# Independent Auditor's Report

**To the Members of Tata Projects Limited**

**Report on the Audit of the Consolidated Financial Statements**

## Opinion

1. We have audited the accompanying consolidated financial statements of Tata Projects Limited (hereinafter referred to as the "Holding Company ") and subsidiaries (Holding Company, its jointly controlled operations and its subsidiaries together referred to as "the Group") (refer Note 2.1 to the consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, and consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

## Basis for Opinion

3. We conducted our audit 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 Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India 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 is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matters

4. We draw your attention to the following matters:

   a) Note 39.28 to the consolidated financial statements, regarding an investigation by a law enforcement agency and Court proceedings in relation to certain projects where the Holding Company is one of the EPC contractors. The Holding Company has been named as a party in the Supplementary Final Report of the law enforcement agency, as per Court filing in February 2025. The Holding Company filed for a discharge application in July 2025 against the aforesaid Supplementary Final Report, which has subsequently been dismissed. The Holding Company, in consultation with its legal experts, is in the process of assessing its next steps, and at this stage, does not expect any significant impact on its consolidated financial statements.

   b) Note 39.29 to the consolidated financial statements, regarding certain projects of the Holding Company being executed in a country in West Africa. In respect of one of the projects, with a net asset exposure of ₹ 4,468.76 lakhs as at March 31, 2026, it is currently on hold due to the evolving security situation in that country. Additionally, the customer had initiated encashment instructions in November 2025 for the Bank Guarantees issued on that project which, however, has been stayed by the relevant jurisdictional Courts. The recovery of the said exposure is dependent upon the evolving security situation in that country and ongoing discussions with the World Bank.

   Our conclusion is not modified in respect of these matters.

## Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Estimation of construction contract revenue and related costs**<br>(Refer Notes 2.3 and 30 to the consolidated financial statements).<br>The Holding Company enters into engineering, procurement and construction contracts, which are complex in nature and generally extend over a period of 2 to 5 years. The contract prices are usually fixed, but they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognised when its recovery is assessed to be highly probable and there will not be a significant reversal of recognised revenue when the related uncertainties are resolved. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls around estimation of construction contract costs and contract price including the reviews and approvals thereof and controls around assessing the recoverability of contract assets (including unbilled revenue) relating to claims/variations;<br>• Assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers".<br>• For selected sample of contracts, performed the following procedures;<br>a) Obtained and examined project related source documents such as contract agreements, customer communications and price or scope variation orders. |
| Based on contractual tenability of the claims/variations, status of the discussions/negotiations with the customers, the management's expert assessment and legal opinion, wherever considered necessary, management periodically assesses the recoverability of the claims/variations. Recognition of variable consideration involves significant management judgement considering the complexities, uncertainties and the substantial period of time to ultimately conclude some of the matters.<br>Estimated costs are determined based on the work to be performed that includes certain cost contingencies and cost savings which take into account specific circumstances of each contract. At each reporting period, Management reassesses the total construction cost to determine the appropriate percentage of completion.<br>Contract revenue is measured based on the proportion of contract costs incurred for work performed until the balance sheet date, relative to the estimated total contract costs. The recognition of revenue and profit/loss, therefore, depends on estimates in relation to the total estimated costs and estimated contract price of each contract.<br>Therefore, we considered these estimates of revenue recognition and related costs recorded as a key audit matter given the complexities involved and significance of the amounts to the consolidated financial statements. | b) Evaluated management's assessment of variable consideration (including variations/claims net of assessed value of liquidated damages, if any) by reviewing the contractual terms and expert's assessment, wherever considered necessary.<br>c) Evaluated the management's assessment of recoverability of contract assets (including unbilled revenue) relating to claims/variations by reference to contractual terms, management expert's assessment and legal advice. Also, assessed the independence, objectivity, capability and competence of the management's expert.<br>d) Evaluated, with the assistance of auditor's expert, contract assets relating to claims/variations to assess the recoverability of contract assets.<br>e) Assessed the basis for determining the total costs including changes made over period of time by reference to supporting documents and estimates made in relation to cost-to-complete the projects.<br>f) Obtained the percentage of completion calculations, agreed key contractual terms with customer contracts/communications, tested the calculation of percentage of completion under Input method adopted by the Management including the testing of costs incurred and recorded against the contracts.<br>g) Evaluated the reasonableness of key assumptions included in estimated total contract costs (comprising of committed budgeted costs and additional forecasted costs associated to price, variation, prolongation, etc.).<br>- For a selected sample of contracts, obtained the breakdown of estimated total contract costs and tested elements of the committed cost by obtaining executed purchase orders/ agreements, external cost references/customer confirmations/ documentary evidence on estimated total contract costs relating to variable consideration in claims.<br>- Evaluated reasonableness of management's judgements and assumptions by using past trends and comparing the movement in estimated total contract costs from previous periods.<br>h) Tested related financial/contract assets and liability balances based on the status of specific contracts, considering the billing to customers, revenue recognised and advances received from customers, if any, on the reporting date. |

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| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Assessment of litigations and related disclosure under contingent liabilities**<br>(Refer Notes 2.9, 39.01 and 39.02 to the consolidated financial statements).<br>As at March 31, 2026, the Holding Company has exposure towards litigations relating to various matters including direct tax, indirect tax and claims from vendors/customers as set out in the aforementioned notes.<br>The Holding Company's tax/legal team performs an assessment of such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. These assessments are also supported with external legal advice in certain cases as considered appropriate.<br>As the ultimate outcome of the matters are uncertain and the positions taken are based on the application of the best judgment of Management, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a key audit matter. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls in relation to assessment of litigations including those relating to the direct tax, indirect tax and claims from vendors/customers as set out in the aforementioned notes.<br>• Inquired with Holding Company's tax/legal team, the recent developments and the status of the material litigations, which were also reviewed and noted by the Audit Committee periodically.<br>• Circularised and obtained confirmation letters directly from the Holding Company's external legal counsel, wherever considered necessary, to corroborate the merits and current status of the litigation matters obtained from the Management. We assessed the independence, objectivity and competence of the Holding Company's external legal counsel.<br>• Verified recent orders and/or communication received and submissions/responses made by the Holding Company in relation to the litigations to understand and evaluated the grounds of such matters.<br>• Verified the legal charges and payments made to external consultants, verified the minutes of the meetings of the Board of Directors and Audit Committee, and inquiries with the Holding Company's legal counsel to confirm completeness of the litigations.<br>• Evaluated the Holding Company's tax/legal team's assessment by reference to precedents set in similar cases, reliability of the past estimates and involved auditor's experts wherever considered necessary.<br>• Assessed the adequacy of the Holding Company's disclosures and evaluated the Holding Company's tax/legal team's assessment around those matters that are not disclosed as contingent liability. |
| **Estimation of contract revenue and related costs – Artson Limited ('subsidiary company')**<br>(Refer Notes 2.3, 30 and 39.12 to the consolidated financial statements)<br>Contract revenue recognised in one of the subsidiary company (Artson Limited) for the year ended March 31, 2026 amounts to ₹ 10,365.64 lakhs.<br>The subsidiary company executes long-term project contracts that usually spread over a period of 1 to 2 years.<br>The contract prices are usually fixed, but they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognised as contract asset (which includes unbilled revenue) when its recovery is assessed to be highly probable and there will not be a significant reversal of recognised revenue when the related uncertainties are resolved.<br>Based on contractual tenability of the claims/variations, status of the discussions/negotiations with the customers, management expert's assessment wherever considered necessary, management periodically assesses the recoverability of the claims/variations. Recognition of variable consideration involves significant management judgement considering the complexities, uncertainties and substantial period of time to ultimately conclude these matters. | Our audit procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls around estimation of contract costs and contract revenue and controls around assessing the recoverability of contract assets relating to claims/variations.<br>• Assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115, "Revenue from Contracts with Customers".<br>• Inspected minutes of project review meetings with appropriate participation of key management in relation to estimates and status of the project.<br>• For selected sample of contracts, performed the following procedures:<br>(a) Obtained and examined project related documents such as contracts, customer communications and price/scope variation orders, if any.<br>(b) Evaluated the assessment of variable consideration by management by reviewing the contractual terms and the expert's assessment, wherever considered necessary.<br>(c) Evaluated the management's assessment of recoverability of contract assets relating to claims/variations by reference to contractual terms and the expert's assessment.<br>(d) With the assistance of the auditor's expert, assessed the recoverability of contract assets related to claims/variations.<br>(e) Obtained the percentage of completion calculations, agreed key contractual terms with customer contracts/communication, tested the mathematical accuracy of the cost to complete calculations and re-performed the calculation of revenue recognised during the year based on the percentage of completion. |
| Contract revenue is measured based on the proportion of contract costs incurred for work performed until the balance sheet date, relative to the estimated total contract costs. The recognition of revenue, therefore, is based on estimates in relation to total estimated costs and contract price of each contract.<br>This method requires the subsidiary company to perform an initial assessment of total estimated cost, which includes cost contingencies, and to further reassess the total cost at each reporting period to determine the appropriate percentage of completion.<br>We identified this matter as a key audit matter given the complexities and significant management judgement involved in making forecasts of future costs which has a bearing on revenue recognition. | (f) Evaluated the budgeted project/contract costs prepared by management, changes between planned and actual costs, and the estimated costs to complete.<br>(g) Verified relevant supporting documents and performed cut off procedures for contract related costs incurred.<br>(h) Assessed the basis for determining the total costs including changes made over period by reference to supporting documents and estimates made in relation to cost-to-complete the projects.<br>(i) Tested the calculation of percentage of completion under input method adopted by the subsidiary company including the testing of costs incurred and recorded against the relevant contracts.<br>(j) Evaluated the reasonableness of key assumptions included in the estimated total contract related costs by:<br>- Obtained the breakdown of estimated total contract costs and tested elements of the committed cost by obtaining executed purchase orders, agreements, customer confirmations/ documents, evidence relating to variable consideration/claims.<br>- Evaluated reasonableness of Management's judgements and assumptions by using past experience and comparing the change in estimated total contract costs as at year end with the previous periods.<br>(k) Tested related financial assets and liability balances based on the status of specific contracts, considering the billing to customers, revenue recognised and advances received from customers, if any, on the reporting date.<br>(l) Assessed the adequacy of presentation and related disclosures in the consolidated financial statements. |

## Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report and Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon. The Management Discussion and Analysis, Board's report and Corporate Governance Report are expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Management Discussion and Analysis, Board's report and Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is 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 and consolidated cash flows, and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the

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provisions of the Act for safeguarding the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective companies or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the respective companies.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. 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 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.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 consolidated financial statements in place and the operating effectiveness of such controls. Refer paragraphs 15 and 16.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 ability of the Group 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 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 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.

12. 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.

13. 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.

14. 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

15. The financial statements of two jointly controlled operations reflect total assets of ₹ 18,496.65 lakhs and net assets of ₹ 5,435.20 lakhs as at March 31, 2026, total revenue of ₹ 10,898.12 lakhs, total comprehensive income of ₹ 2,495.30 lakhs and net cash flows amounting to ₹ 2,100.76 lakhs for the year ended on that date, have been considered in the standalone financial statements of the Holding Company. The financial statements of these jointly controlled operations have been audited by other auditors whose reports have been furnished to us by the Holding Company's management, and our opinion on the consolidated financial statements insofar 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 including report on Other Information insofar as it relates to the aforesaid jointly controlled operations, is based on the reports of the other auditors and the procedures performed by us. These reports do not include the report on internal financial controls with reference to financial statements under section 143(3)(i) and statement on the matter specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") as reporting on internal financial control with reference to financial statements and reporting under section 143(11) are not applicable to these jointly controlled operations. (Refer Note 39.10 to the consolidated financial statements.)

16. The financial statements include financial statements of twenty-six jointly controlled operations whose financial statements reflect total assets of ₹ 231,304.43 lakhs and net assets of ₹ (23,650.45) lakhs as at March 31, 2026, total revenue of ₹ 139,535.77 lakhs, total comprehensive income of ₹ (6,918.59) lakhs and net cash flows amounting to ₹ (16,037.08) lakhs for the year ended on that date, as considered in the standalone financial statements of the Holding Company, were audited by us, on which reporting under Section 143(3)(i) on internal financial controls with reference to financial statements and under section 143(11) on the Companies (Auditor's Report) Order, 2020 is not applicable. Refer Note 39.10 to the consolidated financial statements.

17. We did not audit the financial statements of one subsidiary located outside India whose financial statements reflect total assets of ₹ 19.63 lakhs and net assets of ₹ (136.42) lakhs as at March 31, 2026, total revenue of ₹ 18.25 lakhs, total comprehensive income of ₹ (126.78) lakhs and net cash flows amounting to ₹ 1.17 lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements of this subsidiary are unaudited and have been furnished to us by the management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

18. The financial statements of three subsidiaries located outside India, included in the consolidated financial statements, which constitute total assets of ₹ 4,911.97 lakhs and net assets of ₹ 3,024.75 lakhs as at March 31, 2026, total revenue of ₹ 5,870.99 lakhs, total comprehensive income of ₹ 845.72 lakhs and net cash flows amounting to ₹ 959.20 lakhs for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the

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financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements certified by the management.

## Report on Other Legal and Regulatory Requirements

19. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matters specified in paragraph 3(xxi) of CARO 2020. Refer to the Other Matters paragraphs 15 and 16.

20. As required by Section 143(3) of the Act, 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 by the Group so far as it appears from our examination of those books and the reports of the other auditors, except for the matters stated in paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    Further, in case of the Holding Company and five subsidiary companies incorporated in India, backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.

    However, the reporting under Section 143 (3)(b) with respect to maintenance of proper books of account in jointly controlled operations of the Holding Company (whose financial information has been consolidated in the standalone financial statements) and one subsidiary which is a Limited Liability Partnership is not applicable and hence, the question of our commenting does not arise.

    (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 Flows dealt with by this Report are in agreement with the relevant books of account and records 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, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries incorporated in India whose audit under Section 143 of the Act has been completed, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 20(b) above and paragraph 20(h)(vi) below.

    (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A. Refer to the Other Matters paragraphs 15 and 16.

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

    i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Notes 39.01 and 39.02 to the consolidated financial statements.

    ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2026 – Refer Notes 21 and 26 to the consolidated financial statements in respect of such items as it relates to the Group.

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2026.

    iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in Note 39.25 to the consolidated financial statements, 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, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

    (b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the Note 39.26 to the consolidated financial statements, 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, that the Holding Company or any of such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

    (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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.

    v. The interim dividend declared and paid by two subsidiaries incorporated in India during the year, is in accordance with Section 123 of the Act to the extent it applies to declaration and payment of interim dividend until the date of this audit report.

    The Holding Company and its other subsidiaries incorporated in India, have not declared or paid any dividend during the year.

    vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and five subsidiaries, have used an accounting software for maintaining their books of account which has a feature of recording

audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log of modifications does not contain pre-modified value for the changes made by certain users with specific access and the audit trail is not maintained for direct database changes. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of the audit trail feature being tampered with, or not preserved by the Holding Company and the five subsidiaries as per the statutory requirements for record retention.

In case of the Holding Company and five subsidiaries, the companies have also used secondary accounting software for maintaining its books of account and in the absence of System and Organisation Controls report for the period April 01, 2025 to March 31, 2026, we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there was any instance of the audit trail feature been tampered with, or preserved by the Company as per the statutory requirements for record retention.

Further, the reporting under Rule 11(g) of the Rules with respect to feature of recording audit trail (edit log) facility of the jointly controlled operations of the Company (whose financial information has been consolidated in these consolidated financial statements) and one subsidiary which is a Limited Liability Partnership is not applicable and hence, the question of commenting does not arise.

21. The Group has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Dibyendu Majumder**
**Partner**
Membership Number: 057687
UDIN: 26057687RKQOTH7714

Place: Bengaluru
Date: May 02, 2026





# Annexure A to Independent Auditor's Report

**Referred to in paragraph 20 (g) of the Independent Auditor's Report of even date to the members of Tata Projects Limited on the consolidated financial statements as of and for the year ended March 31, 2026. Also refer Other Matters paragraphs 15 and 16 of our main audit report of even date**

## Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Tata Projects Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

## Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiaries, to whom 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 applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated 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 consolidated 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.

5. 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 system with reference to consolidated financial statements.

