46.84

The accompanying summary of material accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer
Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

A. Equity share capital

For the year ended March 31, 2024	No. of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 1, 2023	6,51,71,111	651.71
Changes in equity share capital during the year (Refer Note 19)	-	-
Balance as at March 31, 2024	**6,51,71,111**	**651.71**

For the year ended March 31, 2023	No. of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 1, 2022	6,51,71,111	651.71
Changes in equity share capital during the year (Refer Note 19)	-	-
Balance as at March 31, 2023	**6,51,71,111**	**651.71**

B. Other equity

Particulars	Attributable to owners of H.G. Infra Engineering Limited			Non-controlling interests	Total
	Reserves and surplus		Total other equity		
	Securities premium reserve	Retained earnings			
As at April 1, 2022	2,694.47	11,013.57	13,708.04	-	13,708.04
Profit for the year	-	4,920.62	4,920.62	-	4,920.62
Share of net profit of associates		11.29	11.29	-	11.29
Items that will not be reclassified to profit or loss					
- Remeasurements (loss) / gain of net defined benefit plans	-	(10.34)	(10.34)	-	(10.34)
- Income tax relating to these items	-	2.60	2.60	-	2.60
Total comprehensive income for the year	**-**	**4,924.17**	**4,924.17**	**-**	**4,924.17**
Less: Dividend paid	-	(65.17)	(65.17)	-	(65.17)
As at March 31, 2023	**2,694.47**	**15,872.57**	**18,567.04**	**-**	**18,567.04**
Profit for the year	-	5,382.22	5,382.22	-	5,382.22
Share of net profit of associates		3.64	3.64	-	3.64
Item that will not be reclassified to profit or loss					-
- Remeasurements (loss) / gain of net defined benefit plans	-	36.29	36.29	-	36.29
- Income tax relating to this item	-	(9.13)	(9.13)	-	(9.13)
Total comprehensive income for the year	**-**	**5,413.02**	**5,413.02**	**-**	**5,413.02**
Less: Dividend paid	-	(81.46)	(81.46)	-	(81.46)
Non-controlling interests on acquisition of subsidiary companies during the year				0.03	0.03
As at March 31, 2024	**2,694.47**	**21,204.13**	**23,898.60**	**0.03**	**23,898.63**

The accompanying summary of material accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer

Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

Background

H.G. Infra Engineering Limited ("Parent Company or the Company") is a public limited Company listed on the Bombay Stock Exchange and National Stock Exchange on March 9, 2018. Its registered office is at 14, Panchwati Colony, Ratanada, Jodhpur – 342001, Rajasthan, India. The Parent Company (including 2 jointly controlled operations consolidated on proportionate basis), 14 wholly owned subsidiaries and 2 step down subsidiaries together referred to as “the Group”.

The Group is engaged in Engineering, Procurement and Construction (EPC), maintenance of roads, bridges, flyovers, railway networks and other infrastructure contract works. The Group is also engaged in projects under Hybrid Annuity Model through Subsidiary Companies.

These consolidated financial statements were reviewed by Audit Committee and authorized to be issued by the Board of Directors on May 08, 2024. Also, the Company secures contracts by submitting bids in response to tenders in terms of which it is required to form Special Purpose Vehicle (SPV) Companies (subsidiary companies) to execute the awarded projects. As at March 31, 2024 the company has 9 SPV’s.

A. Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements of the Group comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities measured at fair value;
- Assets held for sale – measured at fair value less cost to sell and
- Defined benefit plans - plan assets measured at fair value

(iii) New and amended standards adopted by the Group

- The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Group has applied these amendments for the first-time in these consolidated financial statements.

- **Amendments to Ind AS 1 -** Disclosure of accounting policies: The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the consolidated financial statements.

- **Amendments to Ind AS 8 -** Definition of accounting estimates: The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the consolidated financial statements.

- **Amendments to Ind AS 12 -** Deferred tax related to assets and liabilities arising from a single transaction: The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. This amendment does not have any material impact on the consolidated financial statements.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(iv) New Standards (including amendments) issued but not yet effective

MCA notifies new standards or amendments to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group and its associates.

B. Operating Cycle

The Group classifies an asset as current when:

- it expects to realise the asset or intends to sell or consume it in normal operating cycle
- it holds the asset primarily for the purpose of trading
- it expects to realise the asset within twelve months after the reporting period or
- the asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

The Group classifies a liability as current when:

- it expects to settle the liability in its normal operating cycle
- it holds the liability primarily for the purpose of trading
- the liability is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current, non current classification of assets and liabilities.

1 Material Accounting Policies

Pursuant to the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective 01-04-2023, the company is required to disclose 'material accounting policy Information' in lieu of the earlier requirement of disclosing 'significant accounting policies'.

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Principles of consolidation and equity accounting

i. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group Companies are eliminated (Refer Note 57). Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Details of the Subsidiaries are set out in Note 52.

Non-controlling interests

The Group recognises non- controlling interests in an acquired entity either at fair value or at the non- controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests, the Group elected to recognise the non- Controlling interests at its proportionate share of the acquired net identifiable assets.

ii. Principles of consolidation and equity accounting - Jointly controlled operation

The Holding Company recognises its direct right to the assets, liabilities, revenues 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 standalone financial statements of Holding Company under the appropriate headings. Details of the jointly controlled operations are set out in Note 52.

iii. Principles of consolidation and equity accounting - Accounting under Equity method for Associates Entities

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

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.

Unrealised gains on transactions between the group and its associate are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1(xiii)(iii) below.

iv. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Managing Director of the Holding Company has been identified as CODM and he assesses the financial performance and position of the Holding Company, and makes strategic decisions. Refer Note 41 for segment information presented.

v. Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The consolidated financial statements are presented in Indian rupee, which is Holding Company's functional and presentation currency.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Consolidated Statement profit or loss.

vi. Revenue recognition

The Group derives revenue principally from following streams:

- Construction contracts
- Service concession arrangement
- Sale of Services (Operation and Maintenance contracts)

(i) Construction contracts

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The Group recognises revenue from engineering, procurement and construction contracts ('EPC') over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. EPC contracts are generally accounted for as a single performance obligation as it involves complex integration of goods and services.

The performance obligations are satisfied over time as the work progresses. The Group recognises revenue using input method (i.e percentage-of-completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Group estimates the amount of consideration to which it will be entitled in exchange for work performed.

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.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to customers are generally due upon expiration of the contract period.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Group's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A liability is recognised for advance payments and it is not considered as a significant financing component because it is used to meet working capital requirements at the time of project mobilisation stage. The same is presented as contract liability in the statement of financial position.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in Consolidated Statement of profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion was calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

(ii) Service concession arrangement

Construction revenue from Hybrid Annuity Contracts

The Group constructs the infrastructure (road) used to provide a public service and operates and maintains that infrastructure for a specified period of time. Under Appendix D to Ind AS 115, Revenue from Contracts with Customers, this arrangement is accounted for based on the nature of the consideration. Financial asset is recorded when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

Design - Build - Operate - Transfer (DBOT) contracts on hybrid annuity basis contain three streams of revenue – Construction revenue, Finance income and Operations and maintenance (O&M) income.

The construction stream of DBOT revenues are accounted for in the construction phase of DBOT, O&M income is recognised in the operating phase of the DBOT, while finance income is recognised over the concession period based on the imputed interest method.

Service concession arrangement

Revenue related to construction services provided under the service concession arrangement is recognised based on stage of completion of the work performed. The stage of completion is assessed by reference to input method i.e. cost incurred till date in proportion to total estimated cost to complete the work.

Contract Balances - Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If respective entities in the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables. Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are reclassified to accounts receivable when they are billed under the terms of the contract.

Contract Balances - Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which respective entities in the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the such entities transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when such entities in performs under the contract. Contract liabilities represent amounts billed to clients in excess of revenue recognized to date and other advances received from customers.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

Variable consideration

The nature of the company's contracts gives rise to several types of variable consideration, including claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The respective entities in Group recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e., the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the amount.

The respective entities in Group claim for extra work, incentives and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the clients. Claims under arbitration/ disputes are accounted as income based on final award. Expenses on arbitration are accounted as incurred.

Before including any amount of variable consideration in the transaction price, the respective entities considers whether the amount of variable consideration is constrained. The respective entities determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Revenues are shown net of Goods & Service Tax, applicable discounts and allowances.

(iii) Sale of Services (Operation and Maintenance contracts)

Revenue from providing operating and maintenance services is recognised in the accounting period in which the services are rendered. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

(iv) Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income with in other income. Interest income on financial assets at amortised cost using the effective interest method is recognised in the Consolidated Statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(v) Other income

All other income is accounted on accrual basis when no significant uncertainty exist regarding the amount that will be received.

vii. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Notes to the Consolidated Financial Statements
as of and for the year ended March 31, 2024

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses / tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Consolidated Statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

viii. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Group, which does not have recent third party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Consolidated Statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received

Notes to the Consolidated Financial Statements
as of and for the year ended March 31, 2024

- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in Consolidated Statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

ix. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

x. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Consolidated balance sheet.

xi. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

xii. Inventories

Inventories are stated at lower of cost and net realizable value.

Cost of raw material, stores and spare parts and construction materials includes cost of purchases and other cost incurred in bringing the inventories to the present location and condition. Cost is determined using rolling weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to complete the contract.

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.

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial Assets:

Classification

Notes to the Consolidated Financial Statements
as of and for the year ended March 31, 2024

The Group classifies its financial assets in the following measurement categories:

- those measured subsequently at fair value (either through other comprehensive income, or through profit or loss) and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Financial assets are recognized when the Entity becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Consolidated Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in the Consolidated Statement of Profit or Loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

- fair value (either through other comprehensive income, or through profit or loss)
- amortized cost

When assets are measured at fair value, gains and losses are either recognised in the Consolidated Statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVOCI)).

(i) Financial assets measured at amortised cost:

Assets that are held for collecting contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using effective interest rate method. Any gain or loss arising on derecognition is recognised directly in Consolidated Statement of profit or loss and presented in other gain/(losses).

(ii) Financial assets measured at Fair Value through Other Comprehensive Income ("FVTOCI"):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains of losses, interest income and foreign exchange gains and losses which are recognised in Consolidated Statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in Consolidated Statement of profit and loss.

(iii) Financial assets measured at Fair Value through Profit or Loss ("FVTPL"):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in Consolidated Statement of profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

Debt instruments

Subsequent measurement of debt instruments depends on the Group business model for managing the asset and the cash flow characteristics of the asset. Debt instrument are classified as amortised cost instruments.

Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39(i) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables (including contract assets), the Group applies the simplified approach required by Ind AS 109, which requires lifetime ECL to be recognised as loss allowances.

Derecognition of Financial Assets

A financial asset is derecognized only when:

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the entity has not retained control of the financial asset. Where the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent Measurement

Financial liabilities are classified as measured at amortized cost. Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Consolidated Statement of profit and loss. Any gain or loss on derecognition is also recognized in Consolidated Statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

xiv. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

xv. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Consolidated Statement of profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the written down value (WDV) / Straight Line Method (SLM) over the estimated useful lives of the assets, based on technical evaluation done by management's expert, which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

The management of Holding Company estimates useful lives of the tangible fixed assets as follows:

Class of Asset	Estimated Useful Life	As per Schedule II	Method of Depreciation
Building	60	60	Straight Line
Plant & machinery *	20/15	20	Written Down Value
Shuttering Material	5	5	Straight Line
Computers	3	3	Straight Line
Furniture and fixtures	10	10	Straight Line
Motor cycles	10	10	Written Down Value
Vehicles other than Motor cycle	8	8	Written Down Value
Office Equipment	5	5	Straight Line

Based on the technical experts assessment of useful life of the aforementioned assets, Plant and machinery i.e Cranes are being depreciated over the useful life different from the prescribed useful life under Schedule II of the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

* It includes Low value assets (LVA) having useful life of 1 year.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Consolidated Statement of profit or loss within other gains/ (losses). **(Also refer Note 2(a))**.

xvi. Non-current assets held for sale

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Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately from the other assets in the Consolidated Balance Sheet.

xvii. Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties have a useful life of 60 years. The useful life has been determined based on technical evaluation performed by the management expert.

xviii. Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Purchases costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Class of Asset	Estimated Useful Life	As per Schedule II	Method of Depreciation
Computer Software	6	6	Straight Line

xix. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the end of reporting period.

xx. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

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Borrowings are removed from the Consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months from the end of reporting period.

xxi. Provisions and contingent liabilities

Provisions

Provisions are recognised when Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xxii. Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Consolidated balance sheet.

(ii) Other long term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Consolidated Statement of profit or loss.

The obligations are presented as current liabilities in the Consolidated balance sheet if the group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes.

- Defined benefit plan i.e. gratuity
- Defined contribution plans such as provident fund, superannuation etc.

Gratuity obligations (Also, Refer Note 2 (b))

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The liability or asset recognized in the Consolidated balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Consolidated balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in Consolidated Statement of profit or loss as past service cost.

Defined contribution plans

The Group pays contribution to defined contribution schemes such as provident fund etc. The group has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Bonus plans

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

xxiii. Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xxiv. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xxv. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Group; and
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

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- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xxvi. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III, unless otherwise stated.

2 Critical estimates and judgements

The preparation of the consolidated financial statements requires use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

(a) Estimation of useful life of Property, plant and equipment

The Group estimates the useful life of the Property, plant and equipment as mentioned in Note 1(xv) above, which is based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than the life estimated, depending on technical innovations and competitor actions.

(b) Estimation of defined benefit obligation

The cost of the defined benefit gratuity plan and other post-employment employee benefits and the present value of the gratuity obligation 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 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. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Refer Note 44 for key actuarial assumptions.

(c) Estimation of fair value of level 3 financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Refer Note 38 on fair value measurements where the assumptions and methods to perform the same are stated.

(d) Revenue recognition for construction contract - Refer Note 1(vi) and Note 53

(e) Impairment of trade receivables (including Contract Assets) – Refer Note 1(xi) and 7,11, 16(a) and 39(i)

Note 3 (a) - Property, plant and equipment & Capital work-in-progress

Particulars	Freehold land	Building	Plant and machinery	Office Equipment	Vehicles	Computers	Furnitures and fixtures	Total	Capital work-in-progress
For the Year ended March 31, 2023									
Gross carrying amount									
Opening gross carrying amount	**133.46**	**91.78**	**7,371.24**	**0.66**	**237.57**	**64.09**	**184.63**	**8,083.43**	**21.51**
Additions	282.28	0.29	2,334.43	-	140.72	29.64	83.27	2,870.63	3,458.06
Disposals / Capitalisation	-		(568.54)	(0.06)	(20.16)	(15.23)	(11.00)	(614.99)	(2,760.12)
Closing gross carrying amount	**415.74**	**92.07**	**9,137.13**	**0.60**	**358.13**	**78.50**	**256.90**	**10,339.07**	**719.45**
Accumulated depreciation									
Opening accumulated depreciation	**-**	**8.07**	**3,322.46**	**0.22**	**153.96**	**39.84**	**81.24**	**3,605.79**	**-**
Depreciation charge during the year	-	1.66	826.57	0.24	49.64	15.50	36.06	929.67	-
Disposals	-	(0.65)	(374.81)	(0.02)	(16.72)	(14.25)	(3.54)	(409.99)	-
Closing accumulated depreciation	**-**	**9.08**	**3,774.22**	**0.44**	**186.87**	**41.09**	**113.76**	**4,125.47**	-
Net carrying amount as on March 31, 2023	**415.74**	**82.99**	5,362.91	0.16	**171.26**	**37.41**	**143.14**	6,213.61	**719.45**
For the Year ended March 31, 2024									
Gross carrying amount									
Opening gross carrying amount	**415.74**	**92.07**	**9,137.13**	**0.60**	**358.13**	**78.50**	**256.90**	**10,339.07**	**719.45**
Additions	-	-	2,462.36	42.91	146.29	25.85	1.88	2,679.29	1,542.89
Disposals / Capitalisation	(21.94)	(19.09)	(477.61)	(2.12)	(44.65)	(20.22)	(47.38)	(633.01)	(2,125.52)
Transfer to Asset classified as held for sale (Refer Note 18)	(70.62)		-	-	-	-	-	(70.62)	-
Adjustments[4]	-	(4.24)	-	-	-	-	-	(4.24)	-
Closing gross carrying amount	**323.18**	**68.74**	**11,121.88**	**41.39**	**459.77**	**84.13**	**211.40**	**12,310.49**	**136.82**
Accumulated depreciation									
Opening accumulated depreciation	**-**	**9.08**	**3,774.22**	**0.44**	**186.87**	**41.09**	**113.76**	**4,125.47**	**-**
Depreciation charge during the year	-	1.49	1,226.37	11.86	79.96	21.35	13.15	1,354.18	-
Disposals	-	(2.68)	(337.99)	(0.91)	(40.09)	(18.38)	(28.37)	(428.42)	-
Adjustments4	-	(0.64)	-	-	-	-	-	(0.64)	-
Closing accumulated depreciation	**-**	**7.26**	**4,662.60**	**11.39**	**226.74**	**44.06**	**98.54**	**5,050.59**	**-**
Net carrying amount as on March 31, 2024	**323.18**	**61.48**	**6,459.28**	**30.00**	**233.03**	**40.07**	**112.86**	**7,259.90**	**136.82**

Notes:

1) Refer Note 48 (a) capital commitments for disclosure of contractual commitment for acquisition of Property, plant and equipment.

2) Refer Note 45 for information on property, plant and equipment hypothecated and mortgaged as security by the Group.

3) Capital work-in-progress mainly comprises of equipments acquired for the newly initiated Projects.

4) Includes building disposed off of carrying amount of Rs. 3.60 Million as a part of Share purchase agreement. Refer note 56(a)

Capital work-in-progress (CWIP)

Ageing of CWIP - Balance as at March 31, 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	136.82	-	-	-	136.82
Projects temporarily suspended	-	-	-	-	-

No CWIP project mentioned above is overdue or exceeded its cost compared to its original plan.

Ageing of CWIP - Balance as at March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	719.45	-	-	-	719.45
Projects temporarily suspended	-	-	-	-	-

No CWIP project mentioned above is overdue or exceeded its cost compared to its original plan.

Note 3 (b) - Right-of-use assets & Lease liabilities

(i) Amounts recognised in Balance sheet

The balance sheet shows following amounts relating to leases:

Particulars	As at March 31, 2024	As at March 31, 2023
Right- of-use-assets		
Leasehold Land	85.67	40.24
	85.67	**40.24**
Lease Liabilities		
Current	41.61	18.45
Non-current	45.80	16.07
	87.41	**34.52**
Maturity Anaylsis of Lease Liabilities as at year end:		
Less than one year	41.61	18.45
One to five years	45.80	16.07
More than five years	-	-
	87.41	**34.52**

(ii) Amounts recognised in the statement of profit and loss

The Statement of Profit and Loss shows following amounts relating to leases:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of right-of-use assets (Refer Note 35)		
Leasehold Land	48.16	19.02
	48.16	**19.02**

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(All amounts are in ₹ million, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Finance cost (Refer Note 34)		
Interest and finance charges on lease liabilities	5.14	2.17
Other expenses (Refer Note 36)		
Expense relating to short-term leases	48.80	43.79
Expense relating to leases of low-value assets that are not shown above as short-term leases	10.28	24.38
	64.22	**70.34**

The total cash outflow for the leases for the year ended March 31, 2024 was Rs. 40.70 Million (March 31, 2023; Rs. 24.62 Million).

Additons to the right-of-use of assets during the year ended March 31, 2024 was Rs. 93.59 Million (March 31, 2023; Rs. 46.84 Million).

Note 4 - Investment Properties

Investment properties for the year is described below :

Particulars	As at March 31, 2024	As at March 31, 2023
Gross carrying amount	**89.93**	**96.38**
Less: Transfer to assets classified as held for sale (Refer Note 18 (a))	(21.59)	-
Less: Disposals	-	(6.45)
Closing gross carrying amount	**68.34**	**89.93**
Accumulated depreciation		
Opening accumulated depreciation	10.95	9.96
Less: Transfer to assets classified as held for sale (Refer Note 18 (a))	(1.95)	-
Less: Disposals	-	(0.46)
Depreciation charge during the year	1.39	1.45
Closing accumulated depreciation	**10.39**	**10.95**
Net carrying amount	**57.95**	**78.98**

(i) The investment properties consists of commercial property in India given on cancellable and non cancellable leases for a period of 1 to 11 months.

(ii) The Group has no restrictions on the realisability of its investment property and no contractual obligation to develop or for repair, maintenance and enhancements.

(iii) Amounts recognised in the Statement of profit and loss for investment properties:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income from investment property (Refer Note 30 and 47)	1.23	1.47
Profit from investment properties before depreciation	**1.23**	**1.47**
Depreciation	1.39	1.45
Profit / (Loss) from investment properties	**(0.16)**	**0.02**

Notes to the Consolidated Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

Leasing arrangements

(a) Operating leases

The Group has given certain investment properties on operating lease. These lease arrangements range for a period between one to eleven months and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under (Refer Note 47):

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Within one year	1.23	1.47
Later than one year but not later than five years	-	-
Total	**1.23**	**1.47**

(iv) Fair value of investment properties

Particulars	As at March 31, 2024	As at March 31, 2023
Investment properties	134.83	119.67

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The Group has obtained independent valuations report of investment properties from registered valuers as defined under rule 2 of Companies (Registered Valuers & Valuation) Rule, 2017. The main inputs used are quantum, area, location, demand, rental growth rates, expected vacancy rates, terminal yields and discount rates.

