



HCC/SEC/BM-INT/2025

May 08, 2025

<b>BSE Limited</b> The Corporate Relationship Dept, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code : 500185	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051. Symbol : HCC
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Dear Sir / Madam,

**Sub : Monitoring Agency Report for the quarter ended March 31, 2025**

In compliance with Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 82(4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, we are enclosing the Monitoring Agency Report for the quarter ended March 31, 2025, in relation to the QIP Issue of Equity Shares of the Company, issued by Care Ratings Limited as per Monitoring Agency Agreement dated December 11, 2024, duly reviewed and taken on record by the Audit Committee in its Meetings held on May 08, 2025.

We request you to kindly take the above on record.

Yours sincerely,  
for **Hindustan Construction Company Ltd.**

**Nitesh Kumar Jha**  
**Company Secretary**

Encl.: As above

**Hindustan Construction Co Ltd**

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

[www.hccindia.com](http://www.hccindia.com)

**No. CARE/HRO/GEN/2025-2026/1002**

**The Board of Directors**  
**Hindustan Construction Company Limited**  
Hincon House, LBS Marg, 247 Park,  
Vikhroli West  
Mumbai  
Maharashtra 400083

May 08, 2025

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended March 31, 2025 - in relation to the QIP issue of Hindustan Construction Company Limited ("the Company")**

We write in our capacity of Monitoring Agency for the QIP Issue for the amount aggregating to Rs.600 crore of the Company and refer to our duties cast under 173A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended March 31, 2025 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated December 11, 2024.

Request you to kindly take the same on records.

Thanking you,  
Yours faithfully,

*Tej Kiran*

**Tej Kiran Ghattamaneni**

Assistant Director  
tej.kiran@careedge.in

CARE Ratings Limited

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CIN-L67190MH1993PLC071691

## Report of the Monitoring Agency

Name of the issuer: Hindustan Construction Company Limited

For quarter ended: March 31, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

### Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



### Signature:

Name and designation of the Authorized Signatory: Tej Kiran Ghattamaneni

Designation of Authorized person/Signing Authority: Assistant Director

CARE Ratings Limited

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**1) Issuer Details:**

Name of the issuer : Hindustan Construction Company Ltd.  
 Name of the promoter : Mr. Ajit Gulabchand  
 Industry/sector to which it belongs : Construction

**2) Issue Details**

Issue Period : December 16, 2024 to December 19, 2024  
 Type of issue (public/rights) : QIP Issue  
 Type of specified securities : Equity  
 IPO Grading, if any : Not applicable  
 Issue size (in crore) : Rs.600 crore

**3) Details of the arrangement made to ensure the monitoring of issue proceeds:**

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered Accountant certificate <sup>1</sup>	The company incurred issue expenses of Rs.33.12 crore till Q4FY25 (against expected Rs.37.14 crore) and utilized Rs.362.81 crore towards repayment of loans of HCC, working capital requirements and GCP, in line with the item of the objects.	
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	Not applicable	
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	Not applicable	
Whether all Government/statutory approvals related to the object(s) have been obtained?	Govt/statutory approvals not required	Not applicable	Not applicable	
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	

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Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Not applicable	Not applicable	
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	Not applicable	

<sup>1</sup>Chartered Accountant certificate from M/s. S Ramanand Aiyar & Co. Chartered Accountants (Member of Peer Review Board) dated April 29, 2025.

#Where material deviation may be defined to mean:

a) Deviation in the objects or purposes for which the funds have been raised

b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

#### 4)Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company, Associates and/ or Joint Venture	Chartered Accountant certificate <sup>1</sup>	390.00	Not applicable	Not applicable			
2	Augmenting working capital	Chartered Accountant certificate <sup>1</sup>	150.00	Not applicable	Not applicable			
3	General Corporate Purposes	Chartered Accountant certificate <sup>1</sup>	22.86	Not applicable	Not applicable			
4	Issue Expenses	Chartered Accountant certificate <sup>1</sup>	37.14	Not applicable	Not applicable			
<b>Total</b>			<b>600.00</b>	-				

<sup>1</sup>Chartered Accountant certificate from M/s. S Ramanand Aiyar & Co. Chartered Accountants (Member of Peer Review Board) dated April 29, 2025.