Referred to in paragraph 20(g) of the Independent Auditor's Report of even date to the members of Tata Projects Limited on the consolidated financial statements as of and for the year ended March 31, 2026. Also, refer Other Matters paragraphs 15 and 16 of our main audit report of even date

## Meaning of Internal Financial Controls with reference to consolidated financial statements

6. A company's internal financial control with reference to consolidated 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 consolidated 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

## Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

8. In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Dibyendu Majumder**
Partner
Membership Number: 057687
UDIN: 26057687RKQOTH7714

Place: Mumbai
Date: May 02, 2026





# Annexure B to Independent Auditor's Report

**Referred to in paragraph 19 of the Independent Auditor's Report of even date to the members of Tata Projects Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2026. Also refer Other Matters paragraphs 15 and 16 of our main audit report of even date**

We report that the following qualifications or adverse remarks were included in the CARO 2020 report issued by us in respect of the standalone financial statements of the Holding Company and its subsidiaries, which are companies incorporated in India, in their CARO 2020 reports on the financial statements of the respective companies included in the Consolidated Financial Statements:

| S. No. | Name of the Company | CIN | Relationship with the Holding Company | Clause number of the CARO report which contains the qualification or adverse remarks |
|---|---|---|---|---|
| 1. | TCC Construction Private Limited | U45202MH2018PTC314429 | Subsidiary | vii(a) |
| 2. | Artson Limited | L27290MH1978PLC020644 | Subsidiary | vii(a), vii(b), ix(c), xvii |
| 3. | TPL Services Private Limited | U82990MH2023PTC405471 | Subsidiary | xi(c) |
| 4. | TP Luminaire Private Limited | U45309TG2018PTC128877 | Subsidiary | iii(c), iii(e), vii(b), xx |
| 5. | Ujjwal Pune Limited | U45200TG2013PLC088608 | Subsidiary | vii(b), ix(a) |
| 6. | TQ Cert Services Private Limited | U74220TG2003PTC040523 | Subsidiary | vii(a), xi(c) |
| 7. | Tata Projects Limited | U45203MH1979PLC454032 | Holding Company | i(a)(A), ii(b), iii(c), iii(f), vii(a), vii(b), ix(d), xi(a), xi(b), xi(c), xvii |

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Dibyendu Majumder**
Partner
Membership Number: 057687
UDIN: 26057687RKQOTH7714

Place: Bengaluru
Date: May 02, 2026

# Consolidated Balance Sheet

as at March 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated

| | | Note No. | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| (A) | Property, plant and equipment | 4 | 79,650.90 | 76,118.03 |
| (B) | Right-of-use assets | 5(a) | 26,390.57 | 26,788.48 |
| (C) | Capital work-in-progress | 4 | 2,912.05 | 9,591.85 |
| (D) | Goodwill on consolidation | 6 | 389.74 | 389.74 |
| (E) | Intangible assets | 5(b) | 8,044.64 | 11,905.06 |
| (F) | Financial assets | | | |
| | (i) Investments | 7 | - | - |
| | (ii) Other financial assets | 10 | 4,092.50 | 2,522.37 |
| (G) | Contract assets | 11 | 3,782.90 | 5,414.29 |
| (H) | Deferred tax assets (net) | 12 | 1,01,057.66 | 74,706.33 |
| (I) | Non-current tax assets (net) | 13 | 28,442.87 | 23,062.25 |
| (J) | Other non-current assets | 14 | 11,557.81 | 7,579.53 |
| **Total non-current assets** | | | **2,66,321.64** | **2,38,077.93** |
| **Current assets** | | | | |
| (A) | Inventories | 15 | 82,033.06 | 1,07,459.86 |
| (B) | Financial assets | | | |
| | (i) Investments | 8 | - | 1,502.49 |
| | (ii) Trade receivables | 9 | 4,07,855.36 | 3,86,258.90 |
| | (iii) Cash and cash equivalents | 16 | 64,786.31 | 1,17,974.58 |
| | (iv) Bank balances other than (iii) above | 16 | 21,127.61 | 15,658.15 |
| | (v) Other financial assets | 10 | 31,217.75 | 31,185.95 |
| (C) | Contract assets | 11 | 9,28,757.57 | 9,50,509.73 |
| (D) | Other current assets | 14 | 2,38,059.66 | 2,52,172.92 |
| (E) | Assets classified as held for sale | 29 | 38,389.95 | - |
| **Total current assets** | | | **18,12,227.27** | **18,62,722.58** |
| **Total Assets** | | | **20,78,548.91** | **21,00,800.51** |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| (A) | Equity share capital | 17 | 17,463.75 | 17,463.75 |
| (B) | Other equity | 18 | 2,42,042.38 | 3,34,821.43 |
| **Equity attributable to owners of the Parent Company** | | | **2,59,506.13** | **3,52,285.18** |
| Non-controlling interests | | 19 | 2,778.40 | 2,511.58 |
| **Total equity** | | | **2,62,284.53** | **3,54,796.76** |
| **Liabilities** | | | | |
| **Non-current liabilities** | | | | |
| (A) | Financial liabilities | | | |
| | (i) Borrowings | 20 | 2,58,711.66 | 3,29,730.86 |
| | (ii) Lease liabilities | 25 | 4,540.95 | 5,420.38 |
| | (iii) Other financial liabilities | 26 | 2,279.26 | 3,858.92 |
| (B) | Provisions | 21 | 4,568.77 | 5,705.52 |
| (C) | Deferred tax liabilities (net) | 12 | 1,267.55 | 2,933.98 |
| **Total non-current liabilities** | | | **2,71,368.19** | **3,47,649.66** |
| **Current liabilities** | | | | |
| (A) | Financial liabilities | | | |
| | (i) Borrowings | 22 | 4,53,398.59 | 3,20,596.63 |
| | (ii) Trade payables | 23 | | |
| | (a) total outstanding dues of micro and small enterprises | | 1,81,148.52 | 1,04,821.06 |
| | (b) total outstanding dues other than (ii) (a) above | | 4,13,726.42 | 5,28,605.09 |
| | (iii) Trade acceptances | 24 | 1,09,865.29 | 1,34,532.77 |
| | (iv) Lease liabilities | 25 | 25,809.10 | 25,591.06 |
| | (v) Other financial liabilities | 26 | 16,474.19 | 16,067.51 |
| (B) | Contract liabilities | 27 | 2,61,288.35 | 2,04,398.19 |
| (C) | Provisions | 21 | 27,393.11 | 29,962.79 |
| (D) | Current tax liabilities (net) | 13 | 4,061.97 | 1,638.59 |
| (E) | Other current liabilities | 28 | 36,238.53 | 32,140.40 |
| (F) | Liabilities directly associated with assets classified as held for sale | 29 | 15,492.12 | - |
| **Total current liabilities** | | | **15,44,896.19** | **13,98,354.09** |
| **Total liabilities** | | | **18,16,264.38** | **17,46,003.75** |
| **Total Equity and Liabilities** | | | **20,78,548.91** | **21,00,800.51** |

**The above Consolidated Balance Sheet should be read in conjuction with the accompanying notes**

This is the Consolidated Balance Sheet referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Dibyendu Majumder**
**Partner**
Membership Number: 057687
Place: Bengaluru

Date: May 02, 2026

**For and on behalf of the Board of Directors**

**Praveer Sinha**
**Chairman**
DIN: 01785164
Place: Mumbai

**Vinayak Ratnakar Pai**
**Managing Director**
DIN: 03637894
Place: Mumbai

**Subhra Gourisaria**
**Chief Financial Officer**
Place: Mumbai

**Sanjay Dubey**
**Company Secretary**
Place: Mumbai

Date: May 02, 2026

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated

| Particulars | | | Note No. | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|---|---|
| | **Continuing Operations** | | | | |
| **I** | Revenue from operations | | 30 | 16,53,994.68 | 16,93,049.93 |
| **II** | Other income | | 31 | 8,287.29 | 9,345.25 |
| **III** | **Total Income (I + II)** | | | **16,62,281.97** | **17,02,395.18** |
| **IV** | **Expenses** | | | | |
| | (a) | Contract execution expenses | 32 | 14,12,673.97 | 14,32,596.81 |
| | (b) | Changes in inventories of finished goods and work-in-progress | 33 | 1,407.05 | (597.21) |
| | (c) | Employee benefits expense | 34 | 1,36,055.35 | 1,40,998.00 |
| | (d) | Finance costs | 35 | 87,013.77 | 80,258.27 |
| | (e) | Depreciation and amortisation expense | 36 | 28,661.09 | 28,159.11 |
| | (f) | Other expenses | 37 | 1,04,995.89 | 1,11,638.18 |
| | **Total expenses (IV)** | | | **17,70,807.12** | **17,93,053.16** |
| **V** | Share of net profit/(loss) of associates and joint ventures accounted for using the equity method | | | - | - |
| **VI** | **Loss before exceptional items and tax (III - IV+V)** | | | **(1,08,525.15)** | **(90,657.98)** |
| **VII** | **Exceptional Items** | | | | |
| | Impact of new labour codes (Refer note 39.09) | | | 4,330.87 | - |
| | | | | **4,330.87** | **-** |
| **VIII** | **Loss before tax from continuing operations (VI-VII)** | | | **(1,12,856.02)** | **(90,657.98)** |
| **IX** | **Tax expense:** | | | | |
| | (a) | Current tax expense | | 10,544.14 | 8,402.77 |
| | (b) | Tax - earlier years | 38 | (555.95) | 1,010.24 |
| | (c) | Deferred tax credit | | (28,878.59) | (27,430.19) |
| | **Total tax expense (IX)** | | | **(18,890.40)** | **(18,017.18)** |
| **XII** | **Profit/(loss) from discontinued operations after tax (X - XI)** | | | | - |
| **X** | **Loss from continuing operations for the year (VIII-IX)** | | | **(93,965.62)** | **(72,640.80)** |
| **XI** | **Discontinued operations** | | | | |
| | (a) | Profit from discontinued operations before tax | | 5,626.43 | 3,987.16 |
| | (b) | Tax expense of discontinued operations | | 753.95 | 1,003.28 |
| | **Profit from discontinued operations for the year (a-b)** | | | **4,872.48** | **2,983.88** |
| **XII** | **Loss for the year (X+XI)** | | | **(89,093.14)** | **(69,656.92)** |
| **XIII** | **Other comprehensive income** | | | | |
| | A (i) | Items that will not be reclassified to profit and loss | | | |
| | | (a) Re-measurements of the defined benefit plans | | 751.05 | (1,960.61) |
| | | (b) Income tax relating to these items | | (198.53) | 443.65 |
| | | | | **552.52** | **(1,516.96)** |
| | B (i) | Items that may be reclassified to profit and loss | | | |
| | | (a) Exchange differences in translating the financial statements of foreign operations | | 328.38 | 48.10 |
| | **Total other comprehensive income for the year, net of tax [(A(i) + B(i))] (XIII)** | | | **880.90** | **(1,468.86)** |
| **XIV** | **Total comprehensive income for the year (XII+XIII)** | | | **(88,212.24)** | **(71,125.78)** |
| | Profit/(loss) for the year attributable to: | | | | |
| | - | Owners of the Parent Company | | (89,319.97) | (71,692.39) |
| | - | Non-controlling interests | | 226.83 | 2,035.47 |
| | | | | (89,093.14) | (69,656.92) |
| | Profit/(loss) attributable to Owners of Parent Company | | | | |
| | - | Continuing Operations | | (94,213.60) | (74,708.39) |
| | - | Discontinued Operations | | 4,893.63 | 3,016.00 |
| | | | | (89,319.97) | (71,692.39) |
| | Other comprehensive income for the year attributable to: | | | | |
| | - | Owners of the Parent Company | | 840.92 | (1,476.05) |
| | - | Non-controlling interests | | 39.98 | 7.19 |
| | | | | 880.90 | (1,468.86) |
| | Total comprehensive income for the year attributable to: | | | | |
| | - | Owners of the Parent Company | | (88,479.05) | (73,168.44) |
| | - | Non-controlling interests | | 266.81 | 2,042.66 |
| | | | | (88,212.24) | (71,125.78) |
| | Total comprehensive income to Owners of Parent Company | | | | |
| | - | Continuing Operations | | (93,567.96) | (76,201.69) |
| | - | Discontinued Operations | | 5,088.91 | 3,033.25 |
| | | | | (88,479.05) | (73,168.44) |
| | **Earnings per equity share** | | | | |
| | **Continuing operations** | | | | |
| | Basic (₹) | | | (26.97) | (29.01) |
| | Diluted (₹) | | | (26.97) | (29.01) |
| | **Discontinued operations** | | | | |
| | Basic (₹) | | | 1.40 | 1.17 |
| | Diluted (₹) | | | 1.40 | 1.17 |
| | **Total Earnings per equity share (for continuing and discontinued operations)** | | | | |
| | Basic (₹) | | | (25.57) | (27.84) |
| | Diluted (₹) | | | (25.57) | (27.84) |

**The above Consolidated Statement of Profit and Loss should be read in conjuction with the accompanying notes**

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Dibyendu Majumder**
**Partner**
Membership Number: 057687
Place: Bengaluru

Date: May 02, 2026

**For and on behalf of the Board of Directors**

**Praveer Sinha**
**Chairman**
DIN: 01785164
Place: Mumbai

**Vinayak Ratnakar Pai**
**Managing Director**
DIN: 03637894
Place: Mumbai

**Subhra Gourisaria**
**Chief Financial Officer**
Place: Mumbai

**Sanjay Dubey**
**Company Secretary**
Place: Mumbai

Date: May 02, 2026

# Consolidated Statement of Cash Flows

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Loss before tax from continuing operations | (1,12,856.02) | (90,657.98) |
| Profit before tax from discontinued operations | 5,626.43 | 3,987.16 |
| **Net Loss before tax for the year** | **(1,07,229.59)** | **(86,670.82)** |
| Adjustments for: | | |
| Finance costs recognised in the statement of profit and loss | 87,088.92 | 80,310.06 |
| Interest income recognised in the statement of profit and loss | (3,111.19) | (3,278.46) |
| Interest on arbitral awards (net of reversals) | 1,595.37 | - |
| Interest income from statutory authorities | (366.71) | (913.64) |
| Net gain on disposal of property, plant and equipment | (404.88) | (550.93) |
| Net gain recognised on modification of leases | - | (498.30) |
| Reversal of impairment provision on Investments (net of sale consideration) | (600.01) | - |
| Net gain on sale of investments in mutual funds | (54.50) | - |
| Depreciation and amortisation expense | 28,880.05 | 28,335.34 |
| Provision/(reversal) for future foreseeable losses on contracts | (6,095.67) | 1,152.51 |
| Advances written off | 517.14 | 661.91 |
| Balances with government authorities written off | 970.45 | 2,673.94 |
| Bad debts | 121.58 | 252.15 |
| Allowance for expected credit losses (net of reversals) | 20,569.88 | 24,644.47 |
| Provision for doubtful advances and deposits (net of reversals) | 6,666.32 | 5,135.33 |
| Liabilities no longer required written back | (5,884.78) | (207.16) |
| Effect of adjustments on discounting of financial assets | 75.56 | 245.57 |
| Net foreign exchange gain-unrealised | (1,658.45) | (845.26) |
| Transfer of the remaining equity portion of compound financial instruments to retained earnings upon the repayment | - | 3,792.69 |
| | **21,079.49** | **54,239.40** |
| **Movements in working capital** | | |
| Increase in Trade receivables | (54,065.49) | (29,116.11) |
| Decrease/(Increase) in contract assets | 14,132.44 | (59,772.61) |
| Decrease/(Increase) in inventories | 25,426.80 | (32,159.63) |
| Increase in other assets | (289.19) | (43,349.55) |
| (Decrease)/Increase in trade payables | (24,701.64) | 71,469.25 |
| Decrease in trade acceptances | (24,511.43) | (15,592.30) |
| Increase/(Decrease) in contract liabilities | 57,292.87 | (38,038.04) |
| Increase in other liabilities | 12,177.33 | 5,255.06 |
| **Cash generated from/(used in) operations** | **26,541.18** | **(87,064.53)** |
| Income taxes paid | (16,053.20) | (7,896.59) |
| **Net cash generated from/(used in) operating activities** | **10,487.98** | **(94,961.12)** |
| **Cash flows from investing activities** | | |
| Interest received | 3,209.14 | 3,070.27 |
| Payments towards purchase of property, plant and equipment | (20,864.78) | (16,128.91) |
| Proceeds from disposal of property, plant and equipment | 3,369.23 | 2,523.11 |
| Proceeds from sale of investments | 600.01 | - |
| Increase in other bank balances | (8,153.85) | (11,039.33) |
| Investments made in mutual funds | (34,004.82) | (1,502.49) |
| Proceeds from sale of investment in mutual funds | 35,561.81 | - |
| **Net cash used in investing activities** | **(20,283.26)** | **(23,077.35)** |



Consolidated Statement of Cash Flows
for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Cash flows from financing activities** | | |
| Proceeds from issue of equity shares under rights issue, partly paid up | - | 1,50,000.00 |
| Proceeds from current borrowings | 18,06,344.22 | 16,03,116.80 |
| Repayments of current borrowings | (17,73,715.17) | (15,84,086.60) |
| Proceeds from non-current borrowings | 75,000.00 | 2,00,000.00 |
| Repayments of non-current borrowings | (52,193.57) | (1,04,453.49) |
| Payment of lease liabilities | (12,492.40) | (13,202.81) |
| Finance cost paid | (85,261.17) | (76,336.00) |
| **Net cash (used in)/generated from financing activities** | **(42,318.09)** | **1,75,037.90** |
| **Net (decrease)/increase in cash and cash equivalents** | **(52,113.37)** | **56,999.43** |
| **Cash and cash equivalents at the beginning of the year (refer note no. 16)** | **1,17,974.58** | **61,035.04** |
| Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies | 471.25 | (59.89) |
| **Cash and cash equivalents at the end of the year (refer note no. 16)** | **66,332.46** | **1,17,974.58** |

| Reconciliation of cash and cash equivalents as per statement of cash flows | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Cash and cash equivalents as per balance sheet (refer note no. 16)*** | **64,786.31** | **1,17,974.58** |
| Add: Cash and cash equivalents from discontinued operations (Refer note no. 29) | 4,529.48 | - |
| Less: Bank overdrafts (included in the current borrowings)* | (2,983.33) | - |
| **Cash and cash equivalents as per statement of cash flows** | **66,332.46** | **1,17,974.58** |