Note 5 - Intangible assets

	Amount
For the year ended March 31, 2023	
Gross carrying amount	
Opening gross carrying amount	**45.29**
Additions	10.89
Disposals	(0.05)
Closing gross carrying amount	**56.13**
Accumulated amortisation	
Opening accumulated amortisation	**27.03**
Amortisation charge for the year	13.68
Disposals	(0.03)
Closing accumulated amortisation	**40.68**
Net carrying amount as on March 31, 2023	**15.45**

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(All amounts are in ₹ million, unless otherwise stated)

	Amount
For the year ended March 31, 2024	
Gross carrying amount	
Opening gross carrying amount	**56.13**
Additions	9.36
Disposals	(0.96)
Closing gross carrying amount	**64.53**
Accumulated amortisation	
Opening accumulated amortisation	**40.68**
Amortisation charge for the year	7.99
Disposals	(0.84)
Closing accumulated depreciation	**47.83**
Net carrying amount as on March 31, 2024	**16.70**

Note 6 - Investment

Particulars	As at March 31, 2024	As at March 31, 2023
Non current investment		
Unquoted		
Investment in associate (Refer Note 1 below)	104.93	101.29
Total	**104.93**	**101.29**

Note:

1. **Investment in Associates**

Particulars	Face value of each share	As at March 31, 2024			As at March 31, 2023		
		No. of Shares	Pledge shares	Amount	No. of Shares	Pledge shares	Amount
Safety First Engineering Private Limited	10	1,23,465	-	86.49	1,23,465	-	86.49
Safety First (Partnership Firm)	-	-	-	3.51	-	-	3.51
Total Investment (A)				**90.00**			**90.00**

Particulars	As at March 31, 2024	As at March 31, 2023
Safety First Engineering Private Limited	0.12	(0.33)
Safety First (Partnership Firm)	14.81	11.62
Share of net profit of associates (B)	**14.93**	**11.29**
Total Investment in Associates post share of net profit / (loss) (A+B)	**104.93**	**101.29**

Note 7 - Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Non current trade receivables (Unsecured)		
Trade receivables from contract with customers	53.46	93.68
Less: Loss allowance (Refer Note 39(i))	(14.66)	(14.66)
	38.80	**79.02**

Note: Non current trade receivables represent long term retentions related to construction contracts.

Notes to the Consolidated Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

Ageing of trade receivables - Balance as on March 31, 2024:

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	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	-	-	1.00	9.70	14.76	8.30	5.04	38.80
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	14.66	14.66
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**-**	**1.00**	**9.70**	**14.76**	**8.30**	**19.70**	**53.46**
Less: Loss allowance								(14.66)
Total trade receivable (net)								**38.80**

Ageing of trade receivables - Balance as on March 31, 2023:

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	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	-	-	0.27	10.30	5.59	37.61	25.25	79.02
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	14.66	14.66
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**-**	**0.27**	**10.30**	**5.59**	**37.61**	**39.91**	**93.68**
Less: Loss allowance								(14.66)
Total trade receivable (net)								**79.02**

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	38.80	79.02
Trade receivables which have significant increase in credit risk	14.66	14.66
Trade receivables – credit impaired	-	-
Total	**53.46**	**93.68**
Less: Loss allowance	(14.66)	(14.66)
	38.80	**79.02**

Refer Note 39 (i) for movement of loss allowance and credit risk.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 8 - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Other non current financial assets		
Receivable under service concession agreement with National Highway Authority of India (NHAI) (Refer Note 1 below and Note 54)	14,482.47	15,341.02
Deposits with remaining maturity more than 12 months (Refer Note 2 below)	288.17	263.91
Security deposits	173.73	125.60
Receivable against Sale of SPVs (Refer Note 56 (a))	595.56	-
	15,539.93	**15,730.53**

Note:

1. Above carring value (net of lien) of receivable are subject to charge to secure the Group secured borrowings. (Refer Note 21, 24 and 45)

2. Deposits includes lien with banks against bank guarantee and third parties given for the project of Rs. 837.14 Million as at March 31, 2024. (March 31,2023 : Rs. 878.50 Million)

Note 9 - Other non current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances*	20.71	26.42
Balances with government authorities	0.13	635.43
Unamortised borrowing cost	75.05	32.56
	95.89	**694.41**

* Refer Note 48 (a) capital commitments for disclosure of contractual commitment for acquisition of Property, plant and equipment.

Note 10 - Inventories (At lower of Cost or net realisable value)*

Particulars	As at March 31, 2024	As at March 31, 2023
Project materials [(including material in transit amounts to Rs. 42.26 Million) (March 31, 2023 Rs. 81.04 Million)] (At Cost)	2,653.59	2,097.40
Stores and Spares (At cost)	313.42	255.91
	2,967.01	**2,353.31**

*Pledged as charged against short term borrowings. (Refer Note 45)

Note 11 - Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Current trade receivables (Unsecured)		
Trade receivables from contract with customers	6,561.27	7,078.29
Trade receivables from contract with customers - related parties (Refer Note 43)	246.24	238.10
Less: Loss allowance (Refer Note 39(i))	(78.35)	(34.88)
	6,729.16	**7,281.51**

Note: Trade receivables include retentions of Rs. 818.19 Million (March 31, 20223 Rs. 1,690.15 Million) related to construction contracts.

Notes to the Consolidated Financial Statements

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Certain retention money receivables which are contractually due after one year however which can be released early on submission of bank guarantee have been considered as current considering the past history and management expectation.

Ageing of trade receivables - Balance as on March 31, 2024:

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	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	-	5,053.03	1,026.32	259.46	292.68	41.23	56.44	6,729.16
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	12.01	-	-	66.34	78.35
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**5,053.03**	**1,026.32**	**271.47**	**292.68**	**41.23**	**122.78**	**6,807.51**
Less: Loss allowance								(78.35)
Total trade receivable (net)								**6,729.16**

Ageing of trade receivables - Balance as on March 31, 2023:

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	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	452.56	4,767.95	937.93	478.54	274.91	141.74	227.88	7,281.51
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	34.88	34.88
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**452.56**	**4,767.95**	**937.93**	**478.54**	**274.91**	**141.74**	**262.76**	**7,316.39**
Less: Loss allowance								(34.88)
Total trade receivable (net)								**7,281.51**

Notes to the Consolidated Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	6,729.16	7,281.51
Trade receivables which have significant increase in credit risk	78.35	34.88
Trade receivables – credit impaired	-	-
Total	**6,807.51**	**7,316.39**
Less: Loss allowance	(78.35)	(34.88)
	6,729.16	**7,281.51**

Refer Note 39 (i) for movement of loss allowance and credit risk.

Note 12 - Cash and cash equivalents

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- In current accounts	1,007.00	720.72
Deposits with original maturity of less than three months	145.45	212.00
Cash on hand	0.45	1.95
	1,152.90	**934.67**

Note 13 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Deposit with maturity more than 3 months but less than 12 months (Refer Note 1 and 2 below)	885.15	1,732.88
Interest Accrued	34.02	37.05
	919.17	**1,769.93**

Note:

1. Deposits includes lien with banks against bank guarantee and third parties given for the project of Rs. 837.14 Million as at March 31, 2024 (March 31,2023 Rs. 878.50 Million).

2. Above carrying value (net of lien) of other bank balance are subject to a charge to secure the Group's secured borrowing (Refer Note 21, 24 and 45).

Note 14 - Loans (Unsecured, considered good)

Particulars.	As at March 31, 2024	As at March 31, 2023
Loan to employees	14.51	11.33
	14.51	**11.33**

Notes to the Consolidated Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Loan considered good – Secured	-	-
Loan considered good – Unsecured	14.51	11.33
Loan which have significant increase in credit risk	-	-
Loan – credit impaired	-	-
Total	**14.51**	**11.33**
Less: Loss allowance	-	-
	14.51	**11.33**

Note 15 - Other financial assets (Unsecured, Considered good unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable under service concession agreement with National Highway Authority of India (NHAI) (Refer Note 1 below and Note 54)	1,437.65	3,939.32
Security deposits	39.70	3.69
Other receivable	75.83	169.23
Less: Loss allowance (Refer Note 39(i))	(18.94)	(18.94)
	1,534.24	**4,093.30**

Note:

1. Above carring value (net of lien) of receivable are subject to charge to secure the Group secured borrowings. (Refer Note 21, 24 and 45)

Break-up of security details:	As at March 31, 2024	As at March 31, 2023
Other financial assets considered good – Secured	-	-
Other financial assets considered good – Unsecured	1,534.24	4,093.30
Other financial assets which have significant increase in credit risk	18.94	18.94
Other financial assets – credit impaired	-	-
Total	**1,553.18**	**4,112.24**
Less: Loss allowance	(18.94)	(18.94)
Total	**1,534.24**	**4,093.30**

Note 16 (a) - Contract assets

Particulars	As at March 31, 2024	As at March 31, 2023
Amount due from customers for contract works	10,831.84	6,114.52
Less: Loss allowance (Refer Note 39(i))	(478.98)	(268.10)
	10,352.86	**5,846.43**

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Note 16 (b) - Contract liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liabilities (Refer Note 53)	1,804.32	1,926.24
	1,804.32	**1,926.24**

Significant changes in contract assets and liabilities

Contract assets have increased as the Group has completed work ahead of the agreed payment schedules for construction contracts. The Group also recognised a loss allowance for contract assets in accordance under Ind AS 109. Contract liabilities have decreased as Group has adjusted mobilisation advance against client billing.

Note 17 - Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to suppliers	232.17	218.03
Advance to sub contractor	310.69	401.17
Other advances		
Prepayments	134.51	214.12
Unamortised borrowing cost	48.13	-
Advance to employees	1.49	4.48
Balances with government authorities	2,988.00	2,043.25
	3,714.99	**2,881.05**

Note 18 (a) Assets classified as held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Freehold Land (Refer Note 1 below and Note 3(a))	80.25	9.63
Investment Property (Refer Note 2 below and Note 4)	19.64	-
Assets associated with investment (Refer Note 56 (b))	3,094.65	-
	3,194.54	**9.63**

Note 1: The Holding Company's Board in their meeting dated February 2, 2024 have resolved to sell the land situated at Village Bagru Khurd, Jaipur to H.G. Ekaaya Resorts Private Limited and the sale is expected to be completed before June 2024.

Note 2: The Holding Company has also entered into an agreement for sale of its investment property situated in Noida, Uttar Pradesh. The sale is expected to be completed by end of April 2024.

Note 18 (b) Liabilities associated with assets classified as held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Liabilities associated with investment (Refer Note 56 (b))	2,036.40	-
	2,036.40	**-**

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Note 19 - Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised :		
80,000,000 (March 31, 2023 : 80,000,000) Equity Shares of Rs. 10 each	**800.00**	**800.00**
Issued, Subscribed and Paid up		
65,171,111 (March 31, 2023 : 65,171,111) Equity Shares of Rs. 10 each	651.71	651.71
	651.71	**651.71**

(a) Movement in equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at beginning of the year	6,51,71,111	651.71	6,51,71,111	651.71
Add: Shares issued during the year	-	-	-	-
Balance as at end of the year	**6,51,71,111**	**651.71**	**6,51,71,111**	**651.71**

(b) Terms and rights attached to equity shares

The Group has only one class of equity shares having face value of Rs. 10 per share. Accordingly, all equity rank equally with regard to dividends and share in the Group's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed by the board of directors is subject to the approval of shareholders in annual general meeting. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital that has not been paid. On winding up of the Group, the holders of equity shares will be entitled to receive the residual assets of the Group, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) Details of shareholders holding more than 5% shares in the Group

Equity shares	Number of Shares	% holding
Girishpal Singh Family Trust	1,61,86,440	24.84%
(As at March 31, 2023)	(1,61,86,440)	(24.84%)
Vijendra Singh Family Trust	1,61,89,128	24.84%
(As at March 31, 2023)	(1,61,89,128)	(24.84%)
Harendra Singh Family Trust	1,61,96,789	24.85%
(As at March 31, 2023)	(1,61,96,789)	(24.85%)

As per the records of the Holding Company, including Its registers of shareholders (members) and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal and beneficial ownerships.

(d) There are no shares allotted as fully paid up pursuant to contracts without being received in cash since incorporation.

(e) There are no shares which are reserved to be issued under options and there are no securities issues / outstanding which are convertible into equity shares.

(f) No class of shares have been issued as bonus shares or for consideration other than cash by the Group during the period of five years immediately preceeding the current year end.

(g) No class of shares have been bought back by the Group during the period of five years immediately preceding current year end.

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(h) Details of shareholding of promotors:

Shares held by promoter & promoter Group at the end of March 31, 2024

Sr. No	Promoter name & promoter group	No of Shares	% of total shares	% Change during the year
1	Harendra Singh	100	0.00%	0.00%
2	Girishpal Singh	100	0.00%	0.00%
3	Vijendra Singh	100	0.00%	0.00%
4	Harendra Singh Family Trust	1,61,96,789	24.85%	0.00%
5	Vijendra Singh Family Trust	1,61,89,128	24.84%	0.00%
6	Girishpal Singh Family Trust	1,61,86,440	24.84%	0.00%
7	Hodal Singh	100	0.00%	0.00%
8	Nisha Singh	100	0.00%	0.00%
9	Poonam Singh	100	0.00%	0.00%
10	Vaibhav Choudhary	100	0.00%	0.00%
11	Harendra Singh HUF (Karta-Harendra Singh)	100	0.00%	0.00%

Shares held by promoter & promoter Group at the end of March 31, 2023

Sr. No	Promoter name & promoter group	No of Shares	% of total shares	% Change during the year
1	Harendra Singh	100	0.00%	0.00%
2	Girishpal Singh	100	0.00%	0.00%
3	Vijendra Singh	100	0.00%	0.00%
4	Harendra Singh Family Trust	1,61,96,789	24.85%	0.00%
5	Vijendra Singh Family Trust	1,61,89,128	24.84%	0.00%
6	Girishpal Singh Family Trust	1,61,86,440	24.84%	0.00%
7	Hodal Singh	100	0.00%	0.00%
8	Nisha Singh	100	0.00%	0.00%
9	Poonam Singh	100	0.00%	0.00%
10	Vaibhav Choudhary	100	0.00%	0.00%
11	Harendra Singh HUF (Karta-Harendra Singh)	100	0.00%	0.00%

Note 20 - Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and surplus		
Securities premium reserve	2,694.47	2,694.47
Retained earnings	21,204.13	15,872.57
	23,898.60	**18,567.04**
a) Securities premium reserve		
Opening balance	2,694.47	2,694.47
Changes during the year	-	-
Closing balance (a)	**2,694.47**	**2,694.47**
b) Retained Earnings		
Opening balance	15,872.57	11,013.57
Net profit attributable to owners	5,385.86	4,931.91
Less: Dividend paid	(81.46)	(65.17)
Items of other comprehensive income/ (loss) recognised directly in retained earnings		
- Remeasurements gain/ (loss) of defined benefit obligations, net of tax	27.16	(7.74)
Closing balance (b)	**21,204.13**	**15,872.57**
Total other equity (a+b)	**23,898.60**	**18,567.04**

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Nature and purpose of reserves

a) Securities premium reserve :

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained Earnings:

Retained earnings represents the profit attributable to owners, less remeasurement gains / (loss) of defined benefit plans and can be distributed by the Group as dividends considering the requirements of the Companies Act, 2013.

Note 21 - Borrowing

Particulars	As at March 31, 2024	As at March 31, 2023
Non current borrowings*		
Secured:		
Term loans		
Banks (Refer Note 21.1)		
In Indian Currency	10,522.66	13,625.18
In Foreign Currency	-	47.44
Financial institutions (Refer Note 21.1)	301.39	578.64
Vehicle loan		
Banks (Refer Note 21.1)	99.07	73.68
Financial institutions (Refer Note 21.1)	1.79	10.34
8% Rated, listed, senior, secured, redeemable, non convertible debenture (Refer Note 21.1)	-	485.00
	10,924.91	**14,820.28**

*Refer Note 39 (ii) for liquidity risk management and Refer Note 45 for Assets pledged as security.

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Note 21.1- Secured Borrowings

The details of rate of interest and repayment of secured borrowings are as under:

S. No.	Name of Entity	Particulars	Number of loans outstanding as at		Amount outstanding as at		Interest % per annum	Frequency of instalments	Instalments commencing from - to		Remarks
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023			March 31, 2024	March 31, 2023	
1	H.G. Infra Engineering Limited	Term loans - from banks (in Indian Currency)	955	654	2,144.93	2,118.73	6.60 % to 9.25%	Monthly	Apr 21 to March 27	Apr 20 to May 26	Reference note (b) below
2	H.G. Infra Engineering Limited	Term loans - from banks (in Foreign Currency)	1	1	47.90	47.44	3M EURIBOR - Spread + 1.2 PCT	Quarterly	Jul 22 to Jul 24	Jul 22 to Jul 24	Reference note (b) below
3	H.G. Infra Engineering Limited	Term loans - from financial institution	173	159	735.22	1,028.68	6.60 % to 9.50%	Monthly	Jan 21 to Apr 27	Aug 20 to Dec 25	Reference note (b) below
4	H.G. Infra Engineering Limited	Vehicles loans - from bank	61	42	177.57	117.15	6.80 % to 9.00%	Monthly	Oct 21 to May 27	Jul 20 to Jul 26	Reference note (c) below
5	H.G. Infra Engineering Limited	Vehicles loans - from financial institution	8	9	10.34	20.38	6.90 % to 8.11%	Monthly	Feb 22 to Aug 25	Dec 19 to Aug 25	Reference note (c) below
6	H.G. Infra Engineering Limited	8% Rated, listed, senior, secured, redeemable, non convertible debenture	1	1	485.00	970.00	9.54%	Quarterly	Sep 23 to Dec 24	Sep 23 to Dec 24	Reference note (d) below
7	Gurgaon Sohna Highway Private Limited	Term loans - from banks (in Indian Curency)	-	1	-	2,629.38	7.30%	26 structured semi-annual installments post completion of moratorium period post Schedule Commercial Operation Date (SCOD) or Commercial Operation Date (COD) whichever is earlier.	Sep 22 to Aug 35	Sep 22 to Aug 35	Reference note (e) below
8	H.G. Ateli Narnaul Highway Private Limited	Term loans - from banks (in Indian Curency)	-	1	-	3,300.27	7.40%	26 structured semi-annual installments post moratorium period.	Oct 22 to Sep 35	Oct 22 to Sep 35	Reference note (e) below
9	H.G. Rewari Ateli Highway Private Limited	Term loans - from banks (in Indian Curency)	-	2	-	1,999.11	7.40%	26 structured semi-annual installments post moratorium period post SCOD/COD.	Aug 22 to Jul 35	Aug 22 to Jul 35	Reference note (e) below

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S. No.	Name of Entity	Particulars	Number of loans outstanding as at		Amount outstanding as at		Interest % per annum	Frequency of instalments	Instalments commencing from - to		Remarks
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023			March 31, 2024	March 31, 2023	
10	H.G. Rewari Bypass Private Limited	Term loans - from banks (in Indian Curency)	1	1	1,922.68	1,639.40	9.85%	26 structured semi-annual installments post moratorium period.	Dec 23 to Jun 36	Oct 23 to Sep 36	Reference note (e) below
11	H.G. Raipur Visakhapatnam AP-1 Private Limited	Term loans - from banks (in Indian Curency)	2	2	1,891.03	995.03	9.70%	26 structured semi-annual installments commencing 7 months from SCOD.	Jul 25 to Jan 38	Oct 24 to Sep 37	Reference note (e) below
12	H.G. Raipur Visakhapatnam OD-5 Private Limited	Term loans - from banks (in Indian Curency)	3	2	3,130.80	1,391.09	9.35%	27 structured installments semi-annual installments from end of 7 months from the SCOD/PCOD.	Jun 25 to Jun 38	Dec 24 to May 38	Reference note (e) below
		Short Term loan (in Indian Curency)	1	1	373.03	932.56	9.60%	8 equal installments from each milestone payment received from NHAI	Starting From Dec 22	Starting From Dec 22	Reference note (e) below
13	H.G. Raipur Visakhapatnam OD-6 Private Limited	Term loans - from banks (in Indian Curency)	2	2	2,885.51	1,144.01	9.40%	26 structured semi-annual installments post moratorium period post SCOD/COD.	Jun 25 to May 38	Dec 24 to Nov 37	Reference note (e) below
14	H.G. Khammam Devarapalle Pkg-1 Private Limited	Term loans - from banks (in Indian Curency)	1	-	781.56	-	9.90%	26 structured semi-annual installments post moratorium period post SCOD/COD.	Dec 25 to Jun 38	-	Reference note (e) below
15	H.G. Khammam Devarapalle Pkg-2 Private Limited	Term loans - from banks (in Indian Curency)	1	-	734.81	-	9.90%	26 structured semi-annual installments post moratorium period post SCOD/COD.	Oct 25 to Mar 38	-	Reference note (e) below
16	H.G. Karnal Ringroad Private Limited	Short Term working Capital loan (in Indian Curency)	1		735.30		8.75%	8 equal installments from each milestone payment received from NHAI	Starting From Jan 24	-	Reference note (e) below

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S. No.	Name of Entity	Particulars	Number of loans outstanding as at		Amount outstanding as at		Interest % per annum	Frequency of instalments	Instalments commencing from - to		Remarks
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023			March 31, 2024	March 31, 2023	
17	H.G. Varanasi-Kolkata Pkg-13 Private Limited	Term loans - from banks (in Indian Curency)	-	-	-	-	-	26 structured semi-annual installments post moratorium period post SCOD/COD.	-	-	Reference note (e) below
18	H.G. Varanasi-Kolkata Pkg-10 Private Limited	Term loans - from banks (in Indian Curency)	-	-	-	-	-	27 structured semi-annual installments post moratorium period post SCOD/COD.	-	-	Reference note (e) below

a) The Group has obtained term loans and vehicles loans from Banks/ Financial Institutions during the financial year as mentioned above. As per the Loan Agreement, the said loan was taken for the purpose of respective Equipment and Vehicle financing. The Group has utilized such borrowings for the purposes as stated in the Loan Agreement.

b) Secured term loans from banks and financial institution

All term loans have been obtained for financing the asset purchased and are secured by hypothecation of respective assets purchased out of loan, comprising Property, plant and equipment and Constructions Equipment (Refer Note 45).

c) Secured vehicles loans from banks and financial institution

All vehicles loans are secured by hypothecation of respective vehicles financed though the loan arrangements (Refer Note 45).

d) Secured Non convertible Debentures

Non convertible Debentures (NCD's) are secured by:

(i) Exclusive charge, by way of hypothecation, over identified assets being construction equipment or plant & machinery; and

(ii) Personal guarantee by Mr. Harendra Singh and Mr. Vijendra Singh."

e) Term Loans in case of Subsidiaries are secured by:

(i) First charge on all Tangible and Intangible assets of the borrower, if any but not limited to goodwill, rights, undertaking, intellectual property and uncalled capital both present and future excluding project assets.