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## (ii) Progress in the objects –

Sr. No	Item Head	Source of information / certification considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company, Associates and/ or Joint Venture	Chartered Accountant certificate <sup>1</sup>	390.00	0.00	190.00	190.00	200.00	During Q4FY25, the company utilized Rs.190.00 crore towards repayment of debt obligations of HCC, in line with objects of the offer.		
2	Augmenting working capital	Chartered Accountant certificate <sup>1</sup>	150.00	2.18	147.82	150.00	0.00	During Q4FY25, the company utilized Rs.147.82 crore towards working capital requirements, in line with objects of the offer. The utilization of funds towards working capital is primarily towards TDS and GST payments		

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Sr. No	Item Head	Source of information / certification s considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
								(Rs.49.36 crore), payment to suppliers (Rs.22.10 crore), sub-contractors (Rs.41.37 crore) and remaining towards project related expenses		
3	General Corporate Purposes	Chartered Accountant certificate <sup>1</sup>	22.86	0.39	22.42	22.81	0.05	During Q4FY25, the company utilized Rs.22.42 crore towards salaries (Rs.13.02 crore) and other office expenses (Rs.9.40 crore), in line with objects of the offer.		
4	Issue Expenses	Chartered Accountant certificate <sup>1</sup>	37.14	23.89	9.23	33.12	4.02	During Q4FY25, the company utilized Rs.9.23 crore towards issue expenses, in		

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Sr. No	Item Head	Source of information / certification s considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
								line with objects of the offer.		
<b>Total</b>			<b>600.00</b>	<b>26.46</b>	<b>369.47</b>	<b>395.93</b>	<b>204.07</b>			

<sup>1</sup>Chartered Accountant certificate from M/s. S Ramanand Aiyar & Co. Chartered Accountants (Member of Peer Review Board) dated April 29, 2025.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1.	Fixed deposit with ICICI Bank*	Rs.50.00 crore	Jun 06, 2025	-	6.75%	Rs.50.64 crore
2.	Fixed deposit with ICICI Bank*	Rs.50.00 crore	Jun 06, 2025	-	6.75%	Rs.50.64 crore
3.	Fixed deposit with ICICI Bank*	Rs.50.00 crore	Jun 06, 2025	-	6.75%	Rs.50.64 crore
4.	Fixed deposit with ICICI Bank*	Rs.50.00 crore	Jun 06, 2025	-	6.75%	Rs.50.64 crore
13.	Escrow account with ICICI Bank	Rs.4.06 crore	-	-	-	Rs.4.06 crore
14.	Monitoring account with ICICI Bank	Rs.0.01 crore	-	-	-	Rs.0.01 crore
	<b>Total</b>	<b>Rs.204.07 crore</b>	-	-	-	<b>Rs.206.63 crore</b>

\*The surplus funds along with realized interest were reinvested in FDs resulting in higher outstanding balance in fixed deposits as on Mar. 31, 2025.

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company, Associates and/ or Joint Venture	By FY25	Ongoing	Delay (Exact number of days of delay not ascertainable)		

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Objects	Completion Date			Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document		Actual		Reason of delay	Proposed course of action
Augmenting working capital		<b>FY25</b>	<b>FY26</b>	Entire amount of Rs.150 crore has been spent during FY25.	-	
	<b>Rs. crore</b>	140	10			
General corporate purposes (GCP)	By FY25			Ongoing	Delay (Exact number of days of delay not ascertainable)	

As per the terms of offer document, "If the Net Proceeds are not utilized (in full or in part) for the Objects for the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by the Company, in accordance with applicable laws. Further, the Company may also utilise any portion of or the entire Net Proceeds, towards the aforementioned Objects, ahead of the estimated schedule of deployment specified above."

#### 5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head <sup>^</sup>	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Funding growth opportunities, meeting ongoing general corporate exigencies and contingencies, expenses of our Company, and/or any other general purposes, as may be permissible under applicable laws, including provisions of the Companies Act	22.42	Chartered Accountant <sup>1</sup>	The company utilized Rs.22.42 crore during Q4FY25 under the item head. The same is towards meeting salary and other administrative expenses.	
	<b>Total</b>	<b>22.42</b>			

<sup>1</sup>Chartered Accountant certificate from M/s. S Ramanand Aiyar & Co. Chartered Accountants (Member of Peer Review Board) dated April 29, 2025.

#### <sup>^</sup> Section from the offer document related to GCP:

"Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ 22.86 crore, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with applicable laws. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, funding growth opportunities, meeting ongoing general corporate exigencies and contingencies, expenses of our Company, and/or any other general purposes, as may be permissible under applicable laws, including provisions of the Companies Act."

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**Disclaimers to MA report:**

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

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