*Also refer note no 22.9 under Current Borrowings

The above Consolidated Statement of cash flows should be read in conjuction with the accompanying notes

This is the Consolidated Statement of Cash Flows referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Dibyendu Majumder**
**Partner**
Membership Number: 057687
Place: Bengaluru

Date: May 02, 2026

**For and on behalf of the Board of Directors**

**Praveer Sinha**
**Chairman**
DIN: 01785164
Place: Mumbai

**Vinayak Ratnakar Pai**
**Managing Director**
DIN: 03637894
Place: Mumbai

**Subhra Gourisaria**
**Chief Financial Officer**
Place: Mumbai

**Sanjay Dubey**
**Company Secretary**
Place: Mumbai

Date: May 02, 2026

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated

## A. Equity share capital

### (1) Balance as at March 31, 2026

| Balance as at April 01,2025 | Changes in equity share capital during the current year | Balance as at March 31, 2026 |
|---|---|---|
| 17,463.75 | - | 17,463.75 |

### (2) Balance as at March 31, 2025

| Balance as at April 01, 2024 | Changes in equity share capital during the previous year | Balance as at March 31, 2025 |
|---|---|---|
| 12,865.34 | 4,598.41 | 17,463.75 |

## B. Other equity

### Balance as at March 31, 2026

| Particulars | Reserves and Surplus | | | | | Equity component of compound financial instruments | Other reserves - Foreign exchange translation reserve | Non-Controlling Interest | Total |
|---|---|---|---|---|---|---|---|---|---|
| | Securities Premium | General reserve | Retained earnings | Legal reserve | Debenture redemption reserve | | | | |
| **Balance as at April 01, 2025** | **4,09,534.41** | **29,042.70** | **(1,33,249.61)** | **161.64** | **21,000.00** | **7,966.08** | **366.21** | **2,511.58** | **3,37,333.01** |
| Loss for the year | - | - | (89,319.97) | - | - | - | - | 226.83 | (89,093.14) |
| Other comprehensive income | - | - | 552.01 | - | - | - | 288.91 | 39.98 | 880.90 |
| Payment of interest on subordinated non-convertible debentures | - | - | (4,300.00) | - | - | - | - | - | (4,300.00) |
| **Total comprehensive income for the year** | **-** | **-** | **(93,067.96)** | **-** | **-** | **-** | **288.91** | **266.82** | **(92,512.24)** |
| **Balance as at March 31, 2026** | **4,09,534.41** | **29,042.70** | **(2,26,317.57)** | **161.64** | **21,000.00** | **7,966.08** | **655.12** | **2,778.40** | **2,44,820.78** |


# Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated


### Balance as at March 31, 2025

| Particulars | Reserves and Surplus | | | | | Equity component of compound financial instruments | Other reserves - Foreign exchange translation reserve | Non-Controlling Interest | Total |
|---|---|---|---|---|---|---|---|---|---|
| | Securities Premium | General reserve | Retained earnings | Legal reserve | Debenture redemption reserve | | | | |
| **Balance as at April 01, 2024** | **2,64,132.82** | **29,042.70** | **(61,672.86)** | **161.64** | **21,000.00** | **19,323.38** | **327.73** | **468.93** | **2,72,784.34** |
| Loss for the year | - | - | (71,692.39) | - | - | - | - | 2,035.46 | (69,656.93) |
| Other comprehensive income | - | - | (1,514.55) | - | - | - | 38.48 | 7.19 | (1,468.88) |
| **Total comprehensive income for the year** | **-** | **-** | **(73,206.94)** | **-** | **-** | **-** | **38.48** | **2,042.65** | **(71,125.81)** |
| Payment of interest on subordinated non-convertible debentures | - | - | (2,162.50) | - | - | - | - | - | (2,162.50) |
| Equity portion of compound financial instruments issued during the year | - | - | - | - | - | 7,590.50 | - | - | 7,590.50 |
| Deferred tax liability on equity portion of compound financial instruments issued during the year | - | - | - | - | - | (1,910.38) | - | - | (1,910.38) |
| Transfer of Equity portion of compound financial instruments to retained earnings on repayment during the year | - | - | 3,792.69 | - | - | (3,792.69) | - | - | - |
| Premium received on issue of equity shares under rights issue during the year | 1,45,401.59 | - | - | - | - | - | - | - | 1,45,401.59 |
| Reversal of equity portion of compound financial instruments on account of early redemption during the year | - | - | - | - | - | (18,974.87) | - | - | (18,974.87) |
| Reversal of deferred tax liability on equity component of compound financial instruments which were repaid during the year | - | - | - | - | - | 5,730.14 | - | - | 5,730.14 |
| **Balance as at March 31, 2025** | **4,09,534.41** | **29,042.70** | **(1,33,249.61)** | **161.64** | **21,000.00** | **7,966.08** | **366.21** | **2,511.58** | **3,37,333.01** |

(i) Retained earnings as at March 31, 2026 includes other comprehensive income - remeasurement of defined benefit plans, net of tax of ₹ (5,940.48) [March 31, 2025: ₹ (6,492.49)].

The above Consolidated Statement of Changes in Equity should be read in conjuction with the accompanying notes

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Dibyendu Majumder**
**Partner**
Membership Number: 057687
Place: Bengaluru

Date: May 02, 2026

**For and on behalf of the Board of Directors**

**Praveer Sinha**
**Chairman**
DIN: 01785164
Place: Mumbai

**Subhra Gourisaria**
**Chief Financial Officer**
Place: Mumbai

Date: May 02, 2026

**Vinayak Ratnakar Pai**
**Managing Director**
DIN: 03637894
Place: Mumbai

**Sanjay Dubey**
**Company Secretary**
Place: Mumbai

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## General Information:

Tata Projects Limited (the 'Parent/Holding Company' 'TPL'), its subsidiaries and jointly controlled operations (together the 'Group'), associate and joint venture operates in Energy & Industrial (E&I), Buildings & Infrastructure (B&I) and Services groups and provides turnkey end to end project implementing services for complex infrastructure projects under these verticals.

## 1. Basis for preparation

### 1.1 New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated May 07, 2025 and August 13, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 01, 2025:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1
- Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107
- International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12; and
- Lack of Exchangeability – Amendments to Ind AS 21

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Amendments to Ind AS 7 and Ind AS 107, mandate enhanced and comprehensive disclosures relating to supplier finance arrangements. The Group has evaluated these requirements and has provided all necessary disclosures in the consolidated financial statements in accordance with the revised standards.

### 1.2 Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standard (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

### 1.3 Historical cost convention

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including derivatives), defined benefit plans - plan assets that are measured at fair values at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 The fair value of financial instruments traded in active markets and are based on quoted market prices at the end of the reporting period;
- Level 2 The fair value of financial instruments that are not traded in an active market and are 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; and
- Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

## 2. Summary of Material Accounting Policies:

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) Consolidated financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

### 2.1 Basis of consolidation

The consolidated financial statements relating to Tata Projects Limited, its subsidiary companies and jointly controlled operations (the "Group''), associate and joint venture have been prepared on the following basis:





Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

(a) The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Parent Company i.e., March 31, 2026 except the entities mentioned in the Note D below.

(b) The consolidated financial statements of the Group have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after elimination of intra-group balances, intra group transactions and resulting unrealised profits or losses.

(c) Share of profit/loss, assets and liabilities in the joint venture and associates, which are not subsidiaries, have been consolidated on equity method by recognising profit proportionate to the extent of the Group's equity interest in such entity as per Ind AS 28 Investments in Associates and Joint Venture (refer note 39.11(c)).

The excess of cost to the group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on an annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and surplus', in the consolidated financial statements. The 'Goodwill'/'Capital Reserve' is determined separately for each subsidiary company and such amounts are not set off between different entities.

Non-controlling interests in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit/loss for the year of the subsidiaries attributable to Non-controlling interest is identified and adjusted against the profit/loss after tax of the Group in order to arrive at the income attributable to shareholders of Tata Projects Limited ("the Parent Company").

Following subsidiary companies, associate and jointly controlled entities have been considered in the preparation of the consolidated financial statements:

The subsidiaries considered in the preparation of these consolidated financial statements are:

| Name of the subsidiary | Country of incorporation | Percentage of ownership interest | |
|---|---|---|---|
| | | As at March 31, 2026 | As at March 31, 2025 |
| Artson Limited (formerly known as Artson Engineering Limited) | India | 75 | 75 |
| TQ Services Europe GmbH ** | Germany | 100 | 100 |
| Ujjwal Pune Limited | India | 100 | 100 |
| TQ Cert Services Private Limited | India | 100 | 100 |
| TQ Cert Services L.L.C. (formerly known as Industrial Quality Services LLC) ** | Oman | 70 | 70 |
| TQ Cert Services (Shanghai) Ltd (formerly known as Ind Project Engineering (Shanghai) Co. Ltd)** | China | 100 | 100 |
| TQ Cert Services W.L.L.** | Qatar | 70 | - |
| TPL-CIL Construction LLP* | India | 65 | 65 |
| TCC Construction Private Limited* | India | 36.9 | 36.9 |
| TP Luminaire Private Limited | India | 100 | 100 |
| TPL Services Private Limited | India | 100 | 100 |

* The Group is consolidating these subsidiaries based on control of the composition of members of the Board of Directors/Designated Partners.

** TQ Cert Services Private Limited ('TQ Cert') is the immediate holding company of these companies.

** With effect from December 31, 2023, in accordance with ind AS 110 - "Consolidated Financial Statements", TQ Cert has opted for an exemption for presenting consolidated financial statements as Tata Projects Limited, the holding company of TQ Cert is presenting the consolidated financial statements including these companies in compliance with Ind AS 110.

Interest in jointly controlled entity:

| Name of the Joint venture | Country of Incorporation | Percentage holding | |
|---|---|---|---|
| | | As at March 31, 2026 | As at March 31, 2025 |
| Al Tawleed For Energy & Power Company (refer note A below) | Kingdom of Saudi Arabia | 30 | 30 |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

A. The financial statements of the jointly controlled entity are not available and hence not considered for consolidation. Also, refer note 7.

The Group's associate:

| Name of the Company | Country of Incorporation | Percentage of ownership interest | |
|---|---|---|---|
| | | As at March 31, 2026 | As at March 31, 2025 |
| Arthdesign Build India Private Limited (refer note 7.2) | India | - | 24.35 |

B. The consolidation of the following subsidiaries has been done on the basis of audited financial statements

- Artson Limited (formerly known as Artson Engineering Limited)
- Ujjwal Pune Limited
- TQ Cert Services Private Limited
- TQ Cert Services L.L.C.
- TQ Cert Services (Shanghai) Ltd
- TPL-CIL Construction LLP
- TCC Construction Private Limited
- TP Luminaire Private Limited
- TPL Services Private Limited
- TQ Services Europe GmbH

C. The consolidation of the following subsidiary has been done on the basis of unaudited financial statements certified by the management.

- TQ Cert Services W.L.L.

D. The following entities have not been considered for consolidation for the current year and previous year as their financial statements are not available:

- PT. TQ Cert Services Indonesia – Subsidiary has not yet commenced operations
- Al Tawleed for Energy & Power Company (under liquidation)
- TPL-Asara Engineering South Africa (Proprietary) Limited – Subsidiary has not yet commenced operations

## 2.2 Estimates

The preparation of the consolidated financial statements requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed.

### Critical estimates and judgements

The areas involving critical estimates or judgements are:

- estimation of current tax expense and current tax payable – refer note 3.8
- estimation of defined benefit obligation – refer note 2.4 and 3.5
- recognition of revenue and estimation of construction contract revenue and related costs – refer note 2.3
- recognition of deferred tax assets – refer note 2.6 and 3.8
- estimation of contingent liabilities - refer note 2.9
- estimation of expected credit loss - refer note 3.11
- estimation of lease liabilities - refer note 2.5 and 3.7
- recognition of compound financial instruments - refer note 2.10
- estimation of useful life's and residual value of property, plant and equipment and intangible assets - refer note 2.7 and 3.9
- estimation of net realisable value of inventory - refer note 2.8 and 3.10





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

## 2.3 Revenue Recognition

The Group enters into engineering, procurement and construction contracts, which generally extend over a period of 2 to 5 years. Income from contracts is recognized over a period of time and the group uses the input method to measure progress of work.

### Determination of transaction price and its subsequent assessment:

The contract prices are usually fixed and excludes indirect taxes collected on behalf of the government authorities, and the Group assesses the transaction price considering the contract price as agreed with the customer in the contract document, that includes Letter of Acceptance/ Intent or any document evidencing the contractual arrangement. Though contract price is usually fixed they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognized when its recovery is assessed to be highly probable i.e., its highly probable that a significant reversal in the amount of variable consideration recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. To make this assessment management considers the following factors, wherever considered necessary - contractual tenability of the claims/ variations, status of the discussions/negotiations with the customers, management expert's assessment and legal opinion.

Modification(s) to an existing contract, if any, are assessed to be either a separate performance obligation or an extension of existing scope and transaction price is determined accordingly.

### Measuring Progress of a construction contract

The Group uses the input method to measure the progress of work. Considering the current nature of contracts, management has assessed the use of input method to be the most suited method to measure the progress towards complete satisfaction of a performance obligation satisfied over time. In the event the Group in the future considering the nature of new contracts chooses the output method to be the most suited method they would consider using the same for measuring the progress of the contract.

When the outcome of individual contracts can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion as at the reporting date.

The contract costs are recognized as incurred and revenue is recognised based on the proportion of contract costs incurred for work performed till the balance sheet date, relative to the estimated total contract costs. The recognition of revenue and profit/loss, therefore, rely on estimates in relation to estimated total contract costs and the estimated contract price. Estimated total contract costs are determined based on assessment of the work to be performed that includes certain cost contingencies and cost savings which take into account specific circumstances of each contract.

The Group adjusts the impact of uninstalled material from the contract value, estimated total contract costs and contract costs incurred to measure the percentage of completion. The revenue on such items is recognised equal to the cost incurred on such items.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract, which 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.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets in the statement of financial position. Amounts billed and due from customers are classified as trade receivables in the balance sheet when right to consideration is unconditional and only the passage of time is required before payment of the consideration is due. Contractual retention amounts billed to customers are generally due on expiration of the contract period. 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 mobilisation advances received, and it is not considered as a significant financing component since it is used to meet working capital requirements at the time of project mobilization stage and ensuring and protecting timely execution of the project and not deriving financial benefit in the nature of interest. The same is presented as contract liabilities in the balance sheet. Contract assets and liabilities are reported in a net position on a contract-by-contract basis at the end of each reporting period.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

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.

### Income from sale of goods

Income from sale of goods is recognized when control of the goods has transferred i.e., at a point of time. The Group recognises revenue on satisfaction of performance obligation to its customer. Revenue is measured based on the consideration specified in a contract with the customer and excludes taxes collected on behalf of the government authorities.

### Income from services

Income from services is recognised in the accounting period in which the services are rendered. The Group recognises revenue on satisfaction of performance obligation to its customer at a point of time. Revenue is measured based on the consideration specified in a contract with the customer and excludes taxes collected on behalf of the government authorities.

### Income from Service Concession Arrangements

Revenue from services (including operation and maintenance) rendered is recognised in the accounting period in which the services are rendered based on the arrangements/agreements with the concerned parties.

### Other operating revenue

Other operating revenues are recognized on satisfaction of the performance obligation.

Grants related to income are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises the related costs for which the grants are intended to compensate. Such grants are presented under “Other Operating Revenue”.

### Revenue from other sources

(i) Interest income is accrued on a time basis using the effective interest method by reference to the principal outstanding and the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount.

(ii) Dividend income is recognised when the equity holder’s right to receive payment is established.

## 2.4 Employee Benefits

### Defined benefit plans

The Group (except Artson Limited (formerly known as Artson Engineering Limited)) and three jointly controlled operations - Gulermak - TPL Pune Metro Joint Venture, HCC-TPL Indore Metro Joint Venture and TPL-HCC Bhivpuri PSP Joint Venture makes its provident fund contribution (both employee and employer) to ‘Tata Projects Provident Fund Trust’ (administered by the employees of the Group) and also provides Gratuity benefit to its employees through a plan administered by the Life Insurance Corporation of India (‘LIC’) . Both these post employment obligations are considered as defined benefit plans. The contributions towards provident fund also includes contributions made on behalf of certain contract employees engaged by the Group.