(ii) First charge over all accounts of the borrower including the escrow account and the sub-accounts.

(iii) First charge on the project's book debts, operating cash flows, receivables, commission, revenues or whatsoever nature whereever arising, present and future intangibles, goodwill, uncalled capital (present & future).

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(iv) Exclusive assignment/ charge (hypothecation/IOM as applicable) by way of security interest on:

all the right, title, interest, benefits, claims and demands of the borrower in the project documents including concession agreement, under all the govt. approvals and clearances, in any letter of credit, guarantee including contractor guarantees and liquidated damages and under all insurance contracts.

(v) Irrevocable and unconditional corporate guarantee by H.G. Infra Engineering Limited except in case of H.G. Raipur Visakhapatnam OD-5 Private Limited and H.G. Raipur Visakhapatnam OD-6 Private Limited.

(vi) Pledge of Equity Shares and Other Instruments, Personal Guarantees by Promoters of H.G. Infra Engineering Limited and Other Items as follows:

S. No.	Entity Name	Pledge Details	Guarantee by	Other Items
1	H.G. Rewari Bypass Private Limited	a) A pledge of 30% and 21% in the form of non disposable undertaking of the issued, paid up and voting share capital Non convertible debentures/ Compulsorily convertible debentures/ Preference shares/ other instruments of the borrower held by the promoter till the final settlement date.	Personal Guarantee by: i) Mr. Harendra Singh ii) Mr. vijendra Singh"	-
2	H.G. Raipur Visakhapatnam AP-1 Private Limited	a) Pledge of 51% of the equity shares held by the promoter/ sponsor in the project at all times during the tenor of facility. b) Pledge of 51% of the preference shares, if any and on 100% of Non convertible debentures/ Compulsorily convertible debentures extended by promoter/ sponsor to borrower.	Personal Guarantee by: i) Mr. Harendra Singh ii) Mr. Vijendra Singh	a) Assignment of future cash flows in the form of annuity to be received by the company in 30 half yearly instalments from Authority during operation period of the project. b) Assignment of all applicable insurance policies.
3	H.G. Raipur Visakhapatnam OD-5 Private Limited	a) Pledge of 51% shares of the equity shares of the borrower till the facility is entirely repaid. b) Pledge of Non convertible debentures/ Compulsorily convertible debentures extended by promoter/ sponsor to borrower.	-	a) Charge over unsecured loans, sub debt extended by promoter/ sponsor to borrower. b) Assignment of all applicable insurance policies.
4	H.G. Raipur Visakhapatnam OD-6 Private Limited	a) Pledge of 51% of the equity shares held by the promoter/ sponsor in the project at all times during the tenor of facility. b) Pledge of 51% of the preference shares, if any and on 100% of Non convertible debentures/ Compulsorily convertible debentures extended by promoter/ sponsor to borrower.	Personal Guarantee by: i) Mr. Harendra Singh ii) Mr. Vijendra Singh"	a) Assignment of all applicable insurance policies. b) Substitution agreement executed by authority on behalf of the lenders for the facility.

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S. No.	Entity Name	Pledge Details	Guarantee by	Other Items
5	H.G. Khammam Devarapalle Pkg-1 Private Limited	a) Pledge of 51% shares of the equity shares of the borrower till the facility is entirely repaid.	Personal Guarantee by: i) Mr. Harendra Singh ii) Mr. Vijendra Singh	a) Security Shall be created by deed of hypothecation by borrower in favour of lenders. b) Security(Except for pledge of share/ personal guarantees) will be aligned with the security clause of NHAI.
6	H.G. Khammam Devarapalle Pkg-2 Private Limited	a) Pledge of 51% shares of the equity shares of the borrower till the facility is entirely repaid.	Personal Guarantee by: i) Mr. Harendra Singh ii) Mr. Vijendra Singh"	a) Security Shall be created by deed of hypothecation by borrower in favour of lenders. b) Security(Except for pledge of share/ personal guarantees) will be aligned with the security clause of NHAI.
7	H.G. Karnal-Ringroad Private Limited	a) Pledge of 51% of the equity shares held by the promoter/ sponsor in the project at all times during the tenor of facility. b) Hypothecation of USL(Quasi-equity)	-	a) Security Shall be created by deed of hypothecation by borrower in favour of lenders. b) Security(Except for pledge of share) will be aligned with the security clause of NHAI.
8	H.G. Varanasi-Kolkata Pkg-10 Highway Private Limited	a) Pledge of 51% shares of the borrower till the facility is entirely repaid. b) Pledge of 51% Non convertible debentures/ Compulsorily convertible debentures extended by sponsor to borrower."	-	a) Assignment of all applicable insurance policies. b) Substitution agreement executed by authority on behalf of the lenders for the facility.
9	H.G. Varanasi-Kolkata Pkg-13 Private Limited	a) Pledge of 51% shares of the equity shares of the borrower till the facility is entirely repaid. b) Pledge of Non convertible debentures/ Compulsorily convertible debentures extended by promoter/ sponsor to borrower.	-	a) Assignment of all applicable insurance policies. b) Substitution agreement executed by authority on behalf of the lenders for the facility. c) Charge over unsecured loans, sub debt extended by promoter/ sponsor to borrower.

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Note 22 - Trade payable

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current trade payable		
(a) Trade payables: micro and small enterprises	-	-
(b) Trade payables: others	775.52	194.77
(c) Trade payables to related parties	-	-
	775.52	**194.77**

Note: Non current Trade Payables represents amount retained as per the terms of contract.

Ageing of trade payables - Balance as on March 31, 2024:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	775.52	-	-	-	-	775.52
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**-**	**775.52**	**-**	**-**	**-**	**-**	**775.52**

Ageing of trade payables - Balance as on March 31, 2023:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	194.77	-	-	-	-	194.77
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**-**	**194.77**	**-**	**-**	**-**	**-**	**194.77**

Note 23 - Employee benefit obligations

Particulars	As at March 31, 2024	As at March 31, 2023
Non current employee benefit obligations		
Gratuity (Refer Note 44 (ii) b)	87.00	100.45
Compensated absences (Refer Note 44 (i))	34.79	44.16
	121.79	**144.61**

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Note 24 - Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Current borrowings		
Loans repayable on demand		
Secured		
Working capital loans (in Indian Currency)*	687.44	1,318.40
Current maturities of long-term debts		
Term loans		
Banks (Refer Note 21.1)**		
In Indian Currency	1,781.37	1,591.83
In Foreign Currency	47.90	
Financial institutions (Refer Note 21.1)**	433.83	450.04
Vehicle loan		
Banks (Refer Note 21.1)**	78.50	43.47
Financial institutions (Refer Note 21.1)**	8.55	10.04
Short term loan (in Indian Currency)		
Banks (Refer Note 21.1)**	373.03	-
8% Rated, listed, senior, secured, redeemable, non convertible debenture (Refer Note 21.1)**	485.00	485.00
Unsecured		
Payable under MSMED trade receivable discounting system (TReDS)***	223.67	348.45
	4,119.29	**4,247.23**

***Nature of Security in relation to Working Capital loans availed by the Holding Company:**

a) Primary Security - First Pari Passu charge in favour of the Banks by way of Hypothecation of the Holding Company's entire current assets (present and future) including, but not limited to, stocks of raw materials, stock in progress, finished goods, stores and spares and receivables, margin money deposits, security deposits etc.

b) Collateral Security - First Pari Passu charge in favor of Banks by way of mortage of certain identified immovable properties of the Holding Company and personal and corporate guarantors as per the collateral agreement.

c) All the working capital loans are also secured by personal guarantee of Mr. Hodal Singh, Mr. Girishpal Singh, Mr. Vijendra Singh, Mr. Harendra Singh, Mr. Shailesh Patel, Mr. Vaibhav Choudhary and Corporate Gurantee of M/s Hotel Marudhar (Partnership Firm), M/s H.G. Luxury Hotels Private Limited, M/s H.G. Acerage Developers Private Limited and M/s Valencia Leisure Private Limited. Personal guarantee of Mr. Jodhalal Kalma, Mr. Sanjeev Kumar Choudhary (family friends of Promoters, not to be classified as related parties) and Mrs. Nisha Singh (part of promoter Group) have been released in the current year.

d) The working capital Loans are repayable on demand and interest rate on the above loan from banks in consortium are linked to the respective bank base rate/ MCLR which are floating in nature. The interest rate ranges from 7.55% to 10.35% per annum on rupees working capital loans.

For Security details of Term loans, vehicle loans and 8% Rated, listed, senior, secured, redeemable, non convertible debentures, short term loans for the Group, Refer Note 21.1.

Compliance of Debt Covenants

Working Capital loans in the Holding Company contain certain debt covenants relating to limitation on indebtedness, Current ratio, Net Debt to EBITDA ratio, Interest coverage ratio, Total outside liablity to Adjusted Tangible net worth, Minimum net working capital Limit, Minimum Credit Rating, Total outside liablity to Tangible net worth, Debt service coverage ratio and Minimum Targeted sales on standalone basis. Further, Adjusted Tangible net worth and Minimum EBITDA margin have to be maintained at certain threshold on consolidated basis. The Limitation on indebtness covenants get suspended if the Holding Company meets certain prescribed criteria. The Holding Company has satisfied all debt covenants mentioned above. The other loans in Holding Company do not carry any debt covenants.

Notes to the Consolidated Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

Term Loans in Subsidiary Companies contain debt covenants relating to Debt service coverage ratio, Debt equity ratio, Interest coverage ratio, Debt to EBITDA ratio.

The respective Subsidiary Company has satisfied all applicable debt covenants mentioned above.
The Group has not defaulted of any loans payables during the year ended March 31, 2024.

**Refer Note 39(ii) for liquidity risk management and Refer Note 45 for Assets pledged as security.

***The carrying amounts of current borrowings include payables in respect of vendors which are subject to a factoring arrangement ("the factors"). Under this arrangement, H.G. Infra Engineering Limited has transferred the relevant payables to the factors in exchange for timely payment to MSMED vendors. Therefore, the amount repayable under the factoring arrangement to the factors is presented as unsecured borrowings.

Note 25 - Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
(a) Trade payables: micro and small enterprises	699.08	712.94
(b) Trade payables: others	7,447.06	6,495.03
(c) Trade payables to related parties (Refer Note 43)	211.66	33.79
	8,357.80	**7,241.76**

Note: Trade Payable include retentions of Rs. 218.78 Million (March 31, 2023 Rs. 1,227.22 Million) retained as per the terms of contract.

Aging of trade payables - Balance as on March 31, 2024:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	161.85	392.27	139.90	0.28	0.29	4.49	699.08
(ii) Others	1,587.96	5,138.06	922.66	10.04	-	-	7,658.72
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,749.81**	**5,530.33**	**1,062.56**	**10.32**	**0.29**	**4.49**	**8,357.80**

Aging of trade payables - Balance as on March 31, 2023:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	106.55	539.19	62.42	0.29	0.84	3.65	712.94
(ii) Others	1,246.42	3,667.25	1,485.28	48.91	34.26	46.70	6,528.82
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,352.97**	**4,206.44**	**1,547.70**	**49.20**	**35.10**	**50.35**	**7,241.76**

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Note 26 - Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	18.28	21.30
Capital creditors	34.69	250.17
Other payables	23.24	42.40
	76.21	**313.87**

Note 27 - Employee benefit obligations

Particulars	As at March 31, 2024	As at March 31, 2023
Employee benefits payable	216.78	195.93
Compensated Absenses (Refer Note 44 (i))	26.04	12.37
	242.82	**208.30**

Note 28 - Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	804.54	463.79
Advance received for sale of goods	1.02	0.77
Advance received for sale of Property, plant and equipments	11.37	29.64
Excess contribution from JV partner	-	1.28
	816.93	**495.48**

Note 29 - Revenue from operations

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue from contracts with customers (Refer Note 53)		
Construction contracts	50,992.68	44,231.60
Sale of services (Operation and maintenance contracts)	253.44	432.58
Other operating revenue		
Scrap sales	196.36	172.75
Interest Income due to unwinding of annuity amount	1,851.90	1,352.55
Others	490.41	30.60
	53,784.79	**46,220.08**

Note 30 - Other income

Particulars	As at March 31, 2024	As at March 31, 2023
Interest income from financial assets at amortised cost	141.41	107.92
Rental income (Refer Note 47)	36.63	34.57
Net gain on disposal of Property, plant and equipment & Investment properties	-	3.34
Miscellaneous income	1.84	36.47
	179.88	**182.30**

Notes to the Consolidated Financial Statements

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(All amounts are in ₹ million, unless otherwise stated)

Note 31 - Cost of materials consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Construction material, stores and spares		
Opening stock at the beginning of the year	2,353.31	1,835.52
Add: Purchases during the year	23,246.55	21,952.82
Less: Closing stock at the end of the year	(2,967.01)	(2,353.31)
	22,632.85	**21,435.03**

Note 32 - Contract and site expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sub contracting expenses	14,529.39	10,756.15
Indirect taxes (Labour cess and road tax expenses etc.)	371.14	357.09
Insurance expenses	104.85	96.47
Contract labour charges	15.71	20.46
Hire charges for machinery and others (Refer Note 55)	369.57	289.58
Site and other direct expenses	883.31	1,160.56
Repairs and maintenance - plant and equipment	233.94	290.95
Technical consultancy	107.46	136.14
	16,615.37	**13,107.40**

Note 33 - Employee benefit expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus & other allowances	2,400.49	1,612.56
Contribution to provident and other funds (Refer Note 44 (ii) (a))	111.04	58.53
Gratuity (Refer Note 44 (ii) (b))	31.77	33.13
Staff welfare expenses	347.41	277.59
	2,890.71	**1,981.81**

Note 34 - Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on:		
Term loan		
In Indian Currency*	1,478.85	958.96
In Foreign Currency*	2.71	0.85
Working capital loan*	202.20	139.75
Interest on 8% Rated, listed, senior, secured, redeemable, non convertible debenture*	79.86	88.28
Interest on late payment of micro and small enterprises	3.69	0.28
Interest and finance charges on lease liabilities (Refer Note 3(b))	5.14	2.17
Interest on late payment of Income tax	4.35	14.72
Other borrowing cost	391.70	332.68
	2,168.50	**1,537.69**

*Refer Note 21.1 & 24 for details of rate of interest, term & condition and repayment of secured borrowings.

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Note 35 - Depreciation and amortisation expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of Property, plant and equipment (Refer Note 3(a))	1,354.18	929.67
Depreciation of Right-of-use assets (Refer Note 3(b))	48.16	19.02
Depreciation on Investment property (Refer Note 4)	1.39	1.45
Amortisation of Intangible assets (Refer Note 5)	7.99	13.68
	1,411.72	**963.82**

Note 36 - Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Repairs and maintenance	39.61	26.45
Rates and taxes	13.70	28.82
Sitting fees	5.09	2.48
Lease rent (Refer Note 3 (b) and Refer Note 55)	59.08	68.17
Payment to auditors	12.84	12.50
Advertisement and business promotion	15.21	14.00
Travelling and conveyance	79.60	46.02
Corporate social responsibility expenditure	127.65	70.88
Legal and professional fees	164.24	127.85
Electricity expenses	64.64	69.51
Printing and stationery	20.98	19.46
Loss allowances (Net of reversals) (Refer Note 39 (i))	254.35	175.10
Amount written off (Refer Note 39 (i))	48.88	-
Telephone and communication	12.43	9.94
Net foreign exchange differences	0.46	2.48
Net loss on disposal of property, plant and equipment	17.12	-
Miscellaneous expenses	92.09	68.53
	1,027.97	**742.18**

Note 37 - Taxation

37 (a) - Income tax expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
Current tax on profits for the year	1,984.07	1,732.86
Adjustment for current tax of prior periods	0.97	-
Total current tax expense (A)	**1,985.04**	**1,732.86**
Deferred tax		
(Increase) / decrease in deferred tax assets	(271.88)	(92.84)
Increase / (decrease) in deferred tax liabilities	300.15	73.81
Total deferred tax charge/ (benefit) (B)	**28.27**	**(19.03)**
Income tax expense (A+B)	**2,013.31**	**1,713.83**

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Other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax on other comprehensive income	(9.13)	2.60
	(9.13)	**2.60**

37 (b) - Deferred tax

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets (net)		
Deferred tax assets arising out of:		
Disallowance under Section 43B of Income Tax Act, 1961	37.21	39.51
Loss Allowance for trade receivable	148.72	84.71
Disallowances section 40(a)(ia) of Income Tax Act, 1961	104.30	42.55
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	93.73	43.65
Lease liabilities	22.00	8.69
Others	0.10	0.96
Total deferred tax assets (A)	**406.06**	**220.07**
Deferred tax liabilities arising out of:		
Right-of-use assets	(21.56)	(10.13)
Others	(9.02)	-
Total Deferred tax liabilities (B)	**(30.58)**	**(10.13)**
Deferred tax assets (net)* (A+B)	**375.48**	**209.94**
Deferred tax liabilities (net)		
Deferred tax assets arising out of:		
Temporary difference of carry forward Losses	14.20	6.48
Temporary difference of preliminary expenses	1.00	1.88
Total deferred tax assets (A)	**15.20**	**8.36**
Deferred tax liabilities arising out of:		
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	-	(0.23)
Temporary difference of loan processing fees amortisation	(53.87)	(46.44)
Temporary difference of finance income	(270.52)	(241.29)
Total Deferred tax liabilities (B)	**(324.39)**	**(287.96)**
Deferred tax liabilities (net)* (A+B)	**(309.19)**	**(279.60)**

***Netting off -** Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and liabilities relate to income tax levied by the same taxation authorities.

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Movement in deferred tax assets

Particulars	As at April 1, 2022	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Adjustment	As at March 31, 2023
Deferred tax assets arising out of:					
Disallowance under section 43B of Income Tax Act, 1961	18.88	18.03	2.60	-	39.51
Loss allowance for trade receivable	48.93	35.78	-	-	84.71
Disallowance under section 40(a)(ia) of Income Tax Act, 1961	5.60	36.95	-	-	42.55
Indexation on land	8.28	(8.28)	-	-	-
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	29.61	14.04	-	-	43.65
Others	3.19	6.46	-	-	9.65
	114.49	**102.98**	**2.60**	**-**	**220.07**
Deferred tax liabilities arising out of:					
Right-of-use assets	-	(10.13)	-	-	(10.13)
Net deferred tax assets	**114.49**	**92.84**	**2.60**	**-**	**209.94**

Particulars	As at April 1, 2023	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Adjustment*	As at March 31, 2024
Deferred tax assets arising out of:					
Disallowance under section 43B of Income Tax Act, 1961	39.51	6.83	(9.13)		37.21
Loss allowance for trade receivable	84.71	64.01	-	-	148.72
Disallowance under section 40(a)(ia) of Income Tax Act, 1961	42.55	61.75	-	-	104.30
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	43.65	50.08	-	-	93.73
Others	9.65	12.45	-	-	22.10
Temporary difference of preliminary expenses	-	186.14	-	(186.14)	-
	220.07	**381.26**	**(9.13)**	**(186.14)**	**406.06**
Deferred tax liabilities arising out of:					
Right-of-use assets	(10.13)	(11.43)	-	-	(21.56)
Others	-	(9.02)	-		(9.02)
Temporary difference of loan processing fees amortisation	-	0.22	-	(0.22)	-
Temporary difference of finance income	-	(89.15)	-	89.15	-
	(10.13)	**(109.38)**	**-**	**88.93**	**(30.58)**
Net deferred tax assets	**209.94**	**271.88**	**(9.13)**	**(97.21)**	**375.48**

Movement in deferred tax liabilities

Particulars	As at April 1, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	Adjustment	As at March 31, 2023
Deferred tax liabilities arising out of:					
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	(0.26)	0.03	-	-	(0.23)
Temporary difference of loan processing fees amortisation	(21.39)	(25.05)	-	-	(46.44)
Temporary difference of finance income	(196.83)	(44.46)	-	-	(241.29)
	(218.48)	**(69.48)**	**-**	**-**	**(287.96)**

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Particulars	As at April 1, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	Adjustment	As at March 31, 2023
Deferred tax assets arising out of:					
Temporary difference of carry forward Losses	5.66	0.82	-	-	6.48
Temporary difference of preliminary expenses	7.03	(5.15)	-	-	1.88
	12.69	**(4.33)**	**-**	**-**	**8.36**
Net deferred tax liabilities	**(205.79)**	**(73.81)**	**-**	**-**	**(279.60)**

Particulars	As at April 1, 2023	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	Adjustment*	As at March 31, 2024
Deferred tax liabilities arising out of:					
Timing difference between balance as per Income Tax Act, 1961 and book balance for Property, plant and equipment	(0.23)	0.04	-	0.19	-
Temporary difference of loan processing fees amortisation	(46.44)	(21.24)	-	13.81	(53.87)
Temporary difference of finance income	(241.29)	(258.67)	-	229.44	(270.52)
Receivable under Service Concession		(28.02)		28.02	-
	(287.96)	**(307.89)**	**-**	**271.46**	(324.39)
Deferred tax assets arising out of:					
Temporary difference of carry forward Losses	6.48	7.72	-	-	14.20
Temporary difference of preliminary expenses	1.88	0.02	-	(0.91)	1.00
	8.36	**7.74**	**-**	**(0.91)**	**15.20**
Net deferred tax liabilities	**(279.60)**	**(300.15)**	**-**	**270.55**	**(309.19)**

* Derecognisition of deferred tax on sale of 3 subsidiaries (Refer Note 56(a)). The Group has also reclassified deferred tax liabilities to liabilities associated with assets classified as held for sale (Refer Note 56 (b)).

37 (c) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rate

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before income tax expense	**7,217.55**	**6,634.45**
Statutory tax rate applicable to the Company	25.17%	25.17%
Tax expense at applicable tax rate	**1,816.51**	**1,669.76**
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	30.97	16.62
Donation	11.74	4.49
Interest on late payment of income tax	3.63	3.70
Profit of jointly controlled operations	0.01	(0.03)
Indexation on land	-	8.28
Deduction for Section 80JJAA as per Income tax Act, 1961	(19.02)	-
Interest payable to micro and small enterprises	0.93	0.07
Adjustment for current tax of prior period	1.14	0.30
Loss on Sales of Fixed Assets	4.31	-
Capital Gain Tax (Net)	175.46	0.17
Effect of disallowed deduction under Income Tax Act	1.03	1.47
Others	(13.40)	9.00
Income tax expense	**2,013.31**	**1,713.83**
Total tax expenses as per consolidated Profit and loss statement	**2,013.31**	**1,713.83**

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37 (d) - Current tax liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	141.37	144.32
Add: Additional income tax provision	1,984.07	1,567.22
Less: Income tax adjustment for earlier years	0.97	-
Less: Income tax paid	(2,005.55)	(1,570.17)
	120.86	141.37

37 (e) - Non-current tax asset (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	202.70	183.96
Add: Advance tax paid/ (refund received)	(35.73)	184.38
Less: Recovery of tax assets attributable to JCO	(1.41)	-
Less: Income tax provision created during the year	-	(165.64)
Less: Recovery of tax assets attributable to sale of 3 subsidiaries (Refer Note 56 (a))	(74.04)	-
Less: Reclassification of tax assets attributable to assets classified as held for sale (Refer Note 56 (b))	(39.18)	-
	52.34	**202.70**

Note 38 - Fair Value Measurements

(i) Financial instruments by category

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets - Amortised cost		
Investments*	-	-
Trade receivables (net of loss allowance)	6,767.96	7,360.53
Cash and cash equivalents	1,152.90	934.67
Bank balances other than cash and cash equivalents	919.17	1,769.93
Loans	14.51	11.33
Other receivable (net of loss allowance)	56.89	150.29
Deposits with remaining maturity more than 12 months	288.17	263.91
Security deposits	213.43	129.29
Receivable under service concession agreement with National Highway Authority of India (NHAI)	15,920.12	19,280.35
Receivable against Sale of SPVs	595.56	-
Financial assets forming part of assets classified as held for sale	2,800.10	-
Total financial assets	**28,728.81**	**29,900.30**
Financial liabilities - Amortised cost		
Borrowings	15,044.20	19,067.51
Trade payables	9,133.32	7,436.53
Interest accrued	18.28	21.30
Capital creditors	34.69	250.17
Other payables	23.24	42.40
Lease liability	87.41	34.52
Financial liability associated with assets classified as held for sale	1,926.05	-
Total financial liabilities	**26,267.19**	**26,852.43**

* Investments in associates accounted for under equity method are out scope of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

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(All amounts are in ₹ million, unless otherwise stated)

(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes instruments like listed equity instruments, traded bonds and mutual funds that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives etc) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is in the case of unlisted securities.

(iii) Fair value of financial instruments measured at amortised cost- Level 3

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Receivable under service concession agreement with National Highway Authority of India (NHAI)	14,482.47	14,482.47	15,341.02	15,341.02
Deposits with Banks	288.17	288.17	263.91	263.91
Financial assets forming part of assets classified as held for sale	2,030.72	2,030.72	-	-
Total financial assets	**16,801.36**	**16,801.36**	**15,604.93**	**15,604.93**
Financial liabilities				
Borrowings	10,924.91	10,926.27	14,820.28	14,828.43
Financial liability associated with assets classified as held for sale	1,808.72	1,808.72	-	-
Total financial liabilities	**12,733.63**	**12,734.99**	**14,820.28**	**14,828.43**

The carrying amounts of short term loans, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other receivables, trade payables, current borrowings, interest accrued, capital creditors and other payables are considered to be the same as their fair values due to their short-term nature. The impact of fair value on non-current financial assets and non-current financial liabilities (not considered above) is not expected to have material impact on the consolidated financial statements, hence not dislcosed above.

The fair value of security deposits were not calculated based on their future cash flows discounted at current lending rate as these security deposits are expected to continue to remain till the existence of the Group.

Note 39 - Financial Risk Management

The Group's activities expose it to a variety of financial risks namely credit risk, liquidity risk and market 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) 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. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, receivable under service concession agreement with National Highway Authority of India (NHAI), contract assets, security deposits, deposit with banks, loans, others receivables and cash and cash equivalents.

Notes to the Consolidated Financial Statements

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Impairment of Financial Assets:

The Group has five types of financial assets that are subject to expected credit loss model:

1. Trade Receivables for construction contracts
2. Contract Assets relating to construction contracts
3. Receivable under service concession agreement with National Highway Authority of India (NHAI)
4. Loans and Other receivables
5. Receivable against Sale of SPVs

While cash and cash equivalents and deposits with banks and financial institutions are subject to impairment requirements of Ind AS 109, the identified impairment on theses assets is Nil."

For Trade receivables, Receivable under service concession agreement with National Highway Authority of India (NHAI) and Contract assets for construction contracts: Management makes the assessment of the credit risk on trade receivables, receivable under service concession agreement with National Highway Authority of India (NHAI) and contract assets considering the customer profile. Customers of the Group mainly consists of the government promoted entities and some large private corporates. In case of government customers which forms the majority of the revenue credit risk is low. For private corporate customers, the Group deals with established players with strong track record of project execution including few of such customers award sub contracts to the Group pursuant to execution construction contracts awarded to them by the Government customers.

Considering the nature of business, each contract and its customer is evaluated for the purpose of assessment of loss allowances. The reasons for loss allowances could be recovery of claims, disputes with customer, customers ability to pay, delays in approval by government authorities, and expected time to recover the amount. Management makes an assessment considering facts of each contract, past trends, terms of the contract and accordingly considers the need for loss allowances, if any.

For Loans and Other receivable: The Group's investments in debt instruments and certain loans are considered to be low risk investments.

For Receivable against sale of SPVs: The Group's receivable agianst sale of SPV are in the nature of GST claims, which is subject matter of terms, conditions and manner of recovery laid out in Share Purchase Agreement, Refer Note 56 (a). The management is in close contact with customer for recovery of this amount. Considering the nature of transaction, the management does not expect need of any loss allowance.

(A) The following table gives details in respect of percentage of revenue generated from government promoted agencies and private corporates:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from government promoted agencies	58%	74%
Revenue from private corporates	42%	26%
	100%	**100%**

The Holding Company secured contracts by submitting bids in response to tenders in terms of which it is required to form Special Purpose Vehicle (SPV) Companies (Subsidiary Companies) to execute the awarded projects. As at March 31, 2024 the Holding Company has 9 SPV's (As at March 31, 2023 the Holding Company had 10 SPV's) who have received contracts from government promoted agencies and revenue related to SPV's for work executed by the Holding Company has been grouped in Revenue from government promoted agencies.

Notes to the Consolidated Financial Statements

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The movement in loss allowance for expected credit loss on trade and other receivables including contract assets is as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	336.58	194.42
Changes in loss allowances		
Additions (Refer Note 36)	254.35	206.73
Released (Refer Note 36)	-	(31.62)
Bad debts written off*	-	(32.95)
Closing Balance	**590.93**	**336.58**

*Amounts pertaining to Delhi Vadodara-PKG-04 amounting to Rs. 48.88 Million charged directly to Consolidated statement of Profit and Loss during the year ended March 31, 2024. Refer Note 36.

Maturity analysis of trade and other receivable including contract assets as on March 31, 2024

Ageing	Not Due	0 - 180 days	181 - 365 days	More than 365 days	Total
Trade Receivables- Related Parties	-	-	8.28	237.96	246.24
Trade Receivables- Others*	5,053.03	1,030.18	272.89	261.49	6,617.59
Contract Assets	-	9,304.44	687.38	840.02	10,831.84
Other receivable	-	24.36	17.02	34.45	75.83
Receivable under SCA with NHAI*	18,443.13	-	-	-	18,443.13
Receivable against Sale of SPVs	595.56	-	-	-	595.56
Sub total	**24,091.72**	**10,358.98**	**985.57**	**1,373.92**	**36,810.19**
Less: Loss allowance	-	-	12.01	578.92	590.93
Total	**24,091.72**	**10,358.98**	**973.56**	**795.00**	**36,219.26**

The above amounts Include trade receivable and receivable under SCA with NHAI forming part of assests classified as held for sale amounting to Rs.2.87 Million and 2,523.01 Million respectively.

Maturity analysis of trade and other receivable including contract assets as on March 31, 2023

Ageing	Not Due	0 - 180 days	181 - 365 days	More than 365 days	Total
Trade Receivables- Related Parties	-	-	127.95	110.15	238.10
Trade Receivables- Others	5,220.51	938.20	360.89	652.37	7,171.97
Contract Assets	-	5,431.22	151.80	531.50	6,114.52
Other receivable	-	122.84	17.73	28.66	169.23
Receivable under SCA with NHAI*	19,280.35	-	-	-	-
Sub total	**24,500.86**	**6,492.26**	**658.37**	**1,322.68**	**32,974.17**
Less: Loss allowance	-	-	-	336.58	336.58
Total	**24,500.86**	**6,492.26**	**658.37**	**986.10**	**32,637.59**

*Receivable under Service Concession Agreement is not due in accordance with terms and conditions of contract between the Group and NHAI.

Note on recoverability of amount due from certain trade receivables and other receivable

The Group has long outstanding recoverable amounting to Rs. 2,359.49 Million (including contract assets amounting to Rs.1,527.40 Million) as at March 31, 2024 (March 31, 2023 Rs. 1,981.05 Million) from certain customers which due to liquidity issues have remain unpaid. There is no dispute on the said balances and such balances have been confirmed by the parties. The Group is actively engaged with them for recovery of the said balance. Based on the latest discussions, correspondences exchanges, evaluation of the credit profile of the customer, the Group has considered a provision of Rs. 590.93 Million as at March 31, 2024 (March 31, 2023 Rs. 336.58 Million) towards the said balances.

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(A) As at the year end, the Group held cash and cash equivalents of Rs. 1,190.21 Million (March 31, 2023 Rs. 934.67 Million). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

(B) Deposit with banks are held with bank counterparties with good credit rating.

(ii) Liquidity risk

Liquidity risk is defined is as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. Group's objective is to, at all time maintain optimum levels of liquidity to meet its financial obligations. The Group manages liquidity risk by maintaining sufficient cash and cash equivalents and by having access to funding through an adequate amount of committed credit lines. In addition, processes and policies related to such risks are overseen by senior management.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at by senior management in accordance with practice and limits set by the Group. These limits take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate		
Expiring within one year (bank overdraft and other facilities)	3,522.60	2,454.12

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings and compliance of financial and other covenants.

Maturities of financial liabilities

The table summarises the maturity profile of Group's financial liabilities based on contractual undiscounted payments:

Particulars	Carrying Amount	Less than 1 year	More than 1 year	Total
As at March 31, 2024				
Borrowings*	16,966.88	4,233.25	12,733.63	16,966.88
Interest payable	18.28	18.28	-	18.28
Trade payables	9,133.32	8,357.80	775.52	9,133.32
Capital creditors	34.69	34.69	-	34.69
Other payables	23.24	23.24	-	23.24
Lease liabilities	87.41	41.61	45.80	87.41
Financial guarantee contracts	6,720.00	-	-	-
		12,708.87	**13,554.95**	**26,263.82**

Note: Out of Rs. 12,733.63 Million of borrowings which are repayable in more than one year, Rs. 7,189.60 Million, Rs. 5,072.10 Million, Rs.471.92 Million is repayable between 1 to 5 years, 6 to 10 years and more than 10 years respectively.

*Liabilities associated with assets classified as held for sale amounting to Rs. 1,922.68 Million.

Notes to the Consolidated Financial Statements

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Particulars	Carrying Amount	Less than 1 year	More than 1 year	Total
As at March 31, 2023				
Borrowings	19,067.52	4,247.23	14,820.28	19,067.52
Interest payable	21.30	21.30	-	21.30
Trade payables	7,436.53	7,241.76	194.77	7,436.53
Capital creditors	250.17	250.17	-	250.17
Other payables	42.40	42.40	-	42.40
Lease liabilities	34.51	18.45	16.07	34.51
Financial guarantee contracts *	10,779.50	-	-	-
		11,821.31	**15,031.12**	**26,852.43**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due for less than 1 year, equal their carrying balances as the impact of discounting is not significant.

* Guarantee issued by the Holding Company to the bankers on behalf of H.G. Raipur Visakhapatnam AP-1 Private Limited and H.G. Rewari Bypass Private Limited (all the Subsidiary Companies except H.G. Karnal-Ring Road Private Limited as at March 31, 2023) is with respect to limits availed by them. These amounts will be payable in case of default by the subsidiary companies. As of the reporting date, the subsidiary companies has not defaulted and hence, the Holding Company does not have any present obligation to third parties in relation to such guarantee.

(iii) 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 two types of risks i.e. interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and creditors for capital expenditures.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates is insignificant and relates primarily to the Group's creditors for capital expenditures. The Group's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Group's policies. As at March 31, 2024, Group's foreign currency exposure amounts to Rs. 47.90 Million (As at March 31, 2023 Rs. 47.44 Million).

1. Foreign currency risk exposure

The Holding Company's exposure to foreign currency risk at the end of the reporting period, expressed in Euro are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities		
Euro (In Million)	0.53	0.53
Term Loan	47.90	47.44
Exposure to foreign currency risk (liabilities)	**47.90**	**47.44**

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2. Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in Euro exchange rates with all other variables held constant.

Particulars	Change in Euro rate	Increase / (Decrease) in profit before tax	
		Year ended March 31, 2024	Year ended March 31, 2023
Increase in exchange rate	5%	(2.40)	(2.37)
Decrease in exchange rate	5%	2.40	2.37

The Change in exchange rates does not affect the components of other equity.

(b) Interest 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 Group's exposure to risk of changes in market rate is limited to short term working capital loans at variable rate taken from banks as the Group's long term borrowings bear fixed interest rate.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group manages the interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

1. Interest rate exposure

Particulars	Weighted average interest rate		As at March 31, 2024	As at March 31, 2023
	As at March 31, 2024	As at March 31, 2023		
Variable rate borrowings	9.25%	8.13%	12,769.13	14,416.68
Fixed rate borrowings	8.14%	7.57%	2,275.07	4,650.83
Total borrowings			**15,044.20**	**19,067.52**

An analysis by maturities is provided in Liquidity risk note above.

2. Sensitivity

Profit or loss is sensitive to higher / lower interest expense as a result of changes in interest rates. A 20 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the Group's profit before tax will be impacted by a change in interest rate as follows:

Particulars	Increase / (Decrease) in profit before tax	
	Year ended March 31, 2024	Year ended March 31, 2023
Increase in interest rate by 20 basis points (20 bps)	(25.54)	(28.83)
Decrease in interest rate by 20 basis points (20 bps)	25.54	28.83

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Note 40 - Capital Management

(a) Risk 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 Group and borrowings.

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's aim is to translate profitable growth to superior cash generation through efficient capital management. The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt (Refer Note 42)	15,882.36	18,188.66
Total equity	24,550.31	19,218.75
Net debt to equity ratio	**65%**	**95%**

The net debt to equity ratio for the current year decreased from 95 % to 65% following the repayment of loans and forclosure in certain cases on account of proceeds from sale of Investment in SPVs Companies.

(b) Dividends

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Equity shares		
Final dividend for the year ended March 31, 2023 of Rs. 1.25 (March 31, 2022 - Rs. 1) per fully paid equity share	-	81.46
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, subsequent to year end the Board of directors have recommended the payment of a final dividend of Rs. 1.5 per fully paid equity share (March 31, 2023 Rs. 1.25)	97.76	-

The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

(c) Loan Covenants

Under the terms of major borrowing facilities the Group is required to comply with the following financial covenants:

For Holding Company:

Financial Covenants	Requirement
a. Total outside liabilities/Adjusted Tangible Net Worth	Not more than 1.62 (in times)
b. Total outside liabilities (including contigment liabilities)/ Adjusted Tangible Net Worth	Not more than 5.00 (in times)
c. EBITDA/Net Interest Expenses	Greater than 5.00 (in times)
d. Net Debt/EBITDA	Not more than 2.75 (in times)
e. Current Ratio	Not less than 1.20 (in times)
f. Total outside liabilities/Tangible Net Worth	Less than 4.00 (in times)

Notes to the Consolidated Financial Statements

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Financial Covenants	Requirement
g. Net Working Capital	Not less than 25% of Current Assets
h. Mimimum Targeted Sale*	Not less than Rs. 55,200
i. Debt Service Coverage Ratio	More than 1.50 (in times)
j. Company's Credit Rating as per ICRA	Minimum A+
k. Adjusted Tangible Net Worth (on consolidated basis)	More than 13,000 Million
l. Minimum EBITDA Margin (on consolidated basis)	More than 15%

*Subject to 10% margin.

The Holding Company has complied with these financial covenants throughout the year.

For Subsidiary Companies:

Name of Subsidiary	Financial Covenants	Requirement
H.G. Raipur Visakhapatnam AP-1 Private Limited	a. Debt service coverage Ratio*	Atleast 1.15x
	b. Debt Equity Ratio	Not more than 2.98:1
H.G. Raipur Visakhapatnam OD-5 Private Limited	a. Debt service coverage Ratio*	Atleast 1.15x
	b. Debt Equity Ratio	Not more than 2.90:1
H.G. Raipur Visakhapatnam OD-6 Private Limited	a. Debt service coverage Ratio*	Atleast 1.20x
	b. Debt Equity Ratio	Not more than 3.58:1
H.G. Khammam Devarapalle Pkg-1 Pvt Ltd	a. Debt service coverage Ratio*	Atleast 1.20x
	b. Interest Coverage Ratio	Atleast 2.25 times
	c. Debt/EBITDA	Not more than 4.75:1
H.G. Khammam Devarapalle Pkg-2 Pvt Ltd	a. Debt service coverage Ratio*	Atleast 1.20x
	b. Interest Coverage Ratio	Atleast 2.25 times
	c. Debt/EBITDA	Not more than 4.75:1
H.G. Karnal Ring Road Private Limited	a. Debt service coverage Ratio*	Atleast 1.20x
	b. Interest Coverage Ratio*	Atleast 2.00 times
	c. Debt/EBITDA*	Not more than 5.25:1
H.G. Varanasi-Kolkata Pkg-13 Private Limited	a. Debt service coverage Ratio*	Atleast 1.15x
	b. Debt Equity Ratio*	Not more than 3.19:1
H.G. Varanasi-Kolkata Pkg-10 Private Limited	a. Debt service coverage Ratio*	Atleast 1.15x
	b. Debt Equity Ratio*	Not more than 3.25:1

The Subsidairies have complied with all financial covenants as mentioned above.

*Applicable post receipt of Commerial Operation Date (COD) from customer.

Note 41 - Segment Reporting

The Holding Company's Board, together with the managing director, is identified as the chief operating decision maker of the Group - who examines the performance of the business and allocates funds on the basis of a single reportable segment i.e. 'EPC business'. The Group has no other reportable segment. The Group does not have any reportable geographical segment as it caters to the needs of only the domestic market.

Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount of charge for depreciation during the period, is as reflected in the Consolidated Financial Statements as of and for the financial year ended March 31, 2024.

Non-current assets excluding financial assets, deferred tax assets amounts to Rs. 7,705.27 Million (March 31, 2023 Rs. 7,964.84 Million) are located entirely in India.

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Information relating to major customers

Revenue for construction contracts amounting to Rs. 45,633.90 Million (for the year ended March 31, 2023 Rs. 43,073.54 Million) was derived from external customers, which individually accounted for more than 10% of the total revenue.

Note 42 - Net Debt Reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	1,152.90	934.67
Cash and cash equivalents associated with assets classified as held for sale	37.31	-
Current borrowings	(1,769.14)	(2,151.86)
Current maturities of long term borrowings	(2,350.15)	(2,095.37)
Interest accrued but not due	(18.28)	(21.30)
Non current borrowings	(10,924.91)	(14,820.28)
Lease liabilities	(87.41)	(34.52)
Borrowings associated with assets classified as held for sale	(1,922.68)	-
Net Debt	**(15,882.36)**	**(18,188.66)**

Particulars	Other assets	Liabilities from financing activities				Total
	Cash and cash equivalents	Lease liabilities	Non-current borrowings	Current borrowings*	Finance costs	
Net debt as at April 1, 2022	**492.31**	**(12.30)**	**(9,660.22)**	**(2,172.17)**	**(11.06)**	**(11,363.44)**
Additions to right-of-use of assets		(46.84)				(46.84)
Cash flows	442.36	24.62	(7,560.38)	327.74	-	(6,765.65)
Reclassification for current maturity of long term borrowings			2,402.80	(2,402.80)	-	
Interest expense	-	(2.17)	-	-	(1,535.52)	(1,537.69)
Interest paid	-	2.17	-	-	1,525.27	1,527.44
Gain/ (loss) on restatement			(2.49)	-		(2.49)
Net debt as at March 31, 2023	**934.67**	**(34.52)**	**(14,820.28)**	**(4,247.23)**	**(21.30)**	**(18,188.66)**
Additions to right-of-use of assets		(93.59)				(93.59)
Cash flows	255.54	40.70	(4,999.08)	(487.14)	-	(5,189.98)
Adjustments**			7,085.73	501.59	-	7,587.32
Interest expense	-	(5.14)	-	-	(2,163.37)	(2,168.51)
Interest paid	-	5.14	-	-	2,166.39	2,171.53
Gain/ (loss) on restatement			-	(0.47)		(0.47)
Net debt as at 31 March 2024	**1,190.21**	**(87.41)**	**(12,733.63)**	**(4,233.25)**	**(18.28)**	**(15,882.36)**

*Includes current maturities of long term borrowings, cash credit facility, Payable under MSMED trade receivable discounting system (TReDS).