### Other long term employee benefits

Provision for pension and medical benefits payable to retired Managing Directors is made on the basis of an actuarial valuation as at the end of the year. The terms of the pension payment and the medical benefits payable to the retired Managing Directors are approved by the Board of Directors This policy does not apply to retiring managing directors post April 01, 2022 .

(Refer note 3.5-Summary of other accounting policies)

## 2.5 Leases

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. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The lease payments are discounted using incremental borrowing rate of the Group. 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.

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. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life.

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 profit or 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.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group’s operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(Refer note 3.7-Summary of other accounting policies)

## 2.6 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

(Refer note 3.8-Summary of other accounting policies)

## 2.7 Property, plant and equipment & Intangible Assets

Property, plant and equipment are carried at cost less accumulated depreciation/amortisation and impairment losses, if any.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

### Intangible Assets

Intangible assets comprises of:

Software: Software comprises of licenses held for accounting, engineering and other technical softwares. The intangible assets are capitalised on implementation of such software and comprises of the cost paid for procuring the licence and implementation cost of such software.

### Depreciation and amortisation, impairment

Depreciation is calculated using the straight line method, net of their residual value, considering the useful life prescribed in Schedule II of the Companies Act, 2013 except in respect of following assets, in which case, life of the assets has been assessed as under, based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset etc.

| | |
|---|---|
| Scaffolding materials | 5 years |
| Wire ropes and slings | 2 years |
| Motor cars under car policy for executives | 4 years |
| Tunnel Formwork equipment | 2 years 2 months |
| Working support structure relating to Artson Limited (formerly known as Artson Engineering Limited) (subsidiary) | 15 years |
| Leasehold improvements are amortized over the duration of the lease. | |
| Assets costing less than ₹ 10,000 are fully depreciated in the year of capitalization. | |

For the assets owned by jointly controlled operations (JCOs), depreciation is calculated using the straight line method, net of their residual value, considering the useful life as prescribed in Schedule II of the Companies Act, 2013 except for:

a) TPL-SUCG Consortium, TPL-JBTPL Joint Venture, GYT-TPL Joint Venture, GULERMAK - TPL Joint Venture, TPL-HGIEPL Joint Venture, TPL-SSGIPL JV, TPL-KIPL Joint Venture, JV of TATA Projects Ltd, Chint Electric Co. Ltd and Angelique -TPL JV where,

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

duration of project is considered as the useful life for all the assets.

b) CEC-ITD Cem-TPL Joint Venture where, the useful life of the these assets have been considered as lower of economic life of the asset or expected period of its usage/project period. Further, in respect of assets where the economic life is more than the project period, the residual values are estimated depending on the balance economic life of the asset beyond the useful life. These estimates of useful lives of asset and the residual values are determined by the management and are supported by internal technical assessments. These are reviewed and adjusted, if appropriate, at the end of each financial year end.

| Asset category | Economic life |
|---|---|
| Plant and machinery- Other | 12 years |
| Furniture and fixtures | 10 years |
| Office equipment | 5 years |
| Computers | 3 years |

Depreciation on additions and deletions is provided on a pro-rata basis, from the date on which asset is ready to use.

c) DAEWOO-TPL JV where, depreciation in respect of following assets, in which case, life of the assets has been assessed as under, based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset etc.

| | |
|---|---|
| General Plant and Machinery | 12 years |
| Lab Equipment (Cube Mould) | 10 years |
| Concrete Equipment | 9 years |

Assets costing less than ₹ 100,000 are fully depreciated in the year of capitalization.

Temporary structures, formwork & shuttering material, casting cell, heavy tools & tackles and launching girder are charged off in the year of purchase.

(Refer note 3.9-Summary of other accounting policies)

### 2.8 Inventories

Cost is ascertained on the basis of "weighted average" method.

(Refer note 3.10-Summary of other accounting policies)

### 2.9 Provisions, contingent liabilities and contingent assets

Contingent liabilities are not disclosed if the possibility of an outflow of resources embodying economic benefits is remote.

When it is probable at any stage of the contract, that the total cost will exceed the total contract revenue, the expected loss is recognised immediately as a provision for foreseeable losses.

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Group or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the consolidated financial statements.

### 2.10 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

**(i) Financial assets carried at amortised cost:-** A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Financial assets at fair value through other comprehensive income:-** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

**(iii) Financial assets at fair value through profit or loss:-** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

**(iv) Financial Liabilities:-**

**Compound financial instrument:**

The fair value of the liability portion of an compound financial instruments is determined using a market interest rate for an equivalent compound financial instruments. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the instrument. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

**Offsetting financial instruments:**

Financial Assets and Liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on 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.

(Refer note 3.11-Summary of other accounting policies)

### 2.11 Jointly controlled operations

The accounts of the Parent Company reflect its share of the Assets, Liabilities, Income and Expenditure of the jointly controlled operations which are accounted on the basis of the provisional annual accounts of the jointly controlled operations, on line-by-line basis with similar items in the Parent Company's accounts in proportion to its interest in such Joint Venture Agreements (refer note 39.10).

### 2.12 Operating cycle

The Group's activities (primarily construction activities) have an operating cycle that exceeds a year of twelve months. The Group has selected the duration of the individual contracts as its operating cycle, wherever appropriate, for classification of its assets and liabilities as current and non-current.

### 2.13 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized 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.

### 2.14 Trade acceptance

Trade acceptances represents amount payable towards arrangements wherein banks and financial institutions make direct payments to the Group's suppliers for materials and services. The banks and financial institutions are subsequently repaid by the Group at the due date of such acceptances. For the purposes of cash flow presentation, the economic substance of these transactions is determined to be operating in nature, and accordingly, settlement of such trade acceptances by the Group is treated as cash flows from operating activity.

### 2.15 Asset Classified as held of sale

Non-current assets (or disposal groups) 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.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) 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 (or disposal group), 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 (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) 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 and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 3. Summary of other Accounting Policies:

### 3.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed off the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3.2 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill arising on consolidation is not amortised but tested annually for impairment.

### 3.3 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

An investment in an associate or a joint venture/jointly controlled entity is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture/jointly controlled entity, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

### 3.4 Foreign Currencies

#### 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 of the Group is Indian Rupee which is also the presentation currency.

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary items outstanding at the balance sheet date are restated at the prevailing year end rates. The resultant gain/loss upon such restatement along with gain/loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss.

Forward exchange contracts are only used for economic hedging purposes and not as speculative investments. These do not meet the hedge accounting criteria and hence are classified as 'held for trading' for accounting purposes and are accounted for at Fair Value through Profit and Loss Account. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period. They are initially recognised at fair value on the date the contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

In respect of consolidated financial statements of foreign operations of foreign branches and foreign jointly controlled operations, Assets and Liabilities are translated using the exchange rates on the date of balance sheet, income and expenses are translated at the average rates of exchange. The resultant exchange gains/losses are recognized in the Statement of Profit and Loss.

### 3.5 Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences and post retirement medical benefits.

#### Defined contribution plans

The Group pays pension fund contributions to publicly administered pension funds as per local regulations and also contributes to superannuation fund, in respect of certain eligible employees to Life Insurance Corporation ('LIC'), both of them are considered as defined contribution plans. In case of one subsidiary, Artson Limited (formerly known as Artson Engineering Limited) and three jointly controlled operations - Gulermak TPL Pune Metro JV, HCC-TPL Indore Metro Joint Venture and TPL-HCC Bhivpuri PSP Joint Venture remittances of provident fund contributions are made to government administered provident fund as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense in the Statement of Profit and Loss when they are due.

#### Defined benefit plans

The liability or asset recognised in the balance sheet in respect of these plans 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 statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. (refer note 39.09).

#### Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

#### Other long term employee benefits

Other Long term employee benefit comprise of Leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

These obligations are therefore measured as the present value of expected future payments to be made using the projected unit credit method. The benefits are discounted using the appropriate market yields on government bonds 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 recognised in profit or loss.

### 3.6 Earnings Per Share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding (including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares). The profit/(loss) attributable to equity shareholders used in the calculation of basic and diluted EPS is adjusted for the post-tax impact of discontinued operations. Accordingly, EPS is presented separately for Continuing, Discontinued and Total Operations. (refer note 39.07)

### 3.7 Leases

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

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, 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. Lease payments are allocated between principal and finance cost. The finance cost is charged to 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
- any initial direct costs, and
- restoration costs.

## 3.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

Current tax expense comprises taxes (including the tax expense on jointly controlled operations) on income from operations in India and foreign tax jurisdictions. Tax expense related to India is determined on the basis of the Income Tax Act, 1961 and quantified at the amount expected to be paid to the taxation authorities using the applicable tax rates. Tax expense relating to overseas operations is determined in accordance with the tax laws applicable in countries where such operations are domiciled.

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 in the countries where the Group and its subsidiaries and associate operate and generate taxable income. 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.

### Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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.

## 3.9 Property plant and equipment

The cost of property, plant and equipment comprises its purchase price and other attributable expenditure incurred in making the asset ready for its intended use and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

All property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment loss being the excess of carrying value over the recoverable value of the assets, if any, is charged to the statement of Profit and Loss in the respective financial year. The impairment loss recognized in prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

## 3.10 Inventories

Raw materials and Stores and spares are valued at lower of cost and net realisable value. Cost comprises cost of materials.

Work-in-progress and Finished goods are valued at lower of cost and net realisable values. Cost comprises cost of materials and applicable manufacturing overheads, the latter being allocated on the basis of normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion.

## 3.11 Financial Instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### (i) Financial liabilities:-

**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 profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. 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).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the consolidated financial statements for issue, not to demand payment as a consequence of the breach.

### (ii) Investment in subsidiaries, joint ventures and associates:-

On initial recognition, these investments are recognized at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

**Impairment of Financial Assets**

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost i.e., trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for financial assets, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

**Derecognition of Financial Assets**

A financial asset is derecognized only when

1. The Group has transferred the rights to receive cash flows from the financial asset or
2. 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 Group 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 Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group 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 Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

## 3.12 Segment reporting

The Group, based on the “Management Approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group’s performance and allocates resources based on the analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments along with secondary information such as geographical information etc.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and not allocable to segments on reasonable basis have been included under “unallocated revenue/expenses/assets/liabilities”.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

### 3.13 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 Balance Sheet.

### 3.14 Trade and Other Payables

Trade payables and other payables: These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within operating cycle of the Group. They are subsequently measured at amortized cost using the effective interest method.

### 3.15 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

### 3.16 

The Group assesses whether a contract meets the definition of an insurance contract under Ind AS 117 – Insurance Contracts. An insurance contract is defined as a contract under which one party (the issuer) accepts significant insurance risk from another party to compensate if a specified uncertain future event adversely affects the another party.

Contract which are under purview of IND AS 117 will be recognized and measured in accordance with measurement approaches of IND AS 117.

### 3.17 Exceptional items

Exceptional items include income/expenses that are considered to be part of ordinary activities, however of such significance and nature that separate disclosure enables the users of consolidated financial statements to understand the impact in more meaningful manner. Exceptional items are identified by virtue of their size, nature and incidence.

### 3.18 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 4. Property, plant and equipment and capital Work-in-Progress

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Carrying amounts:** | | |
| Buildings | 5,671.32 | 4,997.74 |
| Roads | 112.61 | 125.04 |
| Leasehold improvements | 63.51 | 116.64 |
| Plant and equipments | 66,717.49 | 62,022.58 |
| Furniture and fixtures | 518.03 | 567.88 |
| Vehicles | 475.33 | 493.46 |
| Office equipments | 3,944.92 | 4,075.50 |
| Computers | 2,145.69 | 3,717.19 |
| Capital mobile desalination plant | 2.00 | 2.00 |
| **Sub-total** | **79,650.90** | **76,118.03** |
| Capital work-in-progress | 2,912.05 | 9,591.85 |
| | **82,562.95** | **85,709.88** |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Particulars | Buildings | Roads | Leasehold improvements | Plant and equipments | Furniture and fixtures | Vehicles | Office equipments | Computers | Capital mobile desalination Plant | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | | |
| **As at March 31, 2024** | **5,437.86** | **131.46** | **1,862.72** | **1,26,721.46** | **2,861.12** | **1,526.27** | **15,508.48** | **10,420.86** | **40.24** | **1,64,510.47** |
| Additions | 2,533.89 | - | 34.97 | 4,506.60 | 238.27 | 34.11 | 491.85 | 2,299.20 | - | 10,138.89 |
| Disposals | - | - | (1,111.01) | (4,852.69) | (289.99) | (114.57) | (1,026.21) | (353.86) | - | (7,748.33) |
| **As at March 31, 2025** | **7,971.75** | **131.46** | **786.68** | **1,26,375.37** | **2,809.40** | **1,445.81** | **14,974.12** | **12,366.20** | **40.24** | **1,66,901.03** |
| Additions | 1,484.39 | - | - | 18,048.15 | 84.92 | 77.21 | 2,130.89 | 521.70 | - | 22,347.26 |
| Assets classified as held for sale (refer note no. 29) | - | - | (40.97) | (74.94) | (8.49) | - | (112.55) | (987.17) | - | (1,224.12) |
| Disposals | (92.17) | - | - | (10,502.33) | (103.51) | (60.83) | (866.23) | (34.53) | - | (11,659.60) |
| **As at March 31, 2026** | **9,363.97** | **131.46** | **745.71** | **1,33,846.25** | **2,782.32** | **1,462.19** | **16,126.23** | **11,866.20** | **40.24** | **1,76,364.57** |

| Particulars | Buildings | Roads | Leasehold improvements | Plant and equipments | Furniture and fixtures | Vehicles | Office equipments | Computers | Capital mobile desalination Plant | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Accumulated depreciation** | | | | | | | | | | |
| **As at March 31, 2024** | **(2,445.47)** | **(0.16)** | **(1,721.48)** | **(57,792.89)** | **(2,205.19)** | **(960.24)** | **(10,248.33)** | **(7,222.90)** | **(38.24)** | **(82,634.90)** |
| Disposals | - | - | 1,103.57 | 3,393.52 | 203.36 | 104.09 | 875.65 | 334.84 | - | 6,015.03 |
| Depreciation charge for the year (refer note no. 4.11 below) | (528.54) | (6.26) | (52.13) | (9,953.42) | (239.69) | (96.20) | (1,525.94) | (1,760.95) | - | (14,163.13) |
| **As at March 31, 2025** | **(2,974.01)** | **(6.42)** | **(670.04)** | **(64,352.79)** | **(2,241.52)** | **(952.35)** | **(10,898.62)** | **(8,649.01)** | **(38.24)** | **(90,783.00)** |
| Disposals | 18.64 | - | - | 7,696.77 | 99.16 | 59.53 | 803.94 | 29.97 | - | 8,708.01 |
| Assets classified as held for sale (refer note no. 29) | - | - | 5.69 | 40.00 | 7.80 | - | 101.92 | 578.07 | - | 733.48 |
| Depreciation charge for the year (refer note no. 4.11 below) | (737.28) | (12.43) | (17.85) | (10,512.74) | (129.73) | (94.04) | (2,188.55) | (1,679.54) | - | (15,372.16) |
| **As at March 31, 2026** | **(3,692.65)** | **(18.85)** | **(682.20)** | **(67,128.76)** | **(2,264.29)** | **(986.86)** | **(12,181.31)** | **(9,720.51)** | **(38.24)** | **(96,713.67)** |

| Particulars | Buildings | Roads | Leasehold improvements | Plant and equipments | Furniture and fixtures | Vehicles | Office equipments | Computers | Capital mobile desalination Plant | Total | Capital work-in-progress |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Net carrying amount as at March 31, 2025** | **4,997.74** | **125.04** | **116.64** | **62,022.58** | **567.88** | **493.46** | **4,075.50** | **3,717.19** | **2.00** | **76,118.03** | **9,591.85** |
| **Net carrying amount as at March 31, 2026** | **5,671.32** | **112.61** | **63.51** | **66,717.49** | **518.03** | **475.33** | **3,944.92** | **2,145.69** | **2.00** | **79,650.90** | **2,912.05** |





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

**4.1** No impairment losses recognised during the year (March 31, 2025: ₹ Nil).

**4.2** Group carries out physical verification of it's Property, plant and equipment, in a phased manner over a period of three years. Assets whose working life has expired, would be retired from the books after due approvals, as per the Schedule of Powers ("SOP"). Assets which are not in working condition are assessed and are retired on annual basis as per SOP. Assets in working condition are deployed at project sites and are leveraged among multiple projects in its useful life.

**4.3** None of the property, plant and equipments are pledged as security during current and previous year except, property, plant and equipment relating to Artson Limited (formerly known as Artson Engineering Limited)(subsidiary of the Parent Company), TPL-CIL Construction LLP (subsidiary of the Parent Company), Ujjwal Pune Limited (subsidiary company) (refer to note 22).

**4.4** Refer note no 39.01(ii) for disclosure of contractual commitments for the acquisition of property plant and equipment.

**4.5** Buildings asset class includes buildings on leasehold land whose lease rights are in the name of the Company. The net carrying amount as at March 31, 2026 of these assets is ₹ 4,246.65 (March 31, 2025: ₹ 3,176.47). Land relating to buildings in Nagpur has been leased by Maharashtra Industrial Development Corporation ('MIDC') for a period of 95 years in favour of Tata Projects Limited. Until November 2024, a portion of the leasehold land had been sub-let by the Parent Company in favour of Artson Limited (Formerly known as Artson Engineering Limited) ('subsidiary'/'AEL').

**4.6** Buildings asset class also includes buildings on leasehold land whose lease rights are in the name of Artson Limited ('subsidiary'/'AEL'). The net carrying amount as at March 31, 2026 of these assets is ₹ 225.28 (March 31, 2025: ₹ 228.59). Land relating to buildings in Nashik has been leased by Maharashtra Industrial Development Corporation ('MIDC') in favour of Artson Limited ('subsidiary'/'AEL').

**4.7 Capital Work-in-Progress (CWIP) ageing schedule as at March 31, 2026**

| Capital Work-in-Progress (CWIP) | Amount in Capital Work-in-Progress (CWIP) for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 1,394.41 | 1,517.64 | - | - | 2,912.05 |

**Capital Work-in-Progress (CWIP) ageing schedule as at March 31, 2025**

| Capital Work-in-Progress (CWIP) | Amount in Capital Work-in-Progress (CWIP) for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 9,527.73 | 64.12 | - | - | 9,591.85 |

**4.8** Capital Work-in-Progress (CWIP) pertaining to the Parent Company amounting to ₹ 2,577.90 consists of Plant & equipments items, prefab offices which are pending installation and buildings under construction. CWIP pertaining to Artson Limited (formerly known as Artson Engineering Limited) (subsidiary of the Parent Company) amounting to ₹ 334.15 consists of plant and equipment item(machines) which are pending installation.

**4.9** During the current year and previous year, the Group does not have projects in Capital work in progress whose completion is overdue or projects whose cost has exceeded its costs as per its original plan.

**4.10** The Group does not hold any immovable property as at March 31, 2026 and March 31, 2025.

**4.11** Depreciation charge for the current year ended March 31, 2026 includes an amount of ₹ 165.51 (March 31, 2025: ₹107.26) pertaining to the subsidiaries which have been considered as "Discontinued Operations" in the disclosure of Statement of Profit and Loss.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 5(a). Right-of-use assets

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Carrying amounts of:** | | |
| Plant and equipments | 20,508.34 | 19,473.15 |
| Buildings | 5,882.23 | 7,315.33 |
| **Total** | **26,390.57** | **26,788.48** |

| Particulars | Plant and equipments | Buildings | Total |
|---|---|---|---|
| **Gross carrying amount** | | | |
| **As at March 31, 2024** | **52,156.49** | **16,430.74** | **68,587.23** |
| Additions | 4,510.74 | 7,932.36 | 12,443.10 |
| Modifications | - | (1,803.05) | (1,803.05) |
| Disposals (refer note no.5(a)(vi) below) | (455.51) | (2,598.25) | (3,053.76) |
| **As at March 31, 2025** | **56,211.72** | **19,961.80** | **76,173.52** |
| Additions | 8,511.30 | 928.89 | 9,440.19 |
| Disposals | (27,494.25) | (12,083.44) | (39,577.69) |
| Assets classified as held for sale (refer note no.29) | - | (259.86) | (259.86) |
| **As at March 31, 2026** | **37,228.77** | **8,547.39** | **45,776.16** |

| Particulars | Plant and equipments | Buildings | Total |
|---|---|---|---|
| **Accumulated depreciation** | | | |
| **As at March 31, 2024** | **(29,807.80)** | **(11,114.66)** | **(40,922.46)** |
| Depreciation charge for the year (refer note no.5(a)(vii) below) | (7,137.42) | (3,002.21) | (10,139.63) |
| Modifications | - | 77.29 | 77.29 |
| Disposals (refer note no.5(a)(vi) below) | 206.65 | 1,393.11 | 1,599.76 |
| **As at March 31, 2025** | **(36,738.57)** | **(12,646.47)** | **(49,385.04)** |
| Depreciation charge for the year (refer note no.5(a)(vii) below) | (7,476.11) | (2,180.09) | (9,656.20) |
| Disposals | 27,494.25 | 12,083.44 | 39,577.69 |
| Assets classified as held for sale (refer note no.29) | - | 77.96 | 77.96 |
| **As at March 31, 2026** | **(16,720.43)** | **(2,665.16)** | **(19,385.59)** |

| Particulars | Plant and equipments | Buildings | Total |
|---|---|---|---|
| **Net carrying amount as at March 31, 2025** | **19,473.15** | **7,315.33** | **26,788.48** |
| **Net carrying amount as at March 31, 2026** | **20,508.34** | **5,882.23** | **26,390.57** |

**5(a)(i)** Refer to note no 25 for disclosure related to lease liabilities.

**5(a)(ii)** Refer to note no 35 for disclosure related to finance cost on lease liabilities.

**5(a)(iii)** Refer to note no 36 for disclosures related to depreciation charge on right-of-use of assets.

**5(a)(iv)** The total cash outflow for leases for the year was ₹ 12,492.40 (March 31, 2025: ₹ 13,202.81)(excluding low value assets and short-term leases).

**5(a)(v)** The payments not included in the measurement of lease liabilities and recognised as expense in the Statement of Profit and Loss during the year are as follows:

(i) Low value assets - ₹ 16,078.84 (March 31, 2025: ₹ 10,788.73)

(ii) Short-term leases - ₹ 12,255.50 (March 31, 2025: ₹ 10,963.57)





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
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**5(a)(vi)** During the previous year ended March 31, 2025, the disposal values included leases pertaining to buildings which were short closed/terminated. The underlying contractual lease end dates for these leases were beyond March 31, 2025.

**5(a)(vii)** Depreciation charge for the current year ended March 31, 2026 includes an amount of ₹ 51.98 (March 31, 2025: ₹68.97) pertaining to the subsidiaries which have been considered as "Discontinued Operations" in the disclosure of Statement of Profit and Loss.

## 5(b). Intangible assets

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Carrying amounts of:** | | |
| Computer Software (refer note 5(b)(i) below) | 8,044.64 | 11,905.06 |
| **Total** | **8,044.64** | **11,905.06** |

| Particulars | Computer Software |
|---|---|
| **Gross carrying amount** | |
| **As at March 31, 2024** | **8,234.01** |
| Additions | 14,361.21 |
| Disposals | (874.24) |
| **As at March 31, 2025** | **21,720.98** |
| Additions | **40.70** |
| Assets classified as held for sale (refer note no. 29) | (38.13) |
| Disposals | (2,934.08) |
| **As at March 31, 2026** | **18,789.47** |

| Particulars | Computer Software |
|---|---|
| **Accumulated amortisation** | |
| **As at March 31, 2024** | **(6,647.30)** |
| Amortisation charge for the year (refer note no. 5(b)(iii) below) | (4,032.58) |
| Disposals | 863.96 |
| **As at March 31, 2025** | **(9,815.92)** |
| Amortisation charge for the year (refer note no. 5(b)(iii) below) | (3,851.69) |
| Assets classified as held for sale (refer note no. 29) | 1.47 |
| Disposals | 2,921.31 |
| **As at March 31, 2026** | **(10,744.83)** |

| Particulars | Computer Software |
|---|---|
| **Net carrying amount as at March 31, 2025** | **11,905.06** |
| **Net carrying amount as at March 31, 2026** | **8,044.64** |

**Note:-**

**5(b)(i)** Computer Software comprises of licenses held for accounting, engineering and other technical softwares.

**5(b)(ii)** The Group does not have any intangible assets under development as at March 31, 2026 and March 31, 2025.

**5(b)(iii)** Amortisation charge for the current year ended March 31, 2026 includes an amount of ₹ 1.47 (March 31, 2025: ₹ Nil) pertaining to the subsidiaries which have been considered as "Discontinued Operations" in the disclosure of Statement of Profit and Loss.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 6. Goodwill on consolidation

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Cost** | | |
| Goodwill | 389.74 | 389.74 |
| | **389.74** | **389.74** |

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Cost** | | |
| Balance at the beginning and end of the year | 389.74 | 389.74 |

The carrying value predominantly relates to the goodwill that arose on the acquisition of subsidiaries and same is tested annually for impairment.

## 7. Investments

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount |
| **Non-current** | | | | |
| **Investments at amortised cost** | | | | |
| **a) Investments in Equity Instruments** | | | | |
| **Joint Ventures- unquoted** | | | | |
| **Unquoted Investments (all fully paid)** | | | | |
| Al-Tawleed for Energy & Power Company (under liquidation) SAR 2,000 per share equivalent to SAR 600,000 fully paid-up (refer Note no. 7.1 below) | 300 | 75.60 | 300 | 75.60 |
| Less: Aggregate amount of impairment in value of investments in joint ventures | | (75.60) | | (75.60) |
| **Net carrying value of unquoted investments (A)** | | - | | - |
| **Associate - Unquoted** | | | | |
| Arth Designbuild India Private Limited - equity shares of ₹ 10 each fully paid-up with premium of ₹ 18,626 per share (Equity Contribution) (refer note no. 7.2 below) | - | - | 5,807 | 657.20 |
| **Aggregate value of unquoted investments** | | **-** | | **657.20** |
| Aggregate amount of impairment in value of investments in associate | | - | | (657.20) |
| **Net carrying value of unquoted investments (B)** | | - | | - |
| **Aggregate value of investments** | | **75.60** | | **732.80** |
| Less: Aggregate amount of impairment in value of investments | | (75.60) | | (732.80) |
| **Carrying value of total non-current investments (A)+(B)** | | **-** | | **-** |

**Notes:**

**7.1** During the current year, Ministry of Investment, Kingdom of Saudi Arabia has approved the cancellation of investment registration of Al-Tawleed for Energy & Power Company ("Al-Tawleed"). However, Joint Venture's liquidation will be concluded only once they obtain the final approval from the Ministry of Commerce, Kingdom of Saudi Arabia.





# Notes forming part of Consolidated Financial Statements

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### 7.2 Investments accounted under equity method

**Investment in associate**

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Carrying value of the Group's interest in Arth Designbuild India Private Limited | - | - |

The Board of Directors, in their meeting held on October 18, 2025, had approved the proposal to divest the Holding Company's investment in Arth Designbuild India Private Limited ("Arth"). Holding Company has sold its entire equity interest for a consideration of ₹ 600.01, thereby Arth has ceased to be an associate of the Company for the year ended March 31, 2026.

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Group's share in profit for the year (net of tax) | - | - |
| **Group's share in total comprehensive income for the year** | **-** | **-** |

## 8. Investments

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Current** | | |
| **Investments at fair value through profit or loss (FVTPL)** | | |
| **(i) Investments in mutual funds** | | |
| Quoted | - | 1,502.49 |
| **Tata Liquid Fund-Direct Plan-Growth- Nil units (March 31, 2025: 36,710.282 units)** | **-** | **1,502.49** |
| **Aggregate market value of quoted investments** | **-** | **1,502.49** |
| **Aggregate amount of impairment in value of investments** | **-** | **-** |

## 9. Trade receivables

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **Current** | | | |
| **Trade receivables** | | | |
| (a) | Unsecured, considered good | 4,68,696.90 | 4,33,905.25 |
| | Less: Allowance for expected credit losses (refer notes 9.1 to 9.3 below) | (60,841.54) | (47,646.35) |
| | | **4,07,855.36** | **3,86,258.90** |
| (b) | Credit impaired | 4,620.76 | 4,620.76 |
| | Less: Allowance for expected credit losses (refer notes 9.1 to 9.3 below) | (4,620.76) | (4,620.76) |
| | | - | - |
| **Total** | | **4,07,855.36** | **3,86,258.90** |

### 9.1 Trade receivables

Trade receivables represent amounts due from customers for goods sold or services rendered in the ordinary course of business and reflects the Group's unconditional right to consideration (i.e. payment is due only on the passage of time). The average credit period allowed to customers ranges from 30 to 90 days, which is calculated from the date of the invoice. No interest is payable by the customers for the delay in payments of the amounts overdue. Before entering into a contract, Group assesses the creditworthiness of each customer based on multiple factors including their financial health, market reputation, past payment history, and where available, external credit ratings. The Group's customer base comprises a mix of public sector undertakings and private sector entities, thereby reducing concentration risk.

# Notes forming part of Consolidated Financial Statements

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All amounts are in ₹ Lakhs unless otherwise stated

### 9.2 Allowance for expected credit losses on trade receivables

The Group has used practical expedient by computing allowance for expected credit losses for trade receivables by taking into consideration payment profiles of sales over a period of upto 60 months before the reporting date and the corresponding historical credit loss experiences within this period. The expected credit loss is based on the ageing of the days, the receivables due and the expected credit loss rate. In addition, in case of event driven situation such as litigations, disputes, change in customer's credit risk history, specific provisions are made after evaluating the relevant facts and expected recovery.

### 9.3 Movement in the allowance for expected credit losses

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 52,267.11 | 38,789.97 |
| Less: Balance pertaining to assets classified as held for sale | (3,526.28) | - |
| Add: created during the year | 16,939.80 | 13,728.40 |
| Less: reversal during the year | (218.33) | (251.26) |
| **Balance at the end of the year** | **65,462.30** | **52,267.11** |

### 9.4 Trade receivables ageing schedule

#### a. Current trade receivables ageing schedule for the year ended March 31, 2026

| Particulars | | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) | Undisputed trade receivables – considered good | 1,62,323.76 | 1,37,106.40 | 28,545.79 | 20,821.91 | 9,097.04 | 17,745.32 | 3,75,640.22 |
| (ii) | Undisputed trade receivables – credit impaired | - | - | - | - | - | - | - |
| (iii) | Disputed trade receivables– considered good | 237.25 | 2,585.57 | 14,447.99 | 7,499.34 | 27,012.47 | 41,274.06 | 93,056.68 |
| (iv) | Disputed trade receivables – credit impaired | - | - | - | - | 861.54 | 3,759.22 | 4,620.76 |
| (v) | Allowance for expected credit losses | - | - | - | - | - | - | (65,462.30) |
| | **Total** | **1,62,561.01** | **1,39,691.97** | **42,993.78** | **28,321.25** | **36,971.05** | **62,778.60** | **4,07,855.36** |

#### b. Current trade receivables ageing schedule for the year ended March 31, 2025

| Particulars | | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) | Undisputed trade receivables – considered good | 1,45,653.21 | 1,22,919.19 | 22,703.18 | 28,948.20 | 12,580.15 | 16,185.77 | 3,48,989.70 |
| (ii) | Undisputed trade receivables – credit impaired | - | - | - | - | - | - | - |
| (iii) | Disputed trade receivables– considered good | 546.87 | 2,343.29 | 6,688.10 | 26,721.62 | 18,655.15 | 29,960.52 | 84,915.55 |
| (iv) | Disputed trade receivables – credit impaired | - | - | - | 861.54 | 257.38 | 3,501.84 | 4,620.76 |
| (v) | Allowance for expected credit losses | | | | | | - | (52,267.11) |
| | **Total** | **1,46,200.08** | **1,25,262.48** | **29,391.28** | **56,531.36** | **31,492.68** | **49,648.13** | **3,86,258.90** |

**9.5** The Holding Company has factored trade receivables with an aggregate carrying amount of ₹ 18,516.76 as at March 31, 2026 (As at March 31, 2025: ₹ 8,600.28) with banks. These arrangements do not have a recourse on the Holding Company and accordingly, the Holding Company has derecognised these receivables as at March 31, 2026 and March 31, 2025 respectively.

**9.6** Allowance for expected credit losses created during the year ended March 31, 2025 includes an amount of ₹ 804.66 pertaining to the subsidiaries which have been considered as "Discontinued Operations" in the disclosure of Statement of Profit and Loss account.





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 10. Other financial assets

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Non-Current** | | |
| Security deposits | 1,176.14 | 1,331.75 |
| Loans and advances to employees | 1.36 | 3.24 |
| In deposit accounts with banks remaining maturity for more than 12 months (including interest accrued on deposits) (refer note no. 10.2 below) | 2,915.00 | 1,187.38 |
| **Total** | **4,092.50** | **2,522.37** |
| **Current** | | |
| Security deposits | | |
| Unsecured, considered good | 21,817.05 | 13,189.50 |
| Considered doubtful | 11,164.06 | 4,508.33 |
| Less: Provision for doubtful deposits (Refer note no. 10.1 below) | (11,164.06) | (4,508.33) |
| | **21,817.05** | **13,189.50** |
| Foreign-exchange forward contracts | 14.47 | 783.70 |
| Contractual reimbursable expenses | | |
| Unsecured, considered good | 2,720.83 | 8,595.76 |
| Less: Allowance for expected credit losses (Refer note no. 10.2 below) | (106.31) | (44.70) |
| | **2,614.52** | **8,551.06** |
| Interest accruals | | |
| (i) Interest accrued on deposits | 316.17 | 400.18 |
| (ii) Interest accrued on arbitral awards | 6,455.54 | 8,259.87 |
| (iii) Interest accrued on mobilisation advance given | - | 1.64 |
| | **6,771.71** | **8,661.69** |
| **Total** | **31,217.75** | **31,185.95** |

### 10.1 Movement in provision for doubtful deposits

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 4,508.33 | - |
| Less: Balance pertaining to assets classified as held for sale | (39.96) | |
| Add: created during the year | 8,868.20 | 4,508.33 |
| Less: reversal during the year | (2,172.51) | - |
| Balance at the end of the year | **11,164.06** | **4,508.33** |

### 10.2 Movement in the allowance for expected credit losses on contractual reimbursable expenses

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 44.70 | 20.24 |
| Add: created during the year | 74.65 | 24.63 |
| Less: reversal duing the year | (13.04) | (0.17) |
| Balance at the end of the year | **106.31** | **44.70** |

### 10.3 In deposit accounts with banks remaining maturity for more than 12 months includes:

- deposits with banks to the extent held as margin money against bank guarantee of ₹ 887.49 (March 31, 2025: ₹ 611.49)
- deposits with banks to the extent held as security with third party ₹ 1,316.94 (March 31, 2025: ₹ 40.15).

**10.4** Provision for doubtful deposits created during the year ended March 31, 2025 includes an amount of ₹ 39.96 pertaining to the subsidiaries which have been considered as "Discontinued Operations" in the disclosure of Statement of Profit and Loss account.

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for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 11. Contract assets

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Non-current** | | |
| Contract assets (net) (refer note no. 11.3 below) | 3,800.67 | 5,440.61 |
| Less: Allowance for expected credit losses (refer note no. 11.4 below) | (17.77) | (26.32) |
| | **3,782.90** | **5,414.29** |

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Current** | | |
| **Unsecured, considered good** | | |
| Contract assets (net) (refer note no. 11.3 below) | 9,48,220.29 | 9,67,275.49 |
| Less: Allowance for expected credit losses (refer note no. 11.4 below) | (19,462.72) | (16,765.76) |
| | **9,28,757.57** | **9,50,509.73** |

**Note:**

**11.1** Contract assets represents amounts receivable from customers, primarily relating to the Company's rights to consideration for work executed. Contract assets are transferred to trade receivables when the rights to collection becomes unconditional due to passage of time.

**11.2** Contract assets and Contract liabilities are reported on a net position on a contract-by-contract basis at the end of each reporting period.

### 11.3 Summary of Contract assets (net)

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| a) | Undisputed unbilled revenue | 5,41,786.21 | 6,14,418.96 |
| b) | Disputed unbilled revenue (refer note no. 11.7 below) | 5,75,160.58 | 5,19,023.22 |
| c) | Construction revenue receivable | 4,910.88 | 6,690.81 |
| d) | Retention receivables | 2,29,203.48 | 2,19,184.73 |
| | | **13,51,061.15** | **13,59,317.72** |
| e) | Less: Contract liabilities offset against Contract assets (refer note no. 27.2) | (3,99,040.19) | (3,86,601.62) |
| | **Contract assets (net)** | **9,52,020.96** | **9,72,716.10** |

### 11.4 Movement in allowance for expected credit losses

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 16,792.08 | 5,569.30 |
| Less: balance pertaining to assets classified as held for sale | (28.43) | - |
| Add: created during the year | 2,716.84 | 11,222.78 |
| **Balance at the end of the year** | **19,480.49** | **16,792.08** |





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

### 11.5 Movement in Contract balances during the year (Current and Non-current)

| Particulars | 2025-26 | | 2024-25 | |
|---|---|---|---|---|
| | Contract assets | Contract liabilities | Contract assets | Contract liabilities |
| Balance at the beginning of the year(a) | 13,59,317.72 | 5,90,999.81 | 11,81,631.50 | 5,16,564.85 |
| Balance at the end of the year(b) | 13,51,061.15 | 6,60,328.54 | 13,59,317.72 | 5,90,999.81 |
| **Increase/(decrease) (b-a)** | **(8,256.57)** | **69,328.73** | **1,77,686.22** | **74,434.96** |

**11.6** Decrease in contract assets as at March 31, 2026, when compared to the previous year, is primarily due to higher progress bills raised as compared revenue recognitions.

Increase in contract liabilities as at March 31, 2026, when compared to the previous year, is mainly due to the following

a) Increase in advances received from customers due to new contracts entered by the Group during the year.

**11.7** Disputed unbilled revenue includes ₹ 5,32,202.77 as at March 31, 2026 (As at March 31, 2025: ₹ 4,78,744.02), representing customer related claims raised by the Group's in respect of various projects substantially completed/in progress. These are based on terms and conditions implicit in the contract in respect of additional cost incurred on such projects on account of prolongation, scope variation and price variation, which the management based on external/internal evaluation, assesses to be claimable from customers. Currently, these are at various stages of negotiation/discussion with customers or under arbitration/litigation. Management is confident of recovery of these receivables at this stage.

**11.8** Holding Company has factored retention receivables with an aggregate carrying amount of ₹ 9,666.43 as at March 31, 2026 (As at March 31, 2025: ₹ 33,974.09) with banks. These arrangements do not have a recourse on Holding Company and accordingly, Group has derecognised these retention receivables as at March 31, 2026 and March 31, 2025 respectively.

**11.9** Trade Receivables (considered as disputed) (refer note no 14.4) and Contract Assets (net) (including unbilled revenue considered as disputed) (refer note no 16.3) includes the gross amounts of ₹ 35,506.75 and ₹ 64,410.51 in relation to certain projects which have been terminated by either the customer or the Holding Company. Against this exposure, Holding Company has considered an amount of ₹ 26,259.12 towards allowance for expected credit losses. Termination related matters are currently under subjudice with the High Court/Arbitration Tribunal. Based on contractual terms, the progress of these proceedings, and legal advice obtained in certain cases, Holding Company is confident that these receivables are fully recoverable.

## 12. Deferred tax assets/Deferred tax liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Deferred tax assets (net) | 1,01,057.66 | 74,706.33 |
| **Total** | **1,01,057.66** | **74,706.33** |
| Deferred tax liabilities (net) | 1,267.55 | 2,933.98 |
| **Total** | **1,267.55** | **2,933.98** |

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All amounts are in ₹ Lakhs unless otherwise stated

| 2025-26 | Opening balance (as on April 01, 2025) | Recognised in Statement of Profit and Loss (refer note no. 12.4) | Recognised in other comprehensive income (OCI) (refer note no. 12.4) | Equity component in Compound financial instruments | Balance pertaining to discontinued operations | Closing balance of continuing operation (As at March 31, 2026) |
|---|---|---|---|---|---|---|
| **Deferred tax assets/(liabilities) in relation to** | | | | | | |
| Property, plant and equipment | (187.34) | 62.49 | - | - | 11.53 | (113.32) |
| Provisions for retirement benefits | 3,093.25 | 523.33 | (198.53) | - | (378.56) | 3,039.49 |
| Allowance for doubtful debts and expected credit losses | 12,956.30 | 7,478.83 | - | - | (505.55) | 19,929.58 |
| Foreign-exchange forward contracts | (218.62) | 18.86 | - | - | 9.79 | (189.97) |
| Disallowance under section 43B and other section disallowances (other than retirement benefits) | 8,257.47 | 6,118.26 | - | - | (254.10) | 14,121.63 |
| Brought forward losses and unabsorbed depreciation | 48,173.57 | 16,443.03 | - | - | - | 64,616.60 |
| Fair value measurements of financial instruments | (1,937.46) | (775.15) | - | - | - | (2,712.61) |
| On undistributed profits of subsidiaries (refer note no 2.1) | (538.36) | 964.24 | - | - | (237.58) | 188.30 |
| Provision for future foreseable lossess on contracts | 4,998.78 | (1,422.39) | - | - | - | 3,576.39 |
| Equity component of compound financial instruments | (1,401.08) | 0.00 | - | - | - | (1,401.08) |
| Contract assets-contruction revenue receivables | (1,358.10) | 239.08 | - | - | - | (1,119.02) |
| Right-of-use assets | (66.06) | (68.77) | - | - | (11.05) | (145.88) |
| **Total** | **71,772.35** | **29,581.81** | **(198.53)** | **-** | **(1,365.52)** | **99,790.11** |

| 2024-25 | Opening balance (as on April 01, 2024) | Recognised in Statement of Profit and Loss (refer note no. 12.4) | Recognised in other comprehensive income (OCI) (refer note no. 12.4) | Equity component in Compound financial instruments | Balance pertaining to discontinued operations | Closing balance (As at March 31, 2025) |
|---|---|---|---|---|---|---|
| **Deferred tax assets/(liabilities) in relation to** | | | | | | |
| Property, plant and equipment | 175.89 | (363.23) | - | - | - | (187.34) |
| Provisions for retirement benefits | 2,505.28 | 144.32 | 443.65 | - | - | 3,093.25 |
| Allowance for doubtful debts and expected credit losses | 6,814.69 | 6,141.61 | - | - | - | 12,956.30 |
| Foreign-exchange forward contracts | (192.10) | (26.52) | - | - | - | (218.62) |
| Disallowance under section 43B and other section disallowances (other than retirement benefits) | 4,731.29 | 3,526.18 | - | - | - | 8,257.47 |
| Brought forward losses and unabsorbed depreciation | 32,933.18 | 15,240.39 | - | - | - | 48,173.57 |
| Fair value measurements of financial instruments | (2,430.71) | 493.25 | - | - | - | (1,937.46) |
| On undistributed profits of subsidiaries (refer note no 2.1) | (470.82) | (67.54) | - | - | - | (538.36) |
| Provision for future foreseable lossess on contracts | 2,267.78 | 2,731.00 | - | - | - | 4,998.78 |
| Equity component of compound financial instruments | (5,220.85) | - | - | 3,819.77 | - | (1,401.08) |
| Contract assets-contruction revenue receivables | (1,278.12) | (79.98) | - | - | - | (1,358.10) |
| Right-of-use assets | 89.77 | (155.83) | - | - | - | (66.06) |
| **Total** | **39,925.28** | **27,583.65** | **443.65** | **3,819.77** | **-** | **71,772.35** |





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

**Note:**

**12.1** i) Deferred tax assets includes Group's share in jointly controlled operations and subsidiaries amounting to ₹ 2,129.74 (March 31, 2025: ₹ 2,721.68)

ii) Deferred tax liabilities includes Group's share in subsidiaries amounting to ₹ 1,267.55 (March 31, 2025: ₹ 2,933.98).

**12.2** Based on Holding Company's assessment of recoverability of business losses in future periods, no deferred tax assets are recognized with respect to such losses in jointly controlled operations amounting to ₹ 13,465.05 (March 31, 2025: ₹ 8,786.61).

**12.3** The Holding Company has recognised deferred tax assets on brought forward tax losses. Based on the approved business plans and budgets, the Holding Company has assessed and concluded that the deferred tax assets will be recoverable using the estimated future taxable income. The Holding Company is expected to generate taxable income in ensuing years and is confident of recovering these losses within the period allowed as per Income Tax Act, 1961.

**12.4** Refer to note no. 29 and 38 for the disclosures related to tax expense pertaining to discontinued operations

## 13. Non-current tax assets (net) and current tax liabilities (net)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Non-current tax assets (net) (refer note no 13.1 and 13.3 below) | 28,442.87 | 23,062.25 |
| **Total** | **28,442.87** | **23,062.25** |
| Current tax liabilities (net) (refer note no 13.2 below) | 4,061.97 | 1,638.59 |
| **Total** | **4,061.97** | **1,638.59** |

**Notes:**

**13.1.** Represents Group's net current tax position which includes net current tax position of certain subsidiaries and jointly controlled operations.

(a) Subsidiaires to the extent as on March 31, 2026 ₹ 2,219.47 (March 31, 2025 ₹ 1,362.09)

**13.2.** Represents Group's share of net current tax liability position of certain subsidiaries and jointly controlled operations.

(a) Subsidiaires to the extent as on March 31, 2026 ₹ 187.18 (March 31, 2025 ₹ 113.53)

(b) Jointly controlled operations to the extent as on March 31, 2026 ₹ 3,874.79 (March 31, 2025 ₹ 1,525.06).

**13.3.** Includes an amount paid under protest towards income tax of ₹ 2,617.00 (March 31, 2025: ₹ 2,493.92), of which an amount of ₹ 547.25 (March 31, 2025: ₹ 385.30) pertains to jointly controlled operations.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 14. Other assets

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Non-current** | | |
| Capital advances | 4,417.18 | 1,199.30 |
| Deposits with government authorities (refer note no. 14.1 below) | 6,638.89 | 5,864.70 |
| Prepaid expenses | 501.74 | 515.53 |
| **Total** | **11,557.81** | **7,579.53** |
| **Current** | | |
| Mobilisation advances | 41,134.77 | 31,262.64 |
| Others | | |
| - Balances with government authorities | | |
| CENVAT credit receivable | 53.71 | 53.71 |
| VAT credit receivable (Refer note no. 14.3 below) | 6,370.25 | 5,513.35 |
| Sales tax deducted at source | 2,544.17 | 3,563.74 |
| GST credit receivable (Refer note no. 14.1 below) | 71,773.58 | 85,744.67 |
| GST on advances received from customer | 48,376.85 | 48,209.70 |
| GST refund receivable | 18,263.65 | 9,675.08 |
| Others receivables (Refer note no. 14.4 below) | 2,324.72 | 180.31 |
| - Loans and advances to employees | 36.99 | 103.19 |
| - Prepaid expenses | 4,370.77 | 2,769.68 |
| - Project related advances | | |
| Unsecured, considered good | 42,810.30 | 65,096.85 |
| Doubtful | 627.00 | 656.37 |
| | **43,437.30** | **65,753.22** |
| Less: Provision for doubtful advances (Refer note no. 14.2 below) | (627.00) | (656.37) |
| | **42,810.30** | **65,096.85** |
| **Total** | **2,38,059.66** | **2,52,172.92** |

**Notes**:

**14.1** Includes amounts paid under protest towards Service Tax, Sales Tax and Goods and Services Tax of ₹ 4,752.50 (March 31, 2025: ₹ 3,860.18) of which an amount of ₹ 964.74 (March 31, 2025: ₹ 274.63) pertains to jointly controlled operations.

**14.2 Movement in provision for doubtful advances**

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 656.37 | 29.37 |
| Add: created during the year | - | 627.00 |
| Less: reversal during the year | (29.37) | - |
| Balance at the end of the year | **627.00** | **656.37** |

**14.3** Includes an amount of ₹ 2,817.24 (March 31, 2025: ₹ 1,825.37) pertaining to certain projects of the Group located outside India.

**14.4** Other receivables includes an amount of ₹ 2,323.87 (March 31, 2025: Nil) pertaining to BOCW cess recoverable from the Department of Labour, Rajasthan.





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 15. Inventories

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Inventories (lower of cost or realisable value) | | |
| Raw materials (refer note 15.1 below) | 80,432.56 | 1,04,846.19 |
| Work-in-progress | 687.60 | 1,138.48 |
| Finished goods | 52.80 | 1,008.97 |
| Stores and spares | 860.10 | 466.22 |
| **Total** | **82,033.06** | **1,07,459.86** |

**15.1** Raw materials pertains to construction materials located at various project sites and includes materials issued to sub-contractors which are unutilised as at the year end. Write-downs of inventories amounting to ₹ 36.37 (March 31, 2025: ₹ 18.05). These were recognised as an expense during the year and included in contract execution expenses in the Statement of Profit and Loss.

**15.2** Raw material includes contracts-in-progress as at March 31, 2026 ₹ 318.26 (March 31, 2025 ₹ 445.27) which is pertaining to Artson Limited (formerly known as Artson Engineering Limited)

## 16. Cash and cash equivalents

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances with Banks | | |
| - In current accounts (refer note 16.4 below) | 53,094.58 | 1,04,792.00 |
| - In EEFC accounts | 684.21 | 2,738.59 |
| Cash on hand | 0.70 | 1.07 |
| Deposits with original maturity of less than three months | 11,006.82 | 10,442.92 |
| **Total of cash and cash equivalents (a)** | **64,786.31** | **1,17,974.58** |
| **Other bank balances** | | |
| Deposits with original maturity of more than 3 months and remaining maturity less than 12 months (refer note 16.1 below) | 21,127.61 | 15,658.15 |
| **Total of other bank balances (b)** | **21,127.61** | **15,658.15** |
| Bank Overdrafts (refer note no. 16.2 below) (c) | (2,983.33) | - |
| **Cash and cash equivalents** | **61,802.98** | **1,17,974.58** |

**Notes:**

**16.1** Deposits with original maturity of more than 3 months and remaining maturity less than 12 months

- deposits with banks to the extent held as margin money against bank guarantee of ₹ 583.29 (March 31, 2025: ₹ 548.06)
- deposits with banks to the extent held as security with third party ₹ 352.69(March 31, 2025: ₹ 24.42).

**16.2** Bank overdrafts presented separately under current borrowings (refer note no. 22) have been netted off from "Cash and cash equivalents" to match with the reconciliation of "Cash and cash equivalents as per the Consolidated Statement of Cash Flows". Bank overdrafts which are secured amount to of ₹ 2,983.33 (March 31, 2025: secured overdraft of ₹ Nil). Also, (refer note no. 22.9).

**16.3** There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the current and previous year.

**16.4** Balances with bank above include balances held in Escrow accounts amounting to ₹ 19,936.01 (March 31, 2025: ₹ 32,512.90).

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 17. Equity Share Capital

| | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| **Authorised share capital** | | | | |
| Equity shares of ₹ 5 each (March 31, 2025: ₹ 5 each) with voting rights (refer note no.(ii) below) | 60,00,00,000 | 30,000.00 | 60,00,00,000 | 30,000.00 |
| | | | | |
| **Issued, subscribed and fully paid-up** | | | | |
| Equity shares of ₹ 5 each (March 31, 2025: ₹ 5 each) with voting rights | 25,73,06,819 | 12,865.34 | 25,73,06,819 | 12,865.34 |
| **Issued, subscribed but not fully paid-up** | | | | |
| Equity shares of ₹ 5 each (partly paid-up ₹ 3 each) (March 31, 2025: ₹ 5 each, partly paid-up ₹ 3 each) with voting rights | 15,32,80,196 | 4,598.41 | 15,32,80,196 | 4,598.41 |
| **Total** | **41,05,87,015** | **17,463.75** | **41,05,87,015** | **17,463.75** |

**Notes:**

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

| Equity shares | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| Balance at the beginning of the year | 41,05,87,015 | 17,463.75 | 25,73,06,819 | 12,865.34 |
| Rights issue during the year (refer note no (vi) below) | - | - | 15,32,80,196 | 4,598.41 |
| **Balance at the end of the year** | **41,05,87,015** | **17,463.75** | **41,05,87,015** | **17,463.75** |

**(ii) Authorised Share Capital**

During the previous year ended March 31, 2025, Holding Company had increased their authorised share capital by ₹ 15,000 (30,00,00,000 shares of ₹ 5 each).

**(iii) Rights, preferences and restrictions attached to the equity shares**

The Holding Company has only one class of equity shares having a par value of ₹ 5 each per share (including partly paid up of ₹ 3 each). Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Every holder of equity shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote. For partly paid up shares, the distribution of assets and voting rights shall be in proportion to their partly paid-up shares when compared to the entire paid-up equity share capital of the Holding Company.

**(iv) Shareholders holding more than 5% of the equity shares**

| | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Number of shares held* | Percentage of share held | Number of shares held | Percentage of share held |
| Equity shares of ₹ 5 each (including partly paid-up of ₹ 3 each) (as at March 31, 2023: ₹ 5) each with voting rights | | | | |
| Tata Sons Private Limited (refer note (vi) and (vii) below)* | 30,07,45,180* | 73.25 | 30,07,45,180* | 73.25 |
| The Tata Power Company Limited | 7,92,78,886 | 19.31 | 7,92,78,886 | 19.31 |
| Tata Chemicals Limited | 1,58,55,777 | 3.86 | 1,58,55,777 | 3.86 |

* Number of shares include 15,32,80,196 which are partly paid-up of ₹ 3 each.





Notes forming part of Consolidated Financial Statements
for the year ended March 31, 2026
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(v) There are no shares reserved for issue under options.

(vi) During the previous year ended March 31, 2025, the Holding Company had offered equity shares under rights issue to the then existing share holders of the Company at an issue price of ₹ 163.10 each per share (₹ 158.10 each per share towards securities premium and ₹ 5 each per share towards paid up capital). The existing share holders were offered 59,570.98 equity shares for every 1,00,000 shares held by them as a part of the rights issue. Against this offer, the Holding Company received ₹ 1,50,000 as share application money from Tata Sons Private Limited on March 25, 2025. On March 31, 2025, 15,32,80,196 equity shares of ₹ 5 each at a paid-up price of ₹ 97.86 (₹ 94.86 each per share towards securities premium and ₹ 3 each per share towards partly paid up capital) were allotted to Tata Sons Private Limited against the share application money received from them.

During the current year ended March 31, 2026, the Board of Directors ('Board') of the Holding company, at its meeting held on February 11, 2026, have resolved that Tata Sons Private Limited will be required to make the balance payment towards the Final Call i.e. ₹ 2 per share on such date as may be determined by the Board of Holding company.

**(vii) Shares of the Holding Company held by immediate and ultimate holding Parent company**

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| Tata Sons Private Limited (Immediate and Ultimate Holding Parent company) (refer note (vi) above) | 30,07,45,180 | 11,971.66 | 30,07,45,180 | 11,971.66 |

**(viii)** Tata Sons Private Limited has been considered as a Promoter of the Holding Company.

## 18. Other equity

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Equity component of compound financial instruments | 7,966.08 | 7,966.08 |
| Reserves and Surplus | | |
| a) General reserve | 29,042.70 | 29,042.70 |
| b) Securities premium | 4,09,534.41 | 4,09,534.41 |
| c) Debenture redemption reserve | 21,000.00 | 21,000.00 |
| d) Retained earnings | (2,26,317.57) | (1,33,249.61) |
| e) Legal reserve | 161.64 | 161.64 |
| Other reserves | | |
| a) Foreign currency translation reserve | 655.12 | 366.21 |
| **Total** | **2,42,042.38** | **3,34,821.43** |

### 18.1 Equity component of compound financial instruments

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 10,645.28 | 25,822.35 |
| Less: Opening deferred tax liability on equity component of compound financial instruments | (2,679.20) | (6,498.97) |
| Less: Reversal of equity portion of compound financial instruments on account of early redemption during the year (refer note no (i) below) | - | (18,974.87) |
| Add: Reversal of deferred tax liability on equity portion of compound financial instruments which were repaid during the year (refer note no (i) below) | - | 4,775.60 |
| Less: Transfer of the equity portion of compound financial instruments to retained earnings on early redemption during the year (refer note no (i) below) | - | (3,792.69) |
| Add: Reversal of the deferred tax liability on equity portion of compound financial instruments transferred to retained earnings (refer note no (i) below) | - | 954.54 |
| Add: Equity portion of compound financial instruments issued during the year (refer note no (ii) below) | - | 7,590.50 |
| Less: Deferred tax liability on equity portion of compound financial instruments (refer note no (ii) below) | - | (1,910.38) |
| **Balance at the end of the year** | **7,966.08** | **7,966.08** |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

(i) During the year ended March 31, 2023, the Holding Company had issued non convertible debentures aggregating to ₹ 50,000 with a transaction cost of ₹ 302.99. These debentures were in the nature of a subordinated debt. As per Ind AS, the Holding company determined the liability portion of these debentures i.e., at amortised cost to be ₹ 26,929.45 the difference between the liability portion determined using effective interest method and the issued amount i.e., ₹ 22,767.56 was recognised and included in shareholders' equity, net of income tax effects. During the previous year ended March 31, 2025, Management had exercised their right for call option for an early redemption of compound financial instrument. On repayment of the compound financial instrument, the equity component amounting to ₹ 18,974.87 had been reversed and the balancing amount of ₹ 3,792.69 had been transferred to retained earnings.

(ii) During the previous year ended March 31, 2025, the Holding Company had issued non convertible debentures aggregating to ₹ 50,000 with a transaction cost of ₹ 98.17. These debentures were in the nature of a subordinated debt. As per Ind AS, the Holding company determined the liability portion of these debentures i.e., at amortised cost to be ₹ 42,311.35. The difference between the liability portion determined using effective interest method and the issued amount i.e., ₹ 7,590.50 was recognised and included in shareholders' equity. These debentures carry a call option which can be exercisable on February 07, 2027. The Holding Company intends to exercise this option. (refer note no. 20(vii))

(iii) Balance as at March 31, 2026 and March 31, 2025 includes ₹ 2,285.96 (net of deferred tax liability) pertaining to subordinated debt which was repaid during the year ended March 31, 2024 on which the Holding company has utilized the benefit of the instrument as per the terms of the agreement.

## 18.2 General reserve

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 29,042.70 | 29,042.70 |
| Movements during the year | - | - |
| **Balance at the end of the year** | **29,042.70** | **29,042.70** |

General reserve represents transfers from retained earnings and is proposed to be used for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

## 18.3 Securities premium

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 4,09,534.41 | 2,64,132.82 |
| Add:- Premium received on issue of equity shares under rights issue during the year (refer note no 17 (vi)) | - | 1,45,401.59 |
| **Balance at the end of the year** | **4,09,534.41** | **4,09,534.41** |

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

## 18.4 Debenture redemption reserve

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 21,000.00 | 21,000.00 |
| Appropriations during the year* | - | - |
| **Balance at the end of the year** | **21,000.00** | **21,000.00** |

*During the current year ended March 31, 2026, the Holding Company has not made any appropriation to Debenture Redemption Reserve account as it had to be created out of the free reserves of the Holding Company which are available for payment of dividend. As at the year end. Holding Company does not have any free reserves.

Additionally, the Holding Company was required to create a Debenture Redemption Fund (DRF) on or before April 30, 2026 by investing or depositing an amount of ₹ 11,250 which is equivalent to 15% of the amount of the debentures due for redemption during the next year ending March 31, 2027 which have not been repaid till the date of approval of these financial statements. The Holding Company had invested ₹ 11,250 on March 30, 2026.





# Notes forming part of Consolidated Financial Statements

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## 18.5 Retained earnings

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | (1,33,249.61) | (61,672.86) |
| Loss attributable to owners of the Parent company | (89,319.97) | (71,692.39) |
| Items of other comprehensive income recognised directly in retained earnings | | |
| Remeasurement of defined benefit plans net of income tax ** | 552.01 | (1,514.55) |
| Payment of interest on subordinated non convertible debentures* | (4,300.00) | (2,162.50) |
| Transfer of equity portion of compound financial instruments on repayment during the year (refer note no.18.1) | - | 3,792.69 |
| **Balance at the end of the year** | **(2,26,317.57)** | **(1,33,249.61)** |

*This amount represents the interest payment made by the Parent company relating to subordinated non-convertible debentures wherein the Holding Company did not avail the coupon deferral option available to them.

**(i) Retained earnings as at March 31, 2026 includes other comprehensive income - remeasurement of defined benefit plans, net of tax of ₹ (5,940.48) [March 31, 2025: ₹ (6,492.49)].

## 18.6 Legal reserve

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 161.64 | 161.64 |
| Movements during the year | - | - |
| **Balance at the end of the year** | **161.64** | **161.64** |

Legal reserve is created by TQ Cert Services LLC (formerly known as Industrial Quality Services LLC) (Subsidiary) at the rate of 10% of the net profit for the year as required by Article 132 of the Promulgating the Commercial companies law of Oman, 2019. The subsidiary has an option to discontinue such annual transfers when the reserve totals 33.33% of the paid up share capital. The reserve is not available for distribution.

## 18.7 Other reserves -Foreign currency translation reserve

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 366.21 | 327.73 |
| Exchange differences arising on translating the foreign operations | 288.91 | 38.48 |
| **Balance at the end of the year** | **655.12** | **366.21** |

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to the Statement of Profit and Loss on the disposal of the foreign operation.

# 19. Non-controlling interests

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 2,511.58 | 468.93 |
| Share of profit for the year | 226.83 | 2,035.46 |
| Effect of exchange fluctuation in opening non-controlling interest | 41.10 | 9.98 |
| Effect of exchange fluctuation income for the year | (1.63) | (0.38) |
| Re-measurements of the defined benefit plans, net of income tax | 0.51 | (2.41) |
| **Balance at the end of the year** | **2,778.40** | **2,511.58** |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Name of subsidiary | Place of incorporation and principal place of business | Proportion of ownership rights and voting rights held by non-controlling interests | | Profit/(Loss) allocated to non-controlling interests | | Other Comprehensive Income | | | | Accumulated non-controlling interests | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Re-measurements of the defined benefit plans, net of income tax | | Effect of exchange fluctuation Income | | | |
| | | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 |
| Artson Limited (formerly known as Artson Engineering Limited) | India | 25% | 25% | (272.10) | 87.11 | 0.51 | (2.41) | - | - | (163.76) | 107.83 |
| TQ Services LLC(formerly known as Industrial Quality Services LLC) | Oman | 30% | 30% | 16.89 | (32.12) | - | - | 42.37 | 9.60 | 436.02 | 376.76 |
| TPL-CIL Construction LLP | India | 35% | 35% | 305.81 | 1,065.95 | - | - | - | - | 1,396.32 | 1,090.51 |
| TCC Construction Private Limited | India | 63% | 63% | 214.27 | 914.52 | - | - | - | - | 1,150.75 | 936.48 |
| TQ Cert Services W.L.L | Qatar | 30% | - | (38.04) | - | - | - | (2.90) | - | (40.94) | - |
| **Total** | | | | **226.83** | **2,035.46** | **0.51** | **(2.41)** | **39.47** | **9.60** | **2,778.40** | **2,511.58** |

## 20. Non-current borrowings

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Debentures (refer note 20(i)) | 3,49,712.07 | 3,24,722.70 |
| Less: Current maturities of borrowings disclosed under note no.22 (A) (c) - current borrowings | (99,988.18) | (50,000.00) |
| | **2,49,723.89** | **2,74,722.70** |
| Debentures - Liability component of compound financial instruments (refer note 22(ii)) | 46,615.45 | 42,844.02 |
| Less: Current maturities of borrowings disclosed under note 22 (A) (c) - current borrowings | (46,615.45) | - |
| | **-** | **42,844.02** |
| From banks (refer note no. 20(v), 20(viii), 22.8) | 700.71 | 2,894.11 |
| Less: Current maturities of borrowings disclosed under note 22 (B) (b) - current borrowings | (700.71) | (1,758.46) |
| | **-** | **1,135.65** |
| Interest accrued but not due on borrowings | 8,987.77 | 11,028.49 |
| **Total** | **2,58,711.66** | **3,29,730.86** |





Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
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**Notes:**

**20.(i) Unsecured, redeemable, non-convertible debentures:**

| Sl. No. | Series | Face Value per debenture (in ₹) | No. of Debentures | Date of Allotment | As at March 31, 2026 (₹ in Lakhs) | Interest rate for the year 2025-26 | Terms of repayment for debentures outstanding as at March 31, 2026 |
|---|---|---|---|---|---|---|---|
| 1 | Y | 1,00,000 | 25,000 | February 06, 2026 | 24,961.11 | 7.90% p.a. payable annually | Redeemable at face value on February 02, 2029 |
| 2 | X | 1,00,000 | 25,000 | February 06, 2026 | 24,963.29 | 7.85% p.a. payable annually | Redeemable at face value on September 25, 2028 |
| 3 | W | 1,00,000 | 25,000 | December 03, 2025 | 24,970.79 | 7.39% p.a. payable annually | Redeemable at face value on December 01, 2028 |
| 4 | U | 1,00,000 | 25,000 | January 10, 2025 | 24,983.79 | 8.30% p.a. payable annually | Redeemable at face value on January 07, 2028 |
| 5 | T | 1,00,000 | 25,000 | December 06, 2024 | 24,978.42 | 8.18% p.a. payable annually | Redeemable at face value on December 06, 2027 |
| 6 | S | 1,00,000 | 50,000 | October 09, 2024 | 49,898.20 | 8.14% p.a. payable annually | Redeemable at face value on October 08, 2027 |
| 7 | R | 1,00,000 | 25,000 | July 22, 2024 | 24,983.27 | 8.35% p.a. payable annually | Redeemable at face value on July 22, 2027 |
| 8 | Q | 1,00,000 | 25,000 | June 06, 2024 | 24,992.99 | 8.25% p.a. payable annually | Redeemable at face value on April 28, 2027 |
| 9 | P | 1,00,000 | 25,000 | January 24, 2024 | 24,992.03 | 8.33% p.a. payable annually | Redeemable at face value on June 24, 2027 |
| 10 | O | 1,00,000 | 25,000 | December 19, 2023 | 24,995.90 | 8.47% p.a. payable annually | Redeemable at face value on November 20, 2026 |
| 11 | N | 1,00,000 | 25,000 | December 19, 2023 | 24,995.50 | 8.50% p.a. payable annually | Redeemable at face value on December 18, 2026 |
| 12 | L | 1,00,000 | 25,000 | August 09, 2023 | 24,999.27 | 7.95% p.a payable half yearly (REPO +1.70%) | Redeemable at face value on August 07, 2026 |
| 13 | K | 1,00,000 | 25,000 | May 24, 2023 | 24,997.51 | 8.20% p.a. payable annually | Redeemable at face value on April 27, 2026 |

**20(ii) Terms of Debentures - Liability component of Compound Financial Instruments:**

| Sl. No. | Series | Face Value per debenture (in ₹) | No. of Debentures | Date of Allotment | As at March 31, 2026 (₹ in Lakhs) | Interest rate for the year 2025-26 | Terms of repayment for debentures outstanding as at March 31, 2026 |
|---|---|---|---|---|---|---|---|
| 1 | V | 10,00,000 | 50,000 | February 07, 2025 | 46,615.45 | 8.60% payable annually | Redeemable at face value on February 07, 2031 |

**20(iii)** As per the terms of Debenture Trust Deed, Holding Company has to repay series K, L, N and O debentures before March 31, 2027. Hence, the same has been disclosed as current maturities of long-term debt under current borrowings.