**Adjustments partains to SPVs sold during the year and classified as held for sale.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024
(All amounts are in ₹ million, unless otherwise stated)

Note 43 - Related Party transactions

I Name of related parties and nature of relationship:

Related parties where control exits

A) Subsidiary

Gurgaon Sohna Highway Private Limited (till November 21, 2023)
H.G. Ateli Narnaul Highway Private Limited (till November 21, 2023)
H.G. Rewari Ateli Highway Private Limited (till November 21, 2023)
H.G. Rewari Bypass Private Limited
H.G. Raipur Visakhapatnam AP-1 Private Limited
H.G. Khammam Devarapalle PKG-1 Private Limited
H.G. Khammam Devarapalle PKG-2 Private Limited
H.G. Raipur Visakhapatnam OD-5 Private Limited
H.G. Raipur Visakhapatnam OD-6 Private Limited
H.G. Karnal-Ringroad Private Limited
H.G. Varanasi-Kolkata PKG-10 Highway Private Limited
H.G. Varanasi-Kolkata PKG-13 Private Limited
H.G. Solar Projects Private Limited
H.G. Foundation (Section 8 Company of the Companies Act 2013)

B) Step Down Subsidiary

Norangdesar Solar Developer Private Limited
Rasisar Solar Developer Private Limited

D) Jointly Controlled Operations

HGIEPL - MGCPL JV
HGIEPL - RANJIT JV (till March 29, 2024)

Other Related Parties with whom transactions have taken place during the year

C) Associates

M/s Safety First (A Registered Partnership Firm)
Safety First Engineering Private Limited

E) Key Management Personnel

Mr. Vijendra Singh	- Whole Time Director
Mr. Harendra Singh	- Chairman and Managing Director
Mr. Ashok Kumar Thakur	- Non-Executive Independent Director
Mrs. Pooja Hemant Goyal	- Non-Executive Independent Director
Mrs. Sharada Sunder	- Additional Independent Director (w.e.f February 8, 2023)
Mrs. Monica Widhani	- Additional Independent Director (w.e.f February 8, 2023)
Mr. Onkar Singh	- Non-Executive Independent Director (till September 7, 2022)
Mr. Manjit Singh	- Non-Executive Independent Director (w.e.f. May 13, 2022)
Mr. Dinesh Kumar Goyal	- Executive Director

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Mr. Rajeev Mishra	- Chief Financial Officer
Mrs. Ankita Mehra	- Company Secretary
Mr Arun Kumar	- Non-Executive Independent Director
Mr Gazal Choudhary	- Associate Director (till November 20, 2023)
Mr Girish Pal Singh	- Non-Executive Independent Director
Mr Vaibhav Choudhary	- Non-Executive Independent Director
Mrs. Nisha Singh	- Additional Director
Mrs. Ridhima Choudhary	- Non-Executive Independent Director
Mrs. Rudrakshi Choudhary	- Non-Executive Independent Director (till November 20, 2023)

F) Non- contolling interest in step down subsidiary

Stockwell Solar Services Private Limited (51% Shareholding)

G) Relatives of Key Management Personnel

Mr. Vaibhav Choudhary*	- Son of Mr. Girishpal Singh
Ms. Ridhima Choudhary	- Daughter of Mr. Harendra Singh
Mr. Girishpal Singh*	- Brother of Mr. Harendra Singh
Mr. Hodal Singh*	- Father of Mr. Harendra Singh
Mrs. Nisha Singh*	- Wife of Mr. Harendra Singh
Mrs Singari Devi	- Mother of Mr. Harendra Singh

*Also part of promoter's Group. Refer Note 19 (h).

H) Enterprises over which key management personnel and their relatives are able to exercise significant influence

HG Traders

H.G. Infra Toll Ways Private Limited

B2B Genie Private Limited

HGIEPL - TPL JV

Mahadev Stone Crusher

H.G. Foundation (Trust)

Raghusons Infra Engineering Private Limited

Hotel Marudhar (Partnership Firm)

H.G. Luxury Hotels Private Limited

H.G. Acerage Developers Private Limited

Valencia Leisure Private Limited

II Transactions with related parties

A) Key Management personnel compensation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	73.93	71.10
Director's sitting fees	7.51	3.91
Total compensation	**81.44**	**75.01**

Compensation exclude post employment employee benefits since these are based on actuarial valuation on an overall Company basis.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

B) Transactions during the year

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Recovery against material issued to sub-contractors		
Mahadev Stone Crusher	1.33	4.92
H.G. Traders	0.69	-
B2B Genie Private Limited	0.25	-
Purchases		
M/s Safety First (A Registered Partnership Firm)	80.31	252.15
B2B Genie Private Limited	1,525.33	204.53
Mahadev Stone Crusher	8.37	-
H.G. Traders	0.27	-
Contract Revenue		
HGIEPL -TPL JV	6.94	124.38
HGIEPL - MGCPL JV	0.59	2.82
Contract & site Expenses		
H.G. Infra Tollways Private Limited	111.02	130.69
Raghusons Infra Engineering Private Limited	-	43.02
Mahadev Stone Crusher	2.40	12.86
HG Traders	0.78	0.54
Rent Paid for Office		
Mr. Hodal Singh	1.60	1.72
Mr. Girishpal Singh	0.79	0.51
Ms. Singari Devi	0.11	-
Sitting Fees		
Mr. Onkar Singh	-	0.52
Ms. Pooja Hemant Goyal	0.62	0.50
Mr. Ashok Kumar Thakur	1.16	0.77
Mr. Manjit Singh	1.82	1.08
Mrs. Sharada Sunder	1.05	-
Mrs. Monica Widhani	0.96	-
Mr. Vijendra Singh	0.56	0.20
Mr. Harendra Singh	0.48	0.46
Ms Gazal Choudhary	0.08	0.07
Ms. Nisha Singh	0.12	0.09
Mr. Girishpal Singh	0.53	0.23
Ms Rudrakshi Choudhary	0.05	0.04
Ms Riddhima choudary	0.02	-
Mr Arun Kumar	0.04	-
Mr Vaibhav Choudhary	0.04	-
Remuneration paid		
Key management personnel:		
Mr. Vijendra Singh*	18.00	15.00
Mr. Harendra Singh*	39.00	30.00
Mr. Girishpal Singh*	-	3.00
Mr. Dinesh Kumar Goyal*	4.89	4.45
Mr. Rajeev Mishra*	5.29	3.71
Mrs. Ankita Mehra*	1.36	1.02
Ms. Nisha Singh*	2.69	2.70
Ms. Gazal Choudhary*	2.69	2.70
Ms Bhanu Sharma	-	1.23

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as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Mr Hitesh Parmuwal	-	3.75
Mr Balvinder Singh Guleri	-	0.67
Mr. Navneet Singh Choudhary	-	2.88
*Post employement benefits is not included, as it is provided on overall basis based on actuarial valuation.		
Remuneration to relatives of KMP		
Mr. Vaibhav Choudhary	10.81	10.81
Ms. Ridhima Choudhary	2.40	2.40
Loans given to KMP		
Mr. Rajeev Mishra	-	0.80
Salary advance given to KMP		
Mr. Vijendra Singh	-	0.88
Corporate social responsibility expenditure		
H.G. Foundation (Trust)	-	70.48
Donation		
H.G. Foundation (Trust)	13.65	10.46
Guarantees given on behalf of Group		
Mr. Vijendra Singh*	4,538.50	13,733.60
Mr. Harendra Singh*	4,538.50	13,733.60
Mr. Girishpal Singh*	4,538.50	2,923.60
Mr. Hodal Singh*	4,538.50	5,802.20
Mrs. Nisha Singh#	-	6,540.50
Mr. Vaibhav Choudhary	30,000.00	6,540.50
Stockwell Solar Services Private Limited**	5.78	-
Hotel Marudhar (Partnership Firm)***	7,859.70	6,540.50
H.G. Luxury Hotels Private Limited***	7,859.70	6,540.50
H.G. Acerage Developers Private Limited***	7,859.70	6,540.50
Valencia Leisure Private Limited***	7,859.70	6,540.50
Insurance premium paid towards keyman term policy taken by Holding Company		
Mr. Vijendra Singh	5.52	5.52
Mr. Harendra Singh	5.45	5.45
Mr. Vaibhav Choudhary	5.15	5.15
Invesments		
Safety First Engineering Pvt. Ltd.	-	86.49
M/s Safety First (A Registered Partnership Firm)	-	3.51
Sale of Property, Plant & Equipment		
H.G. Luxury Hotels Private Limited	2.06	-
Mrs. Nisha Singh	65.00	-
Loans repayment by KMP		
Mr. Rajeev Mishra	0.53	0.22

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

C) Outstanding balances

Particulars	As at March 31, 2024	As at March 31, 2023
Other Current Liabilities		
Employee benefits payable		
Mr. Vaibhav Choudhary	2.39	2.26
Mr. Vijendra Singh	0.85	-
Mr. Harendra Singh	0.93	0.92
Mr. Rajeev Mishra	0.26	0.15
Mr. Dinesh Kumar Goyal	0.33	0.29
Ms. Ridhima Choudhary	0.15	0.16
Mrs. Ankita Mehra	0.10	0.07
Ms. Nisha Singh	0.18	-
Ms. Gazal Singh	0.18	-
Trade Receivables		
HGIEPL -TPL JV	246.24	238.10
Advance to Vendor		
B2B Genie Private Limited	-	28.89
Sitting fees payable		
Mr. Vijendra Singh	0.13	0.01
Mr. Harendra Singh	0.10	0.02
Mr. Girishpal Singh	0.08	0.01
Mr. Manjit Singh	0.07	0.02
Ms. Nisha Singh	0.02	-
Mr Vaibhav Choudhary	0.04	-
Mr Arun Kumar	0.04	-
Ms Gazal Choudhary	0.01	-
Other payable		
Mr. Girishpal Singh	0.01	-
Trade Payable		
HG Traders	0.76	0.59
Mahadev Stone Crusher	0.44	0.55
Raghusons Infra Engineering Private Limited	-	32.21
H.G. Infra Tollways Private Limited	23.12	0.43
M/s Safety First (A Registered Partnership Firm)	39.80	30.97
B2B Genie Private Limited	134.31	-
Loans to KMP		
Mr. Rajeev Mishra	0.04	0.58
Salary advance to KMP		
Mr. Vijendra Singh	-	0.88
Invesments		
Safety First Engineering Private Limited	86.49	86.49
M/s Safety First (A Registered Partnership Firm)	3.51	3.51
Guarantees given on behalf of Group		
Mr. Vijendra Singh	48,500.00	42,991.50
Mr. Harendra Singh	48,500.00	42,991.50
Mr. Girishpal Singh	30,000.00	25,461.50
Mr. Hodal Singh	30,000.00	25,461.50
Mr.Vaibhav Choudhary	30,000.00	-

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Mrs. Nisha Singh#	-	22,140.30
Stockwell Solar Services Private Limited**	5.78	-
Hotel Marudhar (Partnership Firm)***	30,000.00	22,140.30
H.G. Luxury Hotels Private Limited***	30,000.00	22,140.30
H.G. Acerage Developers Private Limited***	30,000.00	22,140.30
Valencia Leisure Private Limited***	30,000.00	22,140.30

#Guarantee receive on behalf of Group which have been released during the year.

*Personal guarantee amounting to Rs. 13,284.80 Million in case of SPVs sold during the year has been released.

**Performance bank guarantee given during the year on behalf of Group.

***Corporate bank guarantee given during the year on behalf of Group.

D) Terms and conditions

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

All outstanding balances are unsecured and repayable in cash.

There is no loss allowance recognised during the year in respect of receivable due from related parties except for HGIEPL - TPL JV, wherein Provision for loss allowance made amounting to Rs. 62.09 Million during the year.

Note 44 - Employee benefit obligations

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non- Current	Current	Non- Current
Compensated Absences	26.04	34.79	12.37	44.16
Gratuity	-	87.00	-	100.45
	26.04	**121.79**	**12.37**	**144.61**

(i) Compensated Absences

The employees of the Group are entitled to compensated absences as per the policy of the Group. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months. Accordingly, these compensated absences have been classified as Non current liabilities as at March 31, 2024.

Particulars	As at March 31, 2024	As at March 31, 2023
Current leave obligations not expected to be settled within the next 12 months	34.79	44.16

(ii) Post employment obligations

(a) Defined Contribution Plans:

Provident fund

Employers' contribution to employees' pension scheme 1995

Employers' contribution to Employee State Insurance Corporation (ESIC)

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

The provident fund and pension scheme are operated by regional provident fund commissioner. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Group has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to Provident Fund	50.90	25.04
Contribution to E.S.I.C	13.18	6.82
Contribution to Pension Fund	46.96	26.67
	111.04	**58.53**

The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Group will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

(b) Defined Benefit Plans:

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Contributions are made to a gratuity based upon actuarial valuation done at the year end of every financial year using "Projected Unit Credit" method. The charge on account of provision for gratuity has been included in Employee Benefits Expense in the Statement of Profit and Loss except remeasurements i.e. actuarial gains and losses and the return on plan assets, included in other comprehensive income.

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of Obligation (i)	Fair Value of plan Assets (ii)	Net Amount (i-ii)
As on April 1, 2022 (A)	**98.15**	**41.17**	**56.98**
Current service cost	29.20	-	29.20
Past service cost	-	-	-
Interest expense/ income on plan assets	6.20	2.27	3.93
Total Amount Recognised in profit and loss (B)	**35.40**	**2.27**	**33.13**
Remeasurements			
Assets, excluding amount included in interest expense/(income)	-	(0.20)	0.20
(Gain)/loss from change in demographic assumptions	6.69	-	6.69
(Gain)/loss from change in financial assumptions	2.43	-	2.43
Experience (gains)/losses	1.02	-	1.02
Total amount recognised in other comprehensive income (C)	**10.14**	**(0.20)**	**10.34**
Employer contributions **(D)**	-	-	-
Benefit payments **(E)**	(6.59)	(6.59)	-
Balance as on March 31, 2023 (A+B+C+D+E)	**137.10**	**36.65**	**100.45**

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Particulars	Present Value of Obligation (i)	Fair Value of plan Assets (ii)	Net Amount (i-ii)
As on April 1, 2023 (A)	**137.10**	**36.65**	**100.45**
Current service cost	24.35	-	24.35
Past service cost	-	-	-
Interest expense/ income on plan assets	10.08	2.66	7.42
Total Amount Recognised in profit and loss (B)	**34.43**	**2.66**	**31.77**
Remeasurements			
Assets, excluding amount included in interest expense/ (income)	-	(1.11)	1.11
(Gain)/loss from change in demographic assumptions	(18.39)	-	(18.39)
(Gain)/loss from change in financial assumptions	(19.32)	-	(19.32)
Experience (gains)/losses	0.31	-	0.31
Total amount recognised in other comprehensive income (C)	**(37.40)**	**(1.11)**	**(36.29)**
Employer contributions **(D)**	-	8.93	(8.93)
Benefit payments **(E)**	(10.93)	(10.93)	-
Balance as on March 31, 2024 (A+B+C+D+E)	**123.20**	**36.20**	**87.00**

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate (per annum)	7.07%	7.27%
Salary growth rate	11.20%	14.96%
Expected Return on plan assets	6.79%	7.01%
Employee Turnover/ Withdrawal Rate	For Ages	For Ages
	18-30 : 36.90%	18-30 : 25.50%
	31-40 : 43.90%	31-40 : 25.29%
	41-50 : 45.40%	41-50 : 25.70%
	51-57 : 45.10%	51-57 : 24.21%
Expected average remaining working lives of employees	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Sensitivity Analysis

The sensitivity of the defined benefit obligation to increase and decrease in the weighted principal assumptions by 0.50% is as below:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Discount	Salary escalation	Discount	Salary escalation
Impact of increase in 50 BPS on DBO	(1.17)	1.34	(3.01)	2.61
Impact of Decrease in 50 BPS on DBO	1.20	(1.32)	3.14	(2.68)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

(iii) The major categories of plans assets are as follows:

The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') & Aditya Birla Sun Life Insurance Company Liimited (ABSLI) as per the investment pattern stipulated for Pension and Group Schemes fund by Insurance Regulatory and Development Authority regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

(iv) Risk Exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Asset volatility: The defined benefit plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. 100% of the plan asset investments is in insurer managed funds. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level.

Salary Inflation Risk: Higher than expected increases in salary will increase the defined benefit obligation.

Interest-Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(v) Defined Benefit Obligations and Employer Contributions

The Group considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

Expected contributions to defined benefit plans for the year ending March 31, 2024 are Rs. 99.79 Million (Year ending March 31, 2023 Rs. 134.80 Million).

The weighted average duration of the defined benefit obligation is 3.04 years (March 31, 2023: 6.16 years). The expected maturity analysis of undiscounted gratuity is as follows:

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2024	As at March 31, 2023
1st Following Year	48.31	21.84
2nd Following Year	32.75	20.66
3rd Following Year	21.22	20.46
4th Following Year	14.43	18.54
5th following year	10.11	18.01
Sum of 6th to 10th Following Year	16.35	101.95

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024
(All amounts are in ₹ million, unless otherwise stated)

Note 45 - Assets pledged as security*

The carrying amounts of assets pledged as security for current and non-current borrowings are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Financial Assets		
Floating Charge		
Trade Receivables (net of loss allowance)	9,640.17	8,792.09
Receivable under service concession agreement with National Highway Authority of India (NHAI)	1,929.88	3,939.32
Cash and cash equivalents	1,178.88	934.67
Loans	14.51	62.08
Bank balances other than cash and cash equivalents (net of lien)	82.03	891.43
Other financial assets (net of loss allowance)	98.98	155.40
Non-financial assets		
Contract assets	9,976.72	5,846.43
Other current assets	5,396.13	5,721.87
Inventories	2,967.01	2,353.31
Total Current Assets pledged as Security	**31,284.31**	**28,696.59**
Non-Current		
Financial Assets		
Receivable under service concession agreement with National Highway Authority of India (NHAI)	16,513.19	15,341.02
Other Non Current Assets	-	635.30
Non-current tax assets (net)	130.79	198.09
Non Financial Assets		
Plant and machinery	4,687.96	4,155.54
Building	76.36	82.39
Vehicles	215.61	151.31
Freehold Land	251.76	493.73
Total Non-Current assets pledged as Security	**21,875.67**	**21,057.38**
Total Assets pledged as Security	**53,159.98**	**49,753.97**

*Including the financial assets forming part of assets classified as held for sale amounting to Rs. 2,776.50 Million.

Note: Above figures are the gross amounts pledged as security and the elimination related to above is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables (net of loss allowance)	2,908.13	1,510.59
Loans	-	50.74
Other financial assets (net of loss allowance)	-	1.42
Other current assets	1,580.38	2,840.82

Notes to the Consolidated Financial Statements
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(All amounts are in ₹ million, unless otherwise stated)

Note 46 - Contingent Liabilities

Description	As at March 31, 2024	As at March 31, 2023
(a) Claims against the Group not acknowledged as debts	23.25	20.27
(b) Direct tax demand disputed in appeals	102.40	20.23
(c) Indirect tax demand disputed in appeals	100.75	-
	226.40	**40.50**

The Group has evaluated the impact of the Supreme Court (SC) judgement dated February 28, 2019 in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the Group believes that the aforesaid judgement does not have material impact on the Group. The Group will continue to monitor and evaluate its position based on future events and developments.

Note 47 - Disclosure of operating leases under Ind AS 116

The Group rents out its equipment and flats (classified in investment property) on operating lease basis. These lease arrangements range for a period between one to eleven months and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. There are no contingent rents recognised as income in the period.

Amounts recognised in the Consolidated Statement of Profit and Loss

Particulars	Refer Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Equipment given on hire	30	35.40	33.10
Flats given on hire		1.23	1.47
		36.63	**34.57**
Minimum lease payments receivable on leases of Equipment & investment properties are as follows:			
Within 1 year		36.63	34.57
Between 1 to 5 years		-	-
Later than 5 years		-	-

Note 48 - Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Description	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment [(net of capital advance amounts to Rs. 4.03 Million) (March 31, 2023 Rs 9.86 Million)]	14.36	109.76

(b) Other commitments

Description	As at March 31, 2024	As at March 31, 2023
Guarantees given to lenders of subsidiary companies	8,110.36	11,539.19

Note:

The guarantees given to lenders of subsidiaries are unlikely to be called, as subsidiaries are in a position to service principal and interest, covered by such guarantees.

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Note - 49 Loan & Investment in subsidiaries

The Holding Company has been legally advised that outstanding loan aggregating to Rs. Nil (as at March 31, 2023, Rs. 50.74 Million) and Investments in instruments entirely equity in nature aggregating to Rs. 2,267.57 Milliion (as at March 31, 2023, Rs. 2,065.68 Million) made towards financing the subsidiary do not come under the preview of Section 186 of companies Act, 2013 as the Company is in the business of constructing and developing infrastructure facilities.

Note 50 - Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit for the year	5,385.86	4,931.91
Weighted average number of equity shares outstanding (number)	6,51,71,111	6,51,71,111
Earning per Share (basic and diluted) (Amount in Rs.)	82.64	75.68
Nominal value per equity share (Amount in Rs.)	10	10

Note 51 - Interests in other entities

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
1) Gurgaon Sohna Highway Private Limited	India	0%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
2) H.G. Ateli Narnaul Highway Private Limited	India	0%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
3) H.G. Rewari Ateli Highway Private Limited	India	0%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
4) H.G. Rewari Bypass Private Limited	India	100%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
5) H.G. Raipur Visakhapatnam AP-1 Private Limited	India	100%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
6) H.G. Khammam Devarapalle PKG-1 Private Limited	India	100%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
7) H.G. Khammam Devarapalle PKG-2 Private Limited	India	100%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
8) H.G. Raipur Visakhapatnam OD-5 Private Limited	India	100%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
9) H.G. Raipur Visakhapatnam OD-6 Private Limited	India	100%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
10) H.G. Karnal Ring Road Private Limited	India	100%	100%	0%	0%	Construction of Project on Hybrid Annuity Mode
11) H.G. Varanasi-Kolkata Pkg-10 Highway Private Limited	India	100%	-	0%	-	Construction of Project on Hybrid Annuity Mode

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Name of Entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
12) H.G. Varanasi-Kolkata Pkg-13 Highway Private Limited	India	100%	-	0%	-	Construction of Project on Hybrid Annuity Mode
13) H.G. Solar Projects Private Limited	India	100%	-	0%	-	Design, supply, installation, testing, commissioning, operation and maintenance of grid-connected solar power plants.
14) Norangdesar Solar Developer Private Limited*	India	49%	-	51%	-	Design, supply, installation, testing, commissioning, operation and maintenance of grid-connected solar power plants.
15) Rasisar Solar Developer Private Limited*	India	49%	-	51%	-	Design, supply, installation, testing, commissioning, operation and maintenance of grid-connected solar power plants.
16) H.G. Foundation (Section 8 Company)	India	100%	-	0%	-	CSR Invitiatives of H.G. Infra Engineering Limited

*Consolidation of entities with less than 50% voting interest

The management has concluded that the Group controls Norangdesar Solar Developer Private Limited and Rasisar Solar Developer Private Limited, even though it holds less than half of the voting rights of these subsidiaries. This is because the terms agreed with other shareholder allows Group to acquire voting rights of 51% held by other shareholders at a price lower than fair value of shares in future (post receipt of Commercial Operations Date for the project), and hence provides exposure to variable returns and ability to use power over investee. In addition to this, an agreement has also been entered into between the shareholders that grants H.G. Solar Projects Private Limited the right to appoint, remove and set the remuneration of management responsible for directing the relevant activities.

(b) Non-controlling interests

In case of subsidiaries, Norangdesar Solar Developer Private Limited and Rasisar Solar Developer Private Limited, the ownership held by the non controlling interest as at March 31, 2024 is 51% each which is not material to the Group.

(c) Transactions with non-controlling interests

The Group had acquired 49% stake in Norangdesar Solar Developer Private Limited and Rasisar Solar Developer Private Limited during the year. The transactions entered into by the other shareholders of these entities, during the year, is summarised as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	-
Stake acquired by Non-Controlling Interests during the year	0.03	-
Share of Profit for the year	-	-
Closing Balance	**0.03**	**-**

There were no transactions with non-controlling interests in the previous year.

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(d) Joint operations

The Group has a 30% interest in a joint arrangement called the HGIEPL-MGCPL JV which was set up as a partnership together MG Contractor Private Limited to engage in Engineering, Procurement & Construction (EPC), Maintenance of Roads, bridges, flyovers and other infrastructure contract works.

The principal place of business of the joint operation is in India.

Significant judgement: Classification of joint arrangements

The Group has entered into Partnership firms / Association of person whose legal form confers separation between the parties to the joint arrangement and the Company itself. Also, as per the contractual arrangements, the parties to the joint arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Accordingly the Joint arrangements have been identified as joint operations.

(e) Interests in associates

Set out below are the associates of the Group as at March 31, 2024. The entities listed below have investment, which are held directly by the Group. The Country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. These associates in the opinion of directors are not material to the Group.

Name of Entity	Place of Business	% of Ownership Interest	Relationship	Accounting Method	Quoted Fair Value*		Carrying Amount	
					As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
1) Safety First Engineering Private Limited	India	26%	Associate	Equity Method	-	-	86.61	86.16
2) M/s Safety First (A Registered Partnership Firm)	India	26%	Associate	Equity Method	-	-	18.32	15.13
							104.93	**101.29**

*Unlisted entity, no quoted price available.

Share of profit / (loss) from Associates

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1) Safety First Engineering Private Limited	0.46	(0.33)
2) M/s Safety First (A Registered Partnership Firm)	3.18	11.62
	3.64	**11.29**

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Note 52 - Additional information required by Schedule III of Companies Act, 2013 in respect of subsidiaries, associates and jointly controlled operation

As on March 31, 2024:

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Parent: H.G. Infra Engineering Limited	94.44%	23,184.93	101.28%	5,454.88	100.00%	27.16	101.28%	5,482.04
Subsidiaries:								
1) Gurgaon Sohna Highway Private Limited	0.00%	-	(5.37%)	(289.05)	0.00%	-	(5.34%)	(289.05)
2) H.G. Ateli Narnaul Highway Private Limited	0.00%	-	1.63%	87.52	0.00%	-	1.62%	87.52
3) H.G. Rewari Ateli Highway Private Limited	0.00%	-	1.61%	86.45	0.00%	-	1.60%	86.45
4) H.G. Rewari Bypass Private Limited	4.31%	1,058.24	1.76%	94.88	0.00%	-	1.75%	94.88
5) H.G. Raipur Visakhapatnam AP-1 Private Limited	5.11%	1,254.97	3.55%	190.98	0.00%	-	3.53%	190.98
6) H.G. Khammam Devarapalle PKG-1 Private Limited	4.06%	997.65	1.70%	91.54	0.00%	-	1.69%	91.54
7) H.G. Khammam Devarapalle PKG-2 Private Limited	3.38%	828.94	1.41%	75.86	0.00%	-	1.40%	75.86
8) H.G. Raipur Visakhapatnam OD-5 Private Limited	7.79%	1,911.74	4.62%	248.70	0.00%	-	4.59%	248.70
9) H.G. Raipur Visakhapatnam OD-6 Private Limited	5.21%	1,279.73	3.70%	199.35	0.00%	-	3.68%	199.35
10) H.G. Karnal-Ringroad Private Limited	3.63%	891.35	0.57%	30.58	0.00%	-	0.56%	30.58
11) H.G. Varanasi-Kolkata Pkg-10 Highway Pvt Ltd	0.17%	42.00	0.00%	-	0.00%	-	0.00%	-
12) H.G. Varanasi-Kolkata Pkg-13 Pvt Ltd	0.12%	29.00	0.00%	-	0.00%	-	0.00%	-
13) H.G. Solar Projects Pvt Ltd	0.01%	1.35	0.00%	(0.15)	0.00%	-	0.00%	(0.15)
14) Norangdesar Solar Developer Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
15) Rasisar Solar Developer Private Limited	0.00%	0.02	0.00%	-	0.00%	-	0.00%	-
16) H.G. Fondation (Section 8 Company)	0.00%	0.26	0.00%	0.16	0.00%	-	0.00%	0.16
Jointly controlled operations								
1) HGIEPL – Ranjit JV	0.00%	-	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
2) HGIEPL – MGCPL JV	0.00%	0.06	0.00%	0.01	0.00%	-	0.00%	0.01
Associates entities								
1) Safety First Engineering Private Limited	0.35%	86.61	0.01%	0.46	0.00%	-	0.01%	0.46
2) M/s Safety First (A Registered Partnership Firm)	0.07%	18.32	0.06%	3.18	0.00%	-	0.06%	3.18
Non-controlling interests								
1) Norangdesar Solar Developer Private Limited	0.00%	0.02	0.00%	-	0.00%	-	0.00%	-
2) Rasisar Solar Developer Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
Intra Group eliminations	(28.65%)	(7,034.87)	(16.51%)	(889.43)	0.00%	-	(16.43%)	(889.43)
Total	**100%**	**24,550.34**	**100.00%**	**5,385.86**	**100.00%**	**27.16**	**100.00%**	**5,413.02**

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(All amounts are in ₹ million, unless otherwise stated)

As on March 31, 2023:

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Parent: H.G. Infra Engineering Limited	92.54%	17,784.35	85.45%	4,213.83	100.00%	(7.74)	85.41%	4,206.09
Subsidiaries:								
1) Gurgaon Sohna Highway Private Limited	5.84%	1,121.61	1.08%	53.30	0.00%	-	1.08%	53.30
2) H.G. Ateli Narnaul Highway Private Limited	8.47%	1,628.33	4.12%	203.16	0.00%	-	4.13%	203.16
3) H.G. Rewari Ateli Highway Private Limited	4.88%	938.45	1.83%	90.40	0.00%	-	1.84%	90.40
4) H.G. Rewari Bypass Private Limited	4.11%	790.16	2.96%	146.16	0.00%	-	2.97%	146.16
5) H.G. Raipur Visakhapatnam AP-1 Private Limited	4.81%	924.16	1.27%	62.81	0.00%	-	1.28%	62.81
6) H.G. Khammam Devarapalle PKG-1 Private Limited	3.06%	588.97	0.22%	10.92	0.00%	-	0.22%	10.92
7) H.G. Khammam Devarapalle PKG-2 Private Limited	2.54%	487.99	0.19%	9.36	0.00%	-	0.19%	9.36
8) H.G. Raipur Visakhapatnam OD-5 Private Limited	7.33%	1,407.96	1.29%	63.49	0.00%	-	1.29%	63.49
9) H.G. Raipur Visakhapatnam OD-6 Private Limited	4.65%	893.01	1.36%	67.13	0.00%	-	1.36%	67.13
10) H.G. Karnal-Ringroad Private Limited	0.01%	1.50	0.00%	-	0.00%	-	0.00%	-
Jointly controlled operations								
1) HGIEPL – Ranjit JV	0.01%	3.63	0.00%	0.03	0.00%	-	0.00%	0.03
2) HGIEPL – MGCPL JV	0.00%	0.05	0.00%	0.07	0.00%	-	0.00%	0.07
3) HGIEPL – RPS JV	0.00%	0.51	0.00%	0.01	0.00%	-	0.00%	0.01
Associates entities								
1) Safety First Engineering Private Limited	0.45%	86.15	(0.01%)	(0.33)	0.00%	-	(0.01%)	(0.33)
2) M/s Safety First (A Registered Partnership Firm)	0.08%	15.14	0.24%	11.62	0.00%	-	0.24%	11.62
Intra Group eliminations	(38.78%)	(7,453.22)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Total	**100%**	**19,218.75**	**100%**	**4,931.91**	**100%**	**(7.74)**	**100%**	**4,924.17**

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Note 53 - Revenue from contracts with customers

Note 53.1 - Disaggregation of revenue from contracts with customers

The Group has determined the categories for disaggregation of revenue considering the types/nature of contracts. The Group recognises revenue from following types construction contracts, sale of services and sale of goods at the point in time and over time as below:

Year ended March 31, 2024	Construction Contracts	Sale of Services (Maintenance Contract)	Total
Revenue from external customers	50,985.74	253.44	51,239.18
Revenue from related parties (Refer Note 43)	6.94	-	6.94
	50,992.68	**253.44**	**51,246.12**
Timing of revenue recognition			
- At a point in time	43.13	253.44	296.57
- Over time	50,949.55	-	50,949.55
	50,992.68	**253.44**	**51,246.12**

Year ended March 31, 2023	Construction Contracts	Sale of Services (Maintenance Contract)	Total
Revenue from external customers	44,107.22	432.58	44,539.80
Revenue from related parties (Refer Note 43)	124.38	-	124.38
	44,231.60	**432.58**	44,664.18
Timing of revenue recognition			
- At a point in time	509.02	432.58	941.60
- Over time	43,722.58	-	43,722.58
	44,231.60	**432.58**	**44,664.18**

The Group recognised revenue amounting to Rs. 1,493.34 Million (as at March 31, 2023 Rs. 1,452.14 Million) in the current reporting period that was included in the contract liability balance of previous year (Refer Note 16 (b)) .

Note 53.2 - Unsatisfied performance obligations

The aggregate amount of transaction price allocated to performance obligations that are unsatisfied as at the end of reporting period is Rs. 1,57,548 Million (as at March 31, 2023 Rs. 1,61,406 Million), primarily represented by Construction Contracts including Road projects and Railways contracts. These contracts have a life cycle of 2-3 years. Management expects that around 45%-50% of the transaction price allocated to unsatisfied contracts as of March 31, 2024 will be recognised as revenue during next reporting period depending upon the progress on each contracts.

The amount disclosed above does not include variable consideration.

Note 53.3 - There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.

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Note 54 - Receivable under service concession aggrement (CA) with National Highway Authority of India

Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Rewari Bypass Private Limited (forming part of assets classified as held for sale)	The Company is formed as a special purpose vehicle (SPV) for Construction of proposed Rewari Bypass (Design length 14.4 km) as Feeder Route in the state of Haryana on Hybrid Annuity Mode (HAM), which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	Period of Concession: 2021-2038 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 5,220.20 Million O&M Payment: 30 Million per year Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated.	2,523.01	2,471.07

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Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Raipur Visakhapatnam AP-1 Private Limited	The Company is formed as a special purpose vehicle (SPV) for Development of Six Lane Aluru-Jakkuva Section of NH-130-CD Road from km 365+033 to km 396+800 under Raipur-Visakhapatnam Economics Corridor in the state of Andhra Pradesh on Hybrid Annuity Mode [Package-1 (AP)], which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	Period of Concession: 2023-2039 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 10601.1 Million O&M Payment: 40 Million per year Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated.	3,216.72	1,649.24

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Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Khammam Devarapalle Pkg-1 Private Limited	The Company is formed as a special purpose vehicle (SPV) for Construction of 4 lane Access Controlled New Greenfield Highway Section of NH-365BG (Khammam-Devarapalle) of length 33.604 Km from Thallampadu village to Somavaram village (Design Ch. Km 0+000 to km 33+604) under Inter Corridor Route under Bharatmala Pariyojana, on Hybrid Annuity mode in the state of Telangana (Package-I), which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	Period of Concession: 2022-2039 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 7,721.10 Million O&M Payment: 70 Million per year Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated.	1,741.32	465.29

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Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Khammam Devarapalle Pkg-2 Private Limited	The Company is formed as a special purpose vehicle (SPV) for Construction of 4 lane Access Controlled New Greenfield Highway Section of NH-365BG (Khammam-Devarapalle) of length 29.513 km from Somavaram village to Chintagudem village (Design Ch. Km 33+604 to km 63+117) under Inter Corridor Route under Bharatmala Pariyojana on Hybrid Annuity mode in the state of Telangana (Package-II), which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	Period of Concession: 2023-2039 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 6,371.10 Million O&M Payment: 60 Million per year Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated."	1,429.64	439.03

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Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Raipur Visakhapatnam OD-5 Private Limited	The Company is formed as a special purpose vehicle (SPV) for Development of Six Lane Kaliagura-Baunsaguar Section of NH-130-CD Road from km 249+000 to km 293+000 under Raipur-Visakhapatnam Economics Corridor in the state of Odisha on Hybrid Annuity Mode (Package-OD-5), which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	"Period of Concession: 2023-2039 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 14,921.10 Million (Excl Taxes) O&M Payment: 50 Million per year Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated."	4,679.06	2,400.86

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(All amounts are in ₹ million, unless otherwise stated)

Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Raipur Visakhapatnam OD-6 Private Limited	The Company is formed as a special purpose vehicle (SPV) for Development of Six Lane Baunsaguar-Baraja Section of NH-130-CD Road from km 293+000 to km 338+500 under Raipur-Visakhapatnam Economics Corridor in the state of Odisha on Hybrid Annuity Mode (Package-OD-6), which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	"Period of Concession: 2023-2039 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 11,231.10 Million (Excl Taxes) O&M Payment: 50 Million per year Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated."	3,885.34	1,796.29

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Karnal-Ringroad Private Limited	The Company is formed as a special purpose vehicle (SPV) for Construction of 6-Lane Greenfield Karnal Ring Road starting from NH-44 near village Shamgarh (Design km 0+000) and terminating at Karnal Munak Road (MDR-115) near village Samalakha (Design km 34+500) under Bharatmala Pariyojana in the state of Haryana on Hybrid Annuity Mode, which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	"Period of Concession: 2023-2040 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 9,971.10 Million Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated."	968.05	-

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Varanasi-Kolkata Pkg-10 Highway Private Limited	The Company is formed as a special purpose vehicle (SPV) for Construction of 6 lane Greenfield Varanasi-Ranchi-Kolkata Highway from Deoria village to Donoreshan village from km 253.000 to km 288.600 under Bharatmala Pariyojana in the State of Jharkhand on Hybrid Annuity Mode (Package 10), which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	"Period of Concession: 2023-2040 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 13,031.10 Million Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated."	-	-

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Name of Entity	Description of the Arrangement	Significant Terms of the Arrangement	Financial Assets as at March 31, 2024	Financial Assets as at March 31, 2023
H.G. Varanasi-Kolkata Pkg-13 Private Limited	The Company is formed as a special purpose vehicle (SPV) for Construction of 6 lane Greenfield Varanasi-Ranchi-Kolkata Highway from Junction with NH-320 in Lepo village to Kamlapur village (JH/WB border) from km 358.500 to km 387.200 under Bharatmala Pariyojana in the state of Jharkhand on Hybrid Annuity Mode (Package 13), which shall be partly financed by the concessionaire who shall recover its investment and costs through annuity payments and O&M payment to be made by the authority, in accordance with the terms and conditions set forth in this concession agreement entered into.	"Period of Concession: 2023-2040 Remuneration: 40% during construction period and balance 60% in biannual annuity in 15 years as per concession agreement Investment grant from concession grantor: No Infrastructure return at the end of concession period: Yes Investment and renewal obligation: Nil Re-pricing dates: No Basis upon which re-pricing or re-negotiation is determined: NA Premium payable to granter: Nil BPC: 9,251.10 Million Bonus: If COD achieved on or more than 30 (thirty) days prior to the SCOD, bonus will be equal to 0.5% (Zero point five per cent) of 60 % (Sixty per cent) of the BPC for the first 30 (thirty) days by which COD shall precede the SCOD and thereafter the said bonus shall be calculated on the pro-rata basis for each day preceding the said 30 (thirty) days period. Termination: Default made as specified in CA except caused by force measure event, by concessionaire not cured in 60 days and by authority not cured in 90 days, contract will be terminated."	-	-

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024
(All amounts are in ₹ million, unless otherwise stated)

Note 55 - Disclosure of operating leases under Ind AS 116

Leases as lessee

The Group has obtained premises (office, residential and Camp) and equipments taken on lease. The terms of lease include terms of renewals, increase in rent in future period, cancellation, etc. The agreements are executed for a period of 1 month to 36 months with a renewable clause and also provide for termination at will by either party giving a prior notice of 1 to 3 months at any time during the lease term. The Group classifies all the leases for period less than 12 months and leases of low-value assets as short term leases. Accordingly, they have been accounted for by applying paragraph 6 of Ind AS 116 - Leases and Rs. 59.08 Million (March 31, 2023 Rs. 43.79 Million) has been recognised as expense in consolidated profit & loss account.

Amounts recognised in the Consolidated Statement of Profit and Loss

Particulars	Refer Note No.	As at March 31, 2024	As at March 31, 2023
Contract and site expenses	32		
Hire charges for machinery and others		369.57	289.58
Other expenses	36		
Lease rent (Also, Refer Note 3(b)(ii))		59.08	68.17
Total Expenses		**428.65**	**357.75**

Note 56 - Exceptional items and Investments classified as held for sale

(a) During the year ended March 31, 2024, pursuant to the share purchase agreement (SPA') dated May 03, 2023, the Group had agreed to sell its entire shareholding in 4 of its wholly owned subsidiaries namely Gurgaon Sohna Highway Private Limited, H.G. Ateli Narnaul Highway Private Limited, H.G. Rewari Ateli Highway Private Limited and H.G. Rewari Bypass Private Limited, respectively, to Highways Infrastructure Trust ("the Buyer") and Highway Concessions One Private Limited ("The Investment Manager of the buyer"). The transaction is subject to satisfaction of the conditions as set out in the SPA which includes obtaining third-party approvals/ regulatory approvals and is subject to satisfaction of certain contractual covenants.

The certificates for 'commercial operation date' (the "COD"), related to projects execution, have been already obtained by Gurgaon Sohna Highway Private Limited, H.G. Ateli Narnaul Highway Private Limited and H.G. Rewari Ateli Highway Private Limited from their respective customers in accordance with contract between them and such customers. In the extra-ordinary general meeting held on October 31, 2023, pursuant to the SPA, the Group has also obtained approval from its members to transfer its 100% shareholding in these subsidiaries. During the year, pursuant to the SPA, the Group had sold its entire shareholding in three subsidiaries on November 21, 2023 i.e. Date of Transfer (DOT') for a total sale consideration amounting to Rs. 3,130.70 Million. The resultant gain of Rs. 177.98 Million has been disclosed as an exceptional item in the consolidated financial statements. Also, there is receivables of Rs. 595.56 Million against afoersaid sale which is classified as Non-current other financial assets (Refer Note 8).