**20(iv)** Non convertible debentures received during the current and previous year were utilised for the purposes for which they were received. There are no defaults in repayment of borrowings and payment of interest during the current and previous year.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
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**20(v)** Term Loans (secured) at amortised cost - Ujjwal Pune Limited (subsidiary company)

| Sl. No. | Particulars | Sanctioned limit | Maturity date | Terms of repayment | Interest rate | Outstanding balance as at March 31, 2026 | Outstanding balance as at March 31, 2025 | Security details |
|---|---|---|---|---|---|---|---|---|
| 1 | Kotak Mahindra Bank | 7,750 | October 01, 2026 | Quarterly repayment | 8.30% | 575.00 | 2,150.00 | (a) First and exclusive hypothecation charge on all existing and future project assets (including current and future project receivables, current assets and other moveable assets/moveable fixed assets) of the subsidiary company (b) First and exclusive hypothecation charge over project escrow account and escrow receivables and (c) Corporate guarantee from the Parent Company which covers the principal and the interest due for the next 6 months and is on auto reinstatement basis. |
| 2 | Kotak Mahindra Bank | 2,892 | April 27,2024 | Quarterly repayment | 8.00% | - | - | |

**20(vi)** The Holding Company has complied with the financial covenant ("Net Debt/Tangible Networth shall not exceed 3.0") for Series K,L,N,O,P,Q,R,S,T,U,W,X & Y for the year ended March31, 2026. Additionally, there are no financial covenants for Series V Non-convertible debentures.

**20(vii)** Series V debenture carry a call option which can be exercisable before March 31, 2027. Holding Company intends to exercise this option and hence has disclosed the debt as 'current maturities of long-term debt' under current borrowings.

**20(viii)** During the year ended March 31, 2024,DCB Bank had sanctioned a term loan of 500.00 for purchase of machinery or facility upgradation to Artson limited (subsidiary company). The loan is secured by exclusive first charge by way of hypothecation on the machineries/equipment/other assets purchased out of term loan and unconditional and irrevocable corporate guarantee of holding company. In the same year, Artson limited (subsidiary company) has received a secured capex term loan of 176.75 from DCB Bank and during the year ended March 31, 2025, Artson limited has taken an additional term loan of 72.53 from DCB Bank. The loan was entirely repayable in next 12 months and carried an interest rate of 10.5% p.a. linked to 91 days T- bill and reset every 3 months. Artson limited has repaid an amount of 78.95 during the year ended March 31, 2025 and in current year ended on March 312026 repaid an amount of 105.27. Balance outstanding as at March 31, 2026 ₹ 65.06 (March 31, 2025: ₹ 170.33).

## 21. Provisions

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Non-current** | | |
| Compensated absences (Refer note 39.09 (ii) (c)) | 3,983.64 | 5,173.61 |
| Gratuity | 119.47 | 42.94 |
| Post retirement medical benefits | 46.89 | 49.96 |
| Pension | 418.77 | 439.01 |
| **Sub-total** | **4,568.77** | **5,705.52** |
| **Current** | | |
| **(a) Provision for employee benefits** | | |
| Compensated absences (Refer note 39.09 (ii) (c)) | 1,841.57 | 2,044.24 |
| Gratuity | 4,782.59 | 1,933.83 |
| Post retirement medical benefits | 5.00 | 5.00 |
| Pension | 61.61 | 59.40 |
| Provident Fund | 5,549.16 | 4,671.47 |
| **Sub-total (a)** | **12,239.93** | **8,713.94** |
| **(b) Provision - others** | | |
| Provision for future foreseeable losses on contracts (refer note no. 21.1 and 21.2 below) | 15,153.18 | 21,248.85 |
| **Sub-total (b)** | **15,153.18** | **21,248.85** |
| **Total (a+b)** | **27,393.11** | **29,962.79** |

**Notes:**

**21.1** Provision for future foreseeable losses is made for the contracts in which the unavoidable costs of meeting the performance obligations under the contract exceed the economic benefits expected to be received under the contract.





# Notes forming part of Consolidated Financial Statements

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### 21.2 Movement in the provision for future foreseeable losses on contracts

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 21,248.85 | 20,096.34 |
| Add: created during the year | 2,400.76 | 7,480.31 |
| Less: reversal/utilisation during the year | (8,496.43) | (6,327.80) |
| **Balance at the end of the year** | **15,153.18** | **21,248.85** |

## 22. Current borrowings

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **A.** | **Unsecured - at amortised cost** | | |
| **a)** | **From banks** | | |
| | - Working capital demand loans (refer note 22.5(i) below) | 37,500.00 | 52,500.00 |
| **b)** | **From others** | | |
| | - Commercial paper (refer note 22.4 below) | 1,76,568.22 | 1,45,331.50 |
| c) | Current maturities of long-term debt (refer note 20(iii) & 20(vii)) | 1,46,603.63 | 50,000.00 |
| d) | Interest accrued but not due on current borrowings | 3,227.27 | 2,807.13 |
| **B.** | **Secured - at amortised cost** | | |
| **a)** | **From banks** | | |
| | - Overdraft facilities (refer notes 22.1, 22.2 & 22.3 below and note no 16.2) | 5,894.49 | 2,282.10 |
| | - Working capital demand loans (refer notes 22.1, 22.2 and 22.5(ii) below) | 82,900.00 | 65,900.00 |
| b) | Current maturities of long-term debt (refer note no. 20(v),20(viii) and 22.8) | 700.71 | 1,758.46 |
| c) | Interest accrued but not due on borrowings | 4.27 | 17.44 |
| | **Total** | **4,53,398.59** | **3,20,596.63** |

**Notes:**

**22.1** Overdraft facilities and Working capital demand loans of the Holding Company are secured by:

(a) a first charge on the trade receivable, inventories, contract assets and other current assets ranking pari-passu.

(b) the above first charge does not include an exclusive charge on certain projects specific current assets as referred in point 22.1(a) above which do not rank pari passu, as may be permitted by the Lenders from time to time.

**22.2** Overdraft facilities and Working capital demand loans of Artson Limited (subsidiary) of ₹ 3,811.16 (March 31, 2025 - ₹ 3,182.10) are secured by pari passu charge on the inventories, trade receivables in other current assets of the subsidiary. The current interest rates charged by banks range from 10.05% to 10.25% per annum. Additionally, the overdraft facilities and working capital loans is guaranteed unconditionally with irrevocable corporate guarantee from the Holding Company.

Artson Limited (formerly known as Artson Engineering Limited) has borrowings from banks which are secured by a charge on the current assets of the subsidiary company. As per the terms of the sanction letters, the subsidiary company has filed the quarterly statements containing the financial details based on the financial results and statements of current assets filed by the subsidiary company with banks are in agreement with the books of accounts.

**22.3** Overdraft (OD) in Holding Company with interest rates linked to Base rate/MCLR were availed. The current weighted average effective interest rate on overdrafts is 8.93% p.a. (March 31, 2025: 8.92% p.a.).

**22.4** Holding Company issued Commercial Paper with various interest rate. These are repayable with in 88 days to 322 days. The current weighted average effective interest rate on Commercial Paper (unsecured) is 6.90% p.a. (March 31, 2025: 7.71% p.a.).

**22.5** Fixed rate loans in the form of Working Capital Demand Loans (WCDL) were raised for the Holding Company for a tenor of not exceeding 365 days.

(i) The current weighted average effective interest rate on unsecured working capital demand loans is 6.79% p.a. (March 31, 2025: 7.80% p.a.).

(ii) The current weighted average effective interest rate on secured working capital demand loans is 6.82% p.a. (March 31, 2025: 7.99 % p.a.).

# Notes forming part of Consolidated Financial Statements

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**22.6** Borrowings received by the Group during the current year and previous year were utilised for the purposes for which they were received.

**22.7** There are no defaults in repayment of borrowings and payment of interest by the Group during the current year and previous year.

**22.8** TPL-CIL Construction LLP has availed Term Loan Facility under "Commercial Vehicle/Construction Equipment" Scheme from Axis Bank Limited of ₹ 1,845.00 as on March 31, 2026 (₹ 1,845.00 as on March 31, 2025). The loan carries interest rate of 11.00% p.a.to 11.75% p.a.

- Nature of Security:- Term Loan from Financial Institution has been secured by first charge by way of hypothecation of Equipment. In addition, this loan has been guaranteed by Holding Company and CAPACIT'E Infraprojects Limited, the partners of the entity.
- Terms of repayment:- Repayable in 36 equal quarterly instalments.
- Balance outstanding as at March 31, 2026 ₹ 60.65 (March 31, 2025: ₹ 573.78).

### Net debt reconciliation

This section sets out the changes in liabilities arising from financing activities in the statement of cash flows:

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Opening balance (Current, non-current borrowings and lease liabilities): | 6,87,742.27 | 5,72,646.55 |
| Add: Cash inflows | 18,81,344.22 | 18,03,116.80 |
| Less: Cash outflows | (18,38,401.14) | (17,01,742.90) |
| Add: Movement in lease liabilities (net) | 9,440.19 | 8,208.60 |
| Add: Interest expense | 56,958.65 | 56,458.67 |
| Less: Interest paid | (58,592.40) | (50,945.45) |
| **Closing balance*** | **7,38,491.79** | **6,87,742.27** |

**22.9** Bank overdraft balances of the Holding Company are not included in the net debt reconciliation as they form part of cash and cash equivalents. In Artson Limited (formerly known as Artson Engineering Limited) (subsidiary company) presentation of cash flows from bank overdrafts has been reassessed and included under cash flows from financing activities for the years ended March 31, 2026 and March 31, 2025.

*Amounts disclosed in the net debt reconciliation above, are the actual cash flows of the debt at gross values. Additionally, the above reconciliation includes the balances of both continuing and discontinued operations in line with the disclosure in the Statement of Cash Flows.

## 23. Trade payables

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Trade payables | | |
| (a) total outstanding dues of micro and small enterprises | 1,81,148.52 | 1,04,821.06 |
| (b) total outstanding dues other than (a) above | 4,13,726.42 | 5,28,605.09 |
| **Total** | **5,94,874.94** | **6,33,426.15** |

The average credit period ranges from 30 to 120 days, depending on the nature of the item or work. The work orders include element of retention, which would be payable on completion of a milestone, completion of the contract or after a specified period from completion of the work. The terms also would include back to back arrangement wherein certain amounts are payable on realisation of corresponding amounts by the Group from the customer. No interest is payable for delay in payments, unless otherwise specifically agreed in the order or as required by a legislation, like Micro, Small and Medium Enterprises Development Act ("MSMED Act"). The Group has a well defined process for ensuring regular payments to the vendors.





Notes forming part of Consolidated Financial Statements
for the year ended March 31, 2026
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### Trade Payables ageing schedule for the year ended March 31, 2026

| Particulars | Unbilled Dues | Outstanding for the following periods from accounting date | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **Undisputed** | | | | | | | |
| Micro and Small enterprises | 16,468.39 | 79,325.09 | 22,834.47 | 21,170.27 | 15,560.42 | 24,038.69 | 1,79,397.33 |
| Others | 62,147.08 | 1,95,671.92 | 39,143.66 | 34,337.19 | 24,754.00 | 54,697.94 | 4,10,751.79 |
| **Disputed** | - | - | - | - | - | - | |
| Micro and Small enterprises | - | 25.85 | 22.70 | 363.83 | 306.10 | 1,032.71 | 1,751.19 |
| Others | 50.00 | - | - | 97.29 | 36.70 | 2,790.64 | 2,974.63 |
| **Total** | **78,665.47** | **2,75,022.86** | **62,000.83** | **55,968.58** | **40,657.22** | **82,559.98** | **5,94,874.94** |

### Trade Payables ageing schedule for the year ended March 31, 2025

| Particulars | Unbilled Dues | Outstanding for the following periods from accounting date | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **Undisputed** | | | | | | | |
| Micro and Small enterprises | 11,177.61 | 54,199.69 | 8,719.48 | 11,963.79 | 7,576.53 | 10,617.98 | 1,04,255.08 |
| Others | 75,221.98 | 2,77,876.40 | 35,781.93 | 41,272.32 | 31,419.82 | 63,987.89 | 5,25,560.34 |
| **Disputed** | - | - | - | - | - | - | |
| Micro and Small enterprises | - | 16.99 | 3.50 | 88.64 | 79.65 | 377.20 | 565.98 |
| Others | 50.00 | 58.78 | 19.39 | 36.49 | 75.17 | 2,804.92 | 3,044.75 |
| **Total** | **86,449.59** | **3,32,151.86** | **44,524.30** | **53,361.24** | **39,151.17** | **77,787.99** | **6,33,426.15** |

## 24. Trade acceptances

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| (a) | Trade acceptances (refer notes below) | 1,09,865.29 | 1,34,532.77 |
| **Total** | | **1,09,865.29** | **1,34,532.77** |

**Note:**

**24.1** Trade acceptances represents amount payable towards arrangements wherein banks and financial institutions make direct payments to the Holding Company's suppliers for materials and services. The banks and financial institutions are subsequently repaid by the Holding Company at the due date of such acceptances.

### 24.2 Carrying amount of liabilities under supplier finance arrangements

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Liabilities under supplier finance arrangement | 1,09,865.29 | 1,34,532.77 |
| - of which supplier has received payment from the finance provider | 1,09,603.13 | N/A* |

### 24.3 Range of payment due date

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Liabilities under supplier finance arrangement | 120-180 days after invoice/discounting date | N/A* |
| Comparable trade payable that are not part of the supplier finance arrangement | 30-90 days after invoice/ certification date | N/A* |

*Group has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior periods.

# Notes forming part of Consolidated Financial Statements

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All amounts are in ₹ Lakhs unless otherwise stated

## 25. Lease liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Non-current** | | |
| Lease Liabilities | 4,540.95 | 5,420.38 |
| **Total** | **4,540.95** | **5,420.38** |
| **Current** | | |
| Lease Liabilities | 25,809.10 | 25,591.06 |
| **Total** | **25,809.10** | **25,591.06** |

## 26. Other financial liabilities

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **Non-Current** | | | |
| a) | Payables towards purchase of property, plant and equipment and intangible assets | 2,279.26 | 3,858.92 |
| **Total** | | **2,279.26** | **3,858.92** |
| **Current** | | | |
| a) | Payables towards purchase of property, plant and equipment and intangible assets | 15,641.40 | 16,000.48 |
| b) | Foreign-exchange forward contracts | 389.31 | 67.03 |
| c) | Payables to related parties | 443.48 | - |
| **Total** | | **16,474.19** | **16,067.51** |

## 27. Contract liabilities

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| (i) | Contract liabilities (refer note no. 27.2 below) | 2,61,288.35 | 2,04,398.19 |
| | | **2,61,288.35** | **2,04,398.19** |

**Note:**

**27.1** The Contract liabilities represents advance from customers, amount received against arbitration awards and advance billing to customers.

a. Advance billing to customers primarily relate to invoices raised on achievement of milestones for which revenue is to be recognised over a period of time i.e. excess of billing over the revenue recognised.

b. Advances from customers represent payments received during the project mobilization stage, intended to ensure and facilitate the timely execution of the project.

c. Amount received against arbitration awards pertains to amounts received by the group in pursuance of favourable awards which have been challenged by the customers at Higher authorities. These amounts have been received against the submission of bank guarantee by the group.

### 27.2 Summary of Contract liabilities (net)

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| a) | Advance billing to customers | 1,09,338.26 | 1,13,129.16 |
| b) | Advances from customers (including mobilisation advances and interest accrued) | 3,79,239.91 | 3,38,745.22 |
| c) | Amount received against arbitration awards | 1,71,750.37 | 1,39,125.43 |
| | | **6,60,328.54** | **5,90,999.81** |
| d) | Less: Contract liabilities offset against Contract assets (refer note no. 11.3) | (3,99,040.19) | (3,86,601.62) |
| | | **2,61,288.35** | **2,04,398.19** |

**27.3** Revenue recognised during the year from the opening balance of contract liabilities is ₹ 49,815.89 (March 31, 2025: ₹ 57,603.30).



Notes forming part of Consolidated Financial Statements
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## 28. Other current liabilities

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| (a) | Employee benefits payable | 19,306.30 | 18,334.88 |
| (b) | Others | | |
| | i) Other payables | | |
| | - Statutory remittances | 14,745.04 | 11,897.77 |
| | - Security deposits received | 2,132.14 | 1,851.94 |
| | - Others | 55.05 | 55.81 |
| | **Total** | **36,238.53** | **32,140.40** |

## 29. Assets classified as held for sale and Liabilities directly associated with assets classified as held for sale

### (A) Description

During the year March 31, 2026, the Board of Directors of the Holding Company have approved the proposal to divest the Holding Company's investments in TPL Services Private Limited and TQ Cert Services Private Limited (including its subsidiaries).This plan for divestment forms part