The summarised position showing the resultant gain on the sale of aforementioned companies:

Particulars	Gurgaon Sohna Highway Private Limited	H.G. Ateli Narnual Highway Private Limited	H.G. Rewari Ateli Highway Private Limited	Total
Assets as at March 31, 2023				
Current assets	823.58	1,305.17	702.98	2,831.73
Non-current assets	3,051.52	3,709.90	2,275.96	9,037.38
Total assets as at March 31,2023	**3,875.10**	**5,015.07**	**2,978.94**	**11,869.11**
Liabilities as at March 31, 2023				
Current liabilities	201.63	258.43	125.34	585.40
Non-current liabilities	2,551.86	3,128.32	1,915.16	7,595.34
Total Liabilities as at March 31, 2023	**2,753.49**	**3,386.75**	**2,040.50**	8,180.74

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Particulars	Gurgaon Sohna Highway Private Limited	H.G. Ateli Narnual Highway Private Limited	H.G. Rewari Ateli Highway Private Limited	Total
Net Assets as at March 31, 2023	**1,121.61**	**1,628.32**	**938.44**	3,688.37
Profit/ (loss) for the period upto date of transfer	(289.04)	87.52	86.44	(115.08)
Net Assets as at November 21, 2023	**832.57**	**1,715.84**	**1,024.88**	**3,573.29**
Sale consideration	844.31	1,794.55	1,112.41	3,751.27
Profit on sale (disclosed as exceptional item)	**11.74**	**78.71**	**87.53**	**177.98**

(b) H.G. Rewari Bypass Private Limited attained Provisional COD effective May 25, 2023 basis completion of most of the work under the project in accordance with its contractual commitments with the respective customer and has applied for monetization of this project to NHAI on December 04, 2023 i.e. post completion of 6 months from the date of provisional COD according to relevant guidelines issued by NHAI in this respect read with agreement between H.G. Rewari Bypass and the customer.

As at March 31, 2024, the Group's management has assessed the conditions (as set out in SPA), the process undergoing for obtaining necessary approvals and likelihood of getting them together with timelines, and accordingly, classified its standalone assets/liabilities attributable to consolidated financial statements in H.G. Rewari Bypass Private Limited as "Assets held for sale" under current assets, in accordance with guidance available in Indian Accounting Standard (Ind AS) - 105 "Non-current Assets Held for Sale and Discontinued Operations" The realisable value, from this sale transaction, is expected to be higher than carrying value of "Assets held for sale" (net of corresponding liabilities) as at March 31, 2024.

The summarised Balance Sheet of H.G. Rewari Bypass Private Limited is presented below:

Particulars	As at March 31, 2024
Non-current assets	
Other non-current financial assets	2,030.76
Non-current tax assets (net)	39.18
Other non-current assets	88.60
Current assets	
Financial assets	
(i) Trade receivable	2.87
(ii) Cash and cash equivalents	37.31
(iii) Bank balances other than (ii) above	231.92
(iv) Other financial assets	497.24
Other current assets	166.77
Total assets classified as held for sale	**3,094.65**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	1,808.72
Deferred tax liabilities (net)	85.92
Current liabilities	
Financial liabilities	
(i) Borrowings	113.96
(ii) Other financial liabilities	3.37
Contract liabilities	24.16
Other current liabilities	0.27
Total liabilities classified as held for sale	**2,036.40**
Net assets classified as held for sale	**1,058.25**

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024

(All amounts are in ₹ million, unless otherwise stated)

Note 57 - Intra-Group turnover and profits on DBFOT construction contracts to be included in consolidated financial statements

Design, Build, Finance, Operate and Transfer (DBFOT) contracts on hybrid annuity method are governed by Service Concession Agreements with government authorities (grantor). Under these agreements, the operator does not own the road, but gets the “right to receive annuity” against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against the right to receive annuity, revenue is recognised at fair value of construction services rendered and profit from such contracts is considered as realised.

Note 58 - Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

During the year the Holding Company has been sanctioned working capital limits in excess of Rs. 50 Million, in aggregate, from banks on the basis of security of current assets and certain identified immovable properties. Basis discussion between the Holding Company and the respective lenders, the Holding Company has been filing quarterly statements on mutually agreed basis for reporting, related to adjusted balances of Accounts receivables (excluding withheld balances by the respective debtors), Accounts payable (excluding payables to service vendors, provisions and balance for retention payable), Inventory (except Goods in Transit), Contract assets (upto 3 months outstanding), Advance to suppliers, Mobilisation Advances. These statements, which have been filed for three quarters (upto Dec, 2023) by the Holding Company are in agreement with the unaudited books of account of the Group for such respective quarters. Further, the Holding Company is in the process of filing quarterly returns and statements for the quarter ended March 31, 2024.

(iii) Wilful defaulter

Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Group have transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Name of struck off Group	Nature of transaction with struck off Group	Balance outstanding as at March 31, 2024	Balance outstanding as at March 31, 2023	Relationship with the struck off Group
Star Wire India Limited	Payable	-	0.03	None
Varsha Logistics Private Limited	Payable	0.18	-	None

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vi) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Notes to the Consolidated Financial Statements

as of and for the year ended March 31, 2024
(All amounts are in ₹ million, unless otherwise stated)

(vii) Utilisation of borrowed funds and share premium

The Group has not advanced or given loans or invested funds to any other person or entity, 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 Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group 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 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

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets), Investment Property or intangible assets or both during the current or previous year.

(xi) The Group has a fund and non fund based facility limit of Rs. 30,000 Million (March 31, 2023 Rs. 22,000 Million) with Bank which is secured by way of first charge on hypothecation of current assets viz. raw materials, stores and spares and receivables and certain identified immovable properties.

The Group has utilised the fund and non fund based facility during the FY 2023-24 and 2022-23 for working capital purposes.

Further,the charge has been created on hypothecation of the aforesaid current assets and immovable properties.

As per our report of even date.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rahul Aggarwal
Partner
Membership No: 505676
Place : Gurugram
Date : May 08, 2024

For **Shridhar & Associates**
Chartered Accountants
Firm Registration Number: 134427W

Abhishek Pachlangia
Partner
Membership No: 120593
Place : Jaipur
Date : May 08, 2024

For and on behalf of the Board of Directors
H. G. Infra Engineering Limited
CIN: L45201RJ2003PLC018049

Harendra Singh
Chairman and Managing Director
DIN: 00402458
Place : Jaipur
Date : May 08, 2024

Rajeev Mishra
Chief Financial Officer

Place : Jaipur
Date : May 08, 2024

Ankita Mehra
Company Secretary
Membership No: A33288
Place : Jaipur
Date : May 08, 2024

H.G. INFRA ENGINEERING LIMITED

CIN: L45201RJ2003PLC018049

Registered Office: 14, Panchwati Colony, Ratanada, Jodhpur-342001 (Rajasthan), Tel.: 0291-2515327

Corporate Office: III Floor, Sheel Mohar Plaza, A-1, Tilak Marg, C- Scheme, Jaipur 302001 (Rajasthan), Tel.: 0141-4106040-41

Email: cs@hginfra.com; Website: www.hginfra.com

NOTICE OF 22ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the 22nd Annual General Meeting (hereinafter referred to as "AGM") of the members ("Members" or "Shareholders") of H.G. Infra Engineering Limited ("Company") will be held on Wednesday, August 21, 2024, at 02:00 p.m. (IST) through Video Conference ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon.

2. To declare the final dividend of ₹ 1.50/- per equity share of ₹ 10/- each for the financial year ended March 31, 2024.

3. To appoint a director in place of Mr. Dinesh Kumar Goyal (DIN: 02576453), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To approve the increase in borrowing limits of the Company under section 180(1)(c) 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)(c) and all other applicable provisions of the Companies Act, 2013, read along with applicable rules and regulations framed thereunder (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), memorandum and articles of association of the Company and in supersession of the earlier resolution passed by the Members at their 16th annual general meeting held on September 10, 2018, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to borrow, from time to time, from any one or more persons, firms, body corporates, company's bankers, financial institutions, or from others or from any other source in India or outside India by way of loans, debentures, guarantees, suppliers' credit, bonds, deposits or any other instruments/securities otherwise permitted by law for the time being in force, and whether secured by way of mortgage, charge, hypothecation or lien or pledge on the Company's assets and properties or otherwise, such sum(s) of money(ies) in Indian Rupees and / or in any foreign currency from time to time, at its discretion, with or without security and on such terms and conditions as the Board may deem fit, which together with monies already borrowed by the Company (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital, free reserves, and securities premium account of the Company, provided that the total amount so borrowed by the Board (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) and outstanding principal amount at any time shall not exceed ₹ 6,500 Crores (Rupees Six Thousand Five Hundred Crores Only) or the aggregate of the paid-up capital, free reserves and securities premium of the Company, whichever is higher.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or any other person so authorized by the Board be and is/are hereby authorized to sign and execute such document(s) / deed(s) / writing(s) / paper(s) / agreement(s) as may be required, to settle any question, difficulty or doubt that may arise in respect of the aforesaid borrowings and to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

5. **To approve the increase in limits of the creation of charges, and securities on the properties/assets 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) and all other applicable provisions of the Companies Act, 2013, read along with applicable rules and regulations framed thereunder (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), memorandum and articles of association of the Company and in supersession of the earlier resolution passed by the Members at their 16th annual general meeting held on September 10, 2018, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to sell, lease, create, from time to time, such mortgages, pledge, charges and hypothecations, on such terms and conditions as the Board may deem fit on the whole or substantially the whole of the Company's undertakings, assets and other properties, both present and future, whether movable or immovable, comprised in any of the undertakings/assets of the Company wheresoever situated, present and future, and the whole of the undertaking of the Company, in favour of banks/financial institutions/NBFCs, both national and international, and/or other bodies corporate or agencies or trustees for the debentures or security and/or loans, as may be agreed to by the Board for the purpose of securing any issue of debentures or loans or other financial assistance (fund-based and/or non-fund-based), whether by way of term loan, cash credit, overdraft, letter of credit and guarantee facilities or otherwise whether in Rupees or in foreign currency and/or to secure the repayment of the fund and/or non-fund based credit facilities availed or to be availed by the Company or its subsidiary/ associate/ group companies or otherwise, in one or more tranches, for an aggregate amount, which may exceed, at any time, the aggregate of the paid-up capital, free reserves, and securities premium account of the Company, subject to a maximum limit of ₹15,000 Crores (Rupees Fifteen Thousand Crores Only) or the aggregate of the paid-up capital, free reserves and securities premium of the Company, whichever is higher.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or any other person so authorized by the Board be and is/are hereby authorized to sign and execute such document(s) / deed(s) / writing(s) / paper(s) / agreement(s) as may be required and to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

6. **To ratify the remuneration payable to Cost Auditors of the Company for the financial year ending March 31, 2025**

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 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Rajendra Singh Bhati & Co., Cost Accountants (Firm Registration No. 101983), appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, amounting to ₹ 1.99 Lakh plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, matters, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

7. **To alter the Object Clause of the Memorandum of Association of the Company**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in accordance with the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013, read along with applicable rules and regulations framed thereunder (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), and subject to such approvals, permissions and sanctions of appropriate authorities as may be necessary or required, the consent of the Members of the Company be and is hereby accorded for the addition of clauses in the object clause of the Memorandum of Association of the Company ("MOA") in the manner set out below.

Clauses III (a) 3, 4, 5 and 6 be and are hereby inserted in the MOA in Clause III (a) under the heading 'The objects to be pursued by the company on its incorporation' after Clause III (a) 2 as under:

3. To engage in surveying, designing, developing, generating, supplying, distributing, and managing solar energy and related products, including solar inverters, batteries, solar lights and other similar products and to generate solar energy for its own use or sale to various entities, including governments, companies, and industrial units.

4. To enter into contracts with government, statutory bodies or any person for the development and maintenance of Renewable Energy projects and infrastructure, including power/energy/renewable energy/solar power plant(s) and to promote and manage solar projects, including EPC (Engineering, Procurement, and Construction) and O&M (Operations and Maintenance) services (the activities will include land development, leasing, and creating solar parks and infrastructure for renewable energy projects, including green hydrogen, ammonia projects, renewable hybrid projects, solar water pumping power plants and creating & developing channel partners).

5. To engage in manufacturing, designing, developing, and trading renewable energy products, including hybrid systems, BESS (Battery Energy Storage Systems), and other related items and to offer consulting, technical support, and customization services in renewable energy and enter into partnerships for module and cell development. It will also engage in the import, export, and trading of renewable energy modules and equipment.

6. To carry on or undertake in India and abroad, business in the area of environmental engineering covering designing, planning, erecting, constructing, commissioning, preparing, acquiring, owning, transferring, operating, maintaining by any mode all types of works/projects pertaining to environmental engineering/management including – but not restricted to Integrated Waste Management Facilities, Pollution Monitoring System, Raw Water, drinking water and Waste Water Treatment, construction and commissioning of treatment plants, intake and storage structures including overhead and Underground tanks, laying/ jointing/ testing and commissioning of pipelines including water/ petroleum/ gas/ sewer pipelines transmission main and distribution system network, lift irrigation and including all allied services.

Clauses III (b) 27 be and is hereby inserted in the MOA in Clause III (b) under the heading 'Matters which are necessary for furtherance of the objects specified in clause III (a)' after Clause III (b) 26 as under:

7. To enter into partnerships or joint ventures with other businesses, acting as agents or acquiring shares and to provide ancillary facilities and services related to solar parks, including training, education, and community welfare.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or any other person so authorized by the Board be and is/are hereby authorized to sign and execute such document(s) / deed(s) / writing(s) / paper(s) as may be required and to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

8. To approve the sale or disposal of the undertaking 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)(a) of the Companies Act, 2013 ("Act") and other applicable provisions of the Act, the relevant rules made thereunder (including any statutory modification, amendment or re-enactment thereof), Regulations 24 and 37A and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the provisions of the memorandum of association and articles of association of the Company, and such other applicable laws and regulations, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to transfer the Company's (and its nominee shareholder's) entire shareholding (including all legal and beneficial interest therein) constituting 100% of share capital aggregating to 14,38,065 equity shares of ₹ 10 (Rupees Ten Only) each in its wholly owned subsidiary (special purpose vehicle), namely, H.G. Rewari Bypass Private Limited (referred to as "**SPV 4**") to Highways Infrastructure Trust (including its nominee shareholder) ("**Purchaser**").

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised on behalf of the Company to take all necessary steps, including but not limited to signing transfer deeds, execution of documents and making necessary applications, for effecting the transfer of shares held by the Company in the SPV.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company shall be authorized to do all such acts, matters, deeds and things and to execute all documents, file forms with, make applications to, receive approvals from any persons, authorized dealers, governmental/ regulatory authorities, including but not limited to the Registrar of Companies, Securities and Exchange Board of India."

By order of the Board,
For **H. G. Infra Engineering Limited**

Ankita Mehra
Company Secretary & Compliance Officer
Membership No - A33288

Place: Jaipur
Date: July 24, 2024

Registered Office:
14, Panchwati Colony, Ratanada,
Jodhpur, Rajasthan - 342001
CIN; L45201RJ2003PLC01849
Tel.: +91 0291 2515327
E-mail:cs@hginfra.com
Website:www.hginfra.com

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred to as the "Act") in respect of the Special Business to be transacted at the 22nd Annual General Meeting (hereinafter referred to as "AGM" or "Meeting") as set out under Item Nos. 4, 5, 6, 7 and 8 above, and the relevant details of the directors proposed to be appointed/re-appointed at the AGM, as set out at Item No. 3 and the disclosure as a part of the explanatory statement to the Notice pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and as required under Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed hereto as Annexure A. The Board of Directors (the "Board") have considered and decided to include Item Nos. 4, 5, 6, 7 and 8 given above as Special Businesses in the AGM.

2. Pursuant to the General Circular Nos. 20/2020, 19/2021, 2/2022 and 10/2022, the latest being 09/2023 dated 25th September 2023, read with other relevant circulars issued by the Ministry of Corporate Affairs (MCA) and in line with the Circulars issued by the Securities and Exchange Board of India (SEBI) from time to time (collectively referred to as the "Circulars"), the Company is convening the AGM through VC/OAVM, without the physical presence of the Members. The deemed venue for the AGM shall be the Registered Office of the Company. The facility for voting through remote e-voting, participation in the AGM through VC/OAVM facility and e-voting during the AGM will be provided by the Company's Registrar and Transfer Agents i.e. Link Intime India Private Limited ("RTA" or "Registrar" or "Link Intime").

3. Since this AGM is being held pursuant to the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM, and hence, the Proxy Form, Attendance Slip and Route Map for the AGM are not annexed to this Notice.

4. The Company is providing the video conferencing facility for the ease of participation of the Members. Participants i.e. members, directors, auditors and other eligible persons to whom this Notice is being circulated, are allowed to submit their queries/questions, etc., before the AGM in advance on the e-mail address of the Company at cs@hginfra.com

5. Institutional/Corporate Shareholders are required to send a scanned copy of their Board or governing body Resolution/ Authorization, etc., authorizing its representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting/e-Voting. The said resolution/ authorization shall be sent to Scrutinizer by email at aroracs2@gmail.com and to RTA by email at enotices@linkintime.co.in and to the Company at cs@hginfra.com

6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. All the documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Act shall be available for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members are requested to write to the Company at cs@hginfra.com for an inspection of said documents.

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 and relevant documents referred to in this Notice and explanatory statement, will be available electronically for inspection by the Members during the AGM, upon login to https://instameet.linkintime.co.in/ Members are requested to register/update their bank details with the RTA in case shares are held in physical form and with their Depository Participants where shares are held in dematerialized mode to enable expeditious credit of the dividend to their bank accounts.

9. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is M/s. Link Intime (India) Private Limited ("RTA" or "Registrar" or "Link Intime"), having registered office at C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083.

10. The Company has fixed Wednesday, August 14, 2024, as the "Record Date" for determining the entitlement of Members for final dividend for the financial year ended March 31, 2024. If approved at the AGM, the dividend will be paid on or before Thursday, September 19, 2024.

11. IEPF: The Ministry of Corporate Affairs (MCA) had notified provisions relating to unpaid/unclaimed dividends under Sections 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends not encashed/claimed by the shareholder for seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid/ unclaimed for seven consecutive years to the demat account of the IEPF Authority. Hence, the Company urges all the shareholders to encash/claim their respective dividends during the prescribed period. The details of the

unpaid/unclaimed dividends lying with the Company are also available on the Company's website at https://www.hginfra.com/investors-relation.html#open. The details for the financial year 2017-18, 2018-19, 2020-21, 2021-22 and 2022-23 have also been uploaded on the website of the IEPF Authority, and the same can be accessed through the link https://www.iepf.gov.in/content/iepf/global/master/Home/Home.html During the financial year 2023-24, the Company was not liable to transfer any unclaimed dividends and corresponding shares thereto to IEPF.

12. The Securities and Exchange Board of India ("SEBI") vide its Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated that all requests for transfer of securities, including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form, if any. Members can contact the Company or the RTA for assistance in this regard.

13. Nomination: As per the provisions of Section 72 of the Act, the facility for making nominations is available for the Members with respect to the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The forms can be downloaded from the RTA's website at "https://linkintime.co.in/"Link Intime India Pvt Ltd. Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the Registrar at enotices@linkintime.co.in in case the shares are held in physical form, quoting your folio number.

14. Members may kindly note that in accordance with the SEBI Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, the Company has registered on the newly launched SMART ODR Portal (Securities Market Approach for Resolution through Online Disputes Resolution Portal). This platform aims to enhance investor grievance redressal by providing access to Online Dispute Resolution Institutions for addressing complaints. Members can access the SMART ODR Portal via the link: https://smartodr.in/login Members may feel free to utilize this online conciliation and/or arbitration facility, as outlined in the circular, to resolve any outstanding disputes between Members and the Company (including RTA).

15. **Electronic dispatch of the Annual Report and process for registration of email ID for obtaining a copy of the Annual Report:**

    In compliance with the Circulars, the electronic copy of the Annual Report of the Company for the financial year 2023-24, along with the Notice of the AGM (the "Notice" or "AGM Notice"), Financial Statements and other Statutory Reports, are being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depository Participants ('DPs'). Members may note that the Notice and the Annual Report 2023-24 will also be available on the Company's website at www.hginfra.com and on 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 on the website of the RTA at www.linkintime.co.in. Members can attend and participate in the AGM through VC/OAVM facility only.

    Process for registration of email ID:

    In case the shareholder has not registered his/her email address with the Company/its RTA/Depositories, the following instructions to be followed:

    (i) Kindly login to the website of the Registrar, www.linkintime.co.in, under Investor Services > Email Registration- fill in the details, upload the required documents and submit.

    OR

    (ii) In the case of Shares held in demat mode: The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

    In case of any queries/difficulties in registering the e-mail address, Members may write to cs@hginfra.com

16. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company at cs@hginfra.com

17. Members are requested to:

    (i) intimate to RTA, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;

    (ii) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialized form;

    (iii) quote their folio numbers/Client ID/DP ID in all correspondence; and

    (iv) consolidate their holdings into one folio in case they hold Shares under multiple folios in identical order of names.

18. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, Members holding shares in electronic form are requested to submit their PAN to

the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company/RTA.

19. **Scrutinizer:** The Board of Directors of the Company has appointed Mr. Deepak Arora & Associates, Practicing Company Secretaries (Membership No. F5104, COP: 3641), as the Scrutinizer to scrutinise the voting and remote e-voting process of the AGM in a fair & transparent manner.

20. **Submission of questions/queries prior to AGM:**

    i) As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number/folio number, email ID, mobile number at cs@hginfra.com. Questions/ queries received by the Company till 05:00 p.m. (IST) on Saturday, August 17, 2024, shall only be considered and responded to during the AGM.

    ii) Members can also post their questions during the AGM through the “Question/Suggestion” option, which is available in the VC/OAVM facility.

    iii) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker as per instructions explained in note no. 25 below.

    iv) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for the smooth conduct of the AGM.

    v) Members intending to require any other information are requested to inform the Company at least seven days in advance of the meeting.

21. **General Information:**

    i) The record date and the cut-off date will be Wednesday, August 14, 2024 (“Record date”/ “Cut-off Date”) to receive the final dividend for the financial year ended March 31, 2024, and for the purpose of ascertaining the names of the Members, who will be entitled to cast their votes electronically in respect of the business to be transacted at the AGM.

    ii) The Members, whose names appear in the Register of Members/list of Beneficial Owners as of the cut-off date, are entitled to vote on the resolutions set forth in the Notice. A person who is not a member as of the cut-off date should treat this Notice for information purposes only. Any person, who acquires shares of the Company and becomes a Member of the Company after the Company dispatch the Notice and holds shares as on the cut-off date may cast their vote.

    iii) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the Company as of the cut-off date. Members are eligible to cast votes only if they are holding shares as of that date.

    iv) The remote e-voting period commences on Sunday, August 18, 2024, at 09:00 a.m. (IST) and ends on Tuesday, August 20, 2024, at 05:00 p.m. (IST). At the end of the remote e-voting period, the facility shall be blocked forthwith. During this period, members holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote through remote e-voting.

    v) Members have the option to cast their vote on any of the resolutions using the remote e-voting facility during the period commencing on Sunday, August 18, 2024, at 09:00 a.m. (IST) and ending on Tuesday, August 20, 2024, at 05:00 p.m. (IST) or e-Voting during the AGM. Members who have cast their votes by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM, but they shall not be entitled to cast their vote again. However, Members who have voted on some of the resolutions during the remote e-voting period are also eligible to vote on the remaining resolutions during the AGM.

    vi) In the case of joint holders attending the AGM, only such joint holders who are higher in the order of names will be entitled to vote at the AGM.

    vii) Members may note that the VC/OAVM Facility, provided by Link Intime, allows the participation of at least 1,000 members on a first-come-first-served basis. The large members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc., can attend the AGM without any restriction on account of first-come-first-served principle.

    viii) For the convenience of the Members and proper conduct of the AGM, Members can login and join at least 15 (fifteen) minutes before the time scheduled for the AGM. The facility to join the AGM shall be kept open throughout the proceedings of the AGM.

    ix) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the scrutinizer, by use of electronic voting for all those Members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

x) The resolution shall be deemed to be passed on the date of the meeting, subject to receipt of the requisite number of votes. The voting results shall be declared within 2 working days from the conclusion of the AGM. The declared results along with the report of the Scrutinizer, shall be placed on the website of the Company at www.hginfra.com and on the website of Linkintime at "http://www.hginfra.com"www.hginfra.com and on the website of Linkintime https://instavote.linkintime.co.in immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and the National Stock Exchange of India Limited.

xi) Members holding shares in physical form are requested to advise any change of address immediately to the RTA. Members holding shares in electronic form must send the advice about the change in address to their respective Depository Participant only and not to the Company or the RTA.

22. **Dividend**

i) The Board of Directors has recommended a final dividend of ₹ 1.50 (One Rupee Fifty Paise Only) (@ 15%) Equity Share of ₹ 10 each for the financial year ended March 31, 2024, subject to the approval of the Members at the AGM. Pursuant to the provisions of Section 123 of the Companies Act, 2013, the payment of the final dividend on Equity Shares, upon declaration by the Members at the AGM, will be made on or before Thursday, September 19, 2024 (i.e. within 30 days from the date of declaration), to those members whose names appear in the Register of Members/list of Beneficial Owners as on cut-off date/ record date i.e. Wednesday, August 14, 2024.

ii) Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants (DP), with whom they maintain their demat accounts, will be used by the Company for payment of dividend.

iii) Members holding shares in physical/electronic form are required to submit their bank account details, if not already registered or if it has changed, as mandated by the Securities and Exchange Board of India ("SEBI").

iv) Shareholders holding shares in dematerialized mode are requested to register complete bank account details with the Depository Participant(s), and shareholders holding shares in physical mode shall send a duly signed request letter to RTA mentioning the name, folio number, bank details, self-attested PAN card and original cancelled cheque leaf. In case of the absence of the name of the first shareholder on the original cancelled cheque or initials on the cheque, bank attested copy of the first page of the Bank Passbook/Statement of Account along with the original cancelled cheque shall be provided. The Company or its RTA cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the respective Depository Participant of the Members.

v) In case the Company is unable to pay the dividend to any shareholders by electronic mode, due to the non-availability of the details of the bank account, the Company shall dispatch the dividend warrants/ demand drafts/ cheques to such shareholders by post.

vi) In terms of the provisions of the Income Tax Act, 1961 ("the Act"), dividends paid or distributed by a company shall be taxable in the hands of shareholders. The Company shall, therefore, be required to deduct tax at source ('TDS') at the time of making the payment of the final dividend at the applicable tax rates. The rate of TDS would depend upon the category and residential status of shareholders and the documents submitted and duly accepted by the Company.

As it is important for the Company to receive the relevant information/ documents from shareholders to determine the rate of tax deduction, the shareholders are requested to furnish relevant documentation in a prescribed manner.

Accordingly, shareholders are hereby requested to visit the Company's website at https://hginfra.com/investors-relation.html#btn-annual wherein we have provided complete information relating to TDS on dividends along with the draft of the relevant documents to be submitted by the shareholders.

The shareholders are required to upload the documents on the Link Intime portal at https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before Wednesday, August 21, 2024 at 05:00 p.m (IST). Incomplete and/or unsigned forms and declarations will not be considered by the Company. Any communication on the tax determination/ deduction received post 05:00 p.m. (IST) on Wednesday, August 21, 2024 shall not be considered. All communications/ queries in this respect should be addressed to RTA at its email address at delhi@linkintime.co.in.

Please note that the Company will not accept any declaration/document sent to any email address. Kindly use the link provided above to upload declarations/documents.

23. The company is providing a facility for remote e-voting/e-Voting by electronic means, and the business may be transacted through such voting.

Members are requested to read the following instructions relating to remote e-voting/e-Voting before casting their vote.

Remote e-Voting/e-Voting Instructions for Shareholders/Members:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with the NSDL IDeAS facility

Users who have registered for the NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on the "Beneficial Owner" icon under "Login".

b) Enter user ID and password. Post successful authentication, click on "Access to e-voting".

c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for the NSDL IDeAS facility:

a) To register, visit the URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp"

b) Proceed with updating the required fields.

c) Post registration, the user will be provided with a Login ID and password.

d) After successful login, click on "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed along side Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

a) Visit URL: https://www.evoting.nsdl.com/

b) Click on the "Login" tab available under the 'Shareholder/Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

a) Visit URL: https://web.cdslindia.com/myeasitoken/home/login or www.cdslindia.com.

b) Click on New System Myeasi

c) Login with user ID and password

d) After successful login, the user will be able to see the e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility.

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration

b) Proceed with updating the required fields.

c) Post registration, the user will be provided a Login ID and password.

d) After successful login, user able to see e-voting menu.

e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

a) Visit URL: https://www.cdslindia.com/

b) Go to the e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account

e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

a) Login to the DP website

b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.

c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for the e-Voting facility of Link Intime as under:

1. Visit URL: https://instavote.linkintime.co.in

2. Click on “**Sign Up**” under ‘**SHAREHOLDER**’ tab and register with your following details:

   A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   *Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

   *Shareholders holding shares in **NSDL form**, shall provide ‘D’ above

   - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
   - Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.

4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).

4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click

on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr. No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

    a. 'Investor ID' -

        i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

        ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

    b. 'Investor's Name - Enter full name of the entity.

    c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

    d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select '**View**' icon for '**Company's Name / Event number** '. E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form have forgotten the password:

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both, then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on '**Login**' under '**SHAREHOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in the NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in the CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") have forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both, then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on '**Login**' under '**Corporate Body/ Custodian/ Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the remote voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

24. **Process and manner for attending the AGM through InstaMeet:**

Open the internet browser and launch the URL: https://instameet.linkintime.co.in

Select the "**Company**" and '**Event Date**' and register with the following details: -

A. **Demat Account No. or Folio No: Enter your 16-digit Demat Account No. or Folio No**

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** a Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ The Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

Click "Go to Meeting" (You are now registered for InstaMeet, and your attendance is marked for the meeting).

25. **Instructions for Shareholders/ Members to Speak during the Meeting through InstaMeet:**

i) Shareholders who would like to speak during the meeting must register their request with the company.

ii) Shareholders will get confirmation on first cum first basis.

iii) Shareholders will receive a "speaking serial number" once they mark attendance for the meeting.

iv) Other shareholders may ask questions to the panelist, via active chat-board during the meeting.

v) Please remember to speak serial number and start your conversation with the panelist by switching on the video mode and audio of your device.

Shareholders are requested to speak only when the moderator of the meeting/ management will announce the name and serial number for speaking.

26 **Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

i) On the Shareholders VC page, click on the link for e-Voting "Cast your vote".

ii) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

iii) After successful login, you will see "Resolution Description" and against the same, the option "Favour/ Against" for voting.

iv) Cast your vote by selecting the appropriate option, i.e. "Favour/Against", as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

v) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

vi) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders who will be present in the Meeting through the InstaMeet 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 the e-Voting facility during the Meeting. Shareholders who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the Meeting through InstaMeet. However, they will not be eligible to vote again during the Meeting.

Shareholders are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for a better experience.

Shareholders are required to use the Internet at a good speed (preferably 2 MBPS download stream) to avoid disturbances during the meeting.

Please note that Shareholders connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders have any queries regarding login/ e-voting, they may send an email to "mailto:instameet@linkintime.co.in"instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rajiv Ranjan, Asst. Vice President (Link Intime) Address C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083 or send an email to "mailto:enotices@linkintime.co.in"enotices@linkintime.co.in or at 022 – 4918 6000.

Annexure A

EXPLANATORY STATEMENT

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The following statements set out all material facts relating to Item Nos. 4, 5, 6, 7 and 8 mentioned in the accompanying Notice:

Item No. 4

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013 read with applicable rules framed thereunder, the Board of Directors of the Company cannot, except with the consent of the shareholders in a General Meeting by way of a special resolution, borrow money, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital, free reserves and securities premium of the Company.

Members of the Company, at their 16th annual general meeting, held on September 10, 2018, accorded their consent to the Board of Directors and/or the Board's Committee under Section 180(1)(c) of the Companies Act, 2013, for borrowing any sum(s) of money(ies) outstanding at any point of time, not exceeding the sum of ₹ 5,000 Crores (Rupees Five Thousand Crores).

In order to finance the growth in the business of the Company, considering the Company's future plans and requirements for additional funds for operation and working capital needs, including expansion of business, it is proposed to enhance the power of the Board of Directors to borrow up to a sum not exceeding ₹ 6,500 crores (Rupees Six Thousand Five Hundred Crores only).

It is, therefore, necessary that the Members pass the special resolution as set out in Item no. 4 of the Notice to enable the Board of Directors to borrow money in excess of the aggregate of the paid-up capital, free reserves and securities premium of the Company to the extent of aforesaid limit. Therefore, it is proposed to increase the borrowing limits from the existing ₹ 5,000 crores (Rupees Five Thousand Crores only) to an amount not exceeding at any time up to a limit of ₹ 6,500 crores (Rupees Six Thousand Five Hundred Crores only).

The Special Resolution at Item No.4 of the Notice is being recommended by the Board of Directors for approval of the members as a Special Resolution pursuant to section 180(1)(c) of the Companies Act, 2013.

None of the directors, key managerial personnel, and relatives of directors and/or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution, except in the ordinary course of business.

Item No. 5

In terms of the provisions of Section 180(1)(a) of the Companies Act, 2013, read with applicable rules framed thereunder, the Company can dispose of its undertakings/property/assets through sale or lease or provide security of its assets for repayment of loan or otherwise only with the approval of the shareholders accorded by way of a special resolution.

Members of the Company, at their 16th annual general meeting, held on September 10, 2018, accorded their consent to the Board of Directors and/or the Board's Committee under Section 180(1)(a) of the Companies Act, 2013, to sell and lease, dispose of, create charge, and/or mortgage all or any of the immovable and movable property of the Company whosesoever situated, present & future, and the whole of the undertaking of the Company in favour of any person/Banks/ Financial institution/ NBFCs or otherwise, to secure the repayment of the fund and/ or non-fund based credit facilities availed or to be availed by the Company or its subsidiary/associate companies or otherwise, for a sum of money not exceeding ₹ 5,000 Crores (Rupees Five Thousand Crores Only).

In order to support the Company's future growth plans and to meet the requirements for creating mortgages, guarantees, securities, etc., for additional funds that have been or will be availed for operational and working capital needs of the Company or its subsidiary/ associate/group companies or otherwise, including the expansion of the business as well as the disposal of company assets, it is necessary for the Members to pass a special resolution as set out in Item No. 5 of the Notice. This resolution will enable the Board of Directors to create charges and securities on the properties and assets of the company, in accordance with section 180(1)(a) of the Companies Act, 2013, to the extent of Rs. 15,000 Crores (Rupees Fifteen Thousand Crores Only). Therefore, it is proposed to increase the limits under section 180(1)(a) of the Companies Act, 2013 from the existing Rs. 5,000 crores (Rupees Five Thousand Crores only) to an amount not exceeding Rs. 15,000 crores (Rupees Fifteen Thousand Crores Only) at any time.

The Special Resolution at Item No. 5 of the Notice is being recommended by the Board of Directors for approval of the Members as a Special Resolution pursuant to section 180(1)(a) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 6

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Rajendra Singh Bhati & Co., Cost Accountants (Firm Registration No. 101983), as the Cost Auditors of the Company to conduct the audit of the cost record of the Company for the financial year ending March 31, 2025. In terms of the provisions of Section 148(3) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors is required to be approved by the Members of the Company. Accordingly, the consent of the Members is sought for the remuneration payable to the Cost Auditors.

The Ordinary Resolution at Item No.6 of the Notice is being recommended by the Board of Directors for approval of the members as an Ordinary Resolution pursuant to section 148 of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 7

The Company continuously evaluates its portfolio and allocates capital to create value for the Company and its stakeholders. The Company seeks investments in businesses poised to lead their markets, achieve scalability, and deliver consistent, attractive returns over the long term. In line with this strategy, it is proposed that the Company expand strategically into the renewable energy and water sectors, considering the business opportunities available in these sectors/segments of businesses and other related activities, and the Company's rich and varied experience in the execution of turnkey projects/works contracts.

Diversifying into these consumer-oriented sectors will enhance the company's portfolio diversification and foster growth. With a strong balance sheet, the Company is well-positioned to enter the Renewable Energy and Water sectors, which have shown robust historical growth in India. The Company's strategic focus includes developing Solar Power Plants, Solar Parks, Renewable Projects and various types of Water Projects, aiming to establish itself as a significant player over time. The Company anticipates a competitive edge in these sectors by leveraging its nationwide network and strong brand equity.

To facilitate such diversification, the Board of Directors, at their meeting held on May 08, 2024, approved the alteration to the objects clause of the Memorandum of Association (MOA) of the Company, subject to the approval of the shareholders of the Company by way of special resolution for additions of new Clauses III (a) 3, 4, 5 and 6 in Clause III (a) under the heading 'The objects to be pursued by the company on its incorporation' after Clause III (a) 2, and Clauses III (b) 27 in Clause III (b) under the heading 'Matters which are necessary for furtherance of the objects specified in clause III (a)' after Clause III (b) 26 to the Objects Clause in the Memorandum of Association (MOA) of the Company.

The aforesaid alteration, if approved by the shareholders, shall be registered with the Registrar of Companies, Rajasthan, Jaipur ('ROC') as per the provisions of the Act with such modifications as may be advised by the ROC.

The Special Resolution at Item No.7 of the Notice is being recommended by the Board of Directors for approval of the members as a Special Resolution pursuant to Section 13 of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 8

The Company has entered into a share purchase agreement dated May 03, 2023 (as amended) with Highways Infrastructure Trust ("**Purchaser**"), Highway Concessions One Private Limited, Gurgaon Sohna Highway Private Limited, H.G. Rewari Ateli Highway Private Limited, H.G. Ateli Narnaul Highway Private Limited and H.G. Rewari Bypass Private Limited (the "**SPA**"), pursuant to which the Company agreed to sell equity shares (including all legal and beneficial interest therein) constituting 100% of share capital in its wholly owned subsidiaries (special purpose vehicles), namely, Gurgaon Sohna Highway Private Limited ("**SPV 1**"); (b) H.G. Rewari Ateli Highway Private Limited ("**SPV 2**"); (c) H.G. Ateli Narnaul Highway Private Limited ("**SPV 3**"); and (d) H.G. Rewari Bypass Private Limited ("**SPV 4**"), in two tranches to the Purchaser (hereinafter referred to as the "**Transaction**").

As part of the second tranche of the transaction, the Company proposes to transfer its entire equity shareholding aggregating to 14,38,065 equity shares of ₹ 10 (Rupees Ten Only) (including all legal and beneficial interest therein) held directly by the Company and through its nominee(s) in its SPV 4, to the Purchaser, an infrastructure investment trust settled under the Indian Trusts Act, 1882 and registered with the SEBI with registration IN/InvIT/21-22/0019, and its nominee. As consideration for such transfer, SPV4 will have an enterprise value of ₹ 296.50 Crores (translating to an approximate equity value of ₹ 126 Crore as on the valuation date) subject to any adjustments as specified in the SPA.

Section 180(1)(a) of the Companies Act, 2013 ("Act") and Regulation 37A of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 ("Listing Regulations") requires that the board of directors of a company/listed entity shall obtain the prior approval of the shareholders by a special resolution to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.

Regulations 24(5) and (6) of the Listing Regulations mandate that a listed company shall not dispose of shares in its material subsidiary resulting in the reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty per cent or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting and also selling, disposing and leasing of assets amounting to more than twenty per cent of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution.

Accordingly, Shareholders' approval is being sought to enable the Company to sell and transfer its entire investment in the equity shares of SPV 4 to the Purchaser as part of the second tranche of the transaction.

The Company intends to sell, convey, transfer, assign, deliver the whole, or substantially the whole, of its shareholding in SPV 4 as may be permitted under the Listing Regulations and Concessioning Authorities' ("National Highways Authority of India" or "NHAI") guidelines from time to time, to the Purchaser, so as to enable generation of funds commensurate with valuation of its holdings in the SPV 4. The Proposed Transaction will free up capital by divesting a stake in operational assets and help recycle this capital to deleverage balance sheets for creating new assets.

In light of these provisions and regulations, it is proposed that the shareholders of the Company approve the transfer of the Company's entire shareholding constituting 100% (one hundred per cent) of equity share capital in SPV 4. This consent and approval will help the company comply with the provisions of the Act, the Listing Regulations and ensure the continued transparency and accountability of the Company to its shareholders.

The Special Resolution at Item No.8 of the Notice is being recommended by the Board of Directors for approval of the members as a Special Resolution pursuant to Section 180 (1) (a) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

By order of the Board,
For **H. G. Infra Engineering Limited**

Ankita Mehra
Company Secretary & Compliance Officer
Membership No - A33288

Place: Jaipur
Date: July 24, 2024

Registered Office:
14, Panchwati Colony, Ratanada,
Jodhpur, Rajasthan - 342001
CIN; L45201RJ2003PLC01849
Tel.: +91 0291 2515327
E-mail:cs@hginfra.com
Website:www.hginfra.com

DETAILS OF DIRECTOR RETIRING BY ROTATION AT THE ANNUAL GENERAL MEETING

Pursuant to Regulation 36 (3) of the Listing Regulation and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (ICSI)

Item No. 03

Name of Director(s)	Mr. Dinesh Kumar Goyal
DIN	02576453
Age (Years)	70
Qualifications	Ph.D. and M.S.C
Experience (including expertise in specific functional area)/ brief Resume	He is a retired IAS officer, last serving as Additional Chief Secretary to Govt. of Rajasthan in 2013. He has 40 years of experience at top level in Finance, Energy, Public Works, Roads & Highway, Mines, Industries, Urban Development, and Labour. After retirement from IAS, he has been Adviser to Solar Energy Corp. of India, Senior Consultant for the World Bank funded Road Sector Project, and Advisor to Hindustan Zinc Ltd. He has been on the Board of the Company with effect from May 23, 2018 and currently designated as a Whole-time Director on the Board for a term of five years with effect from June 24, 2020. He is a Ph.D. from Birla Institute of Tech. & Science, Pilani, M.Sc. from London School of Economics, M.Sc. (I) from IIT Delhi and an Eisenhower Fellow.
Expertise in specific functional areas	Vast experience in all functional of the Company.
Date of First Appointment on the Board	May 23, 2018
Shareholding in the Company as on March 31, 2024	1055 Equity Shares of face value of ₹ 10 each
Terms and Conditions of Appointment/ Re-Appointment	Executive Director designated as Whole-time Director, liable to retire by rotation.
Details of Remuneration last drawn (FY 2023-24)	4.89 million
Details of proposed remuneration	5.30 million per annum
Relationship with other Director/ Key Managerial Personnel	No relation with other directors of the company
Number of meetings of the Board attended during the financial year 2023-24	6 of 6
Chairperson/ Members of the Statutory Committee (s) of Board of Directors of the Company as on date	• Member of the Corporate Social Responsibility Committee • Member of the Business Strategy and Review Committee
Directorship of other Board as on March 31, 2024 excluding Directorship in Private and Section 8 Companies. [along with listed entities from which the person has resigned in the past three years];	Nil
Chairperson/ Members of the Statutory Committee (s) of Board of Directors of other companies as on March 31, 2024 excluding Directorship in Private and Section 8 Companies [along with listed entities from which the person has resigned in the past three years];	Nil

Notes

Notes

H.G. Infra Engineering Limited
CIN : L45201RJ2003PLC018049

Registered Office:
14, Panchwati Colony,
Ratanada, Jodhpur-342001(Raj.)
Call Number: 0291-2515327

Corporate Office:
III Floor, Sheel Mohar Plaza,
A-1, Tilak Marg,
C-Scheme, Jaipur- 302001(Raj.)

Call Number: 0141-4106040
Email: cs@hginfra.com
Website: https://hginfra.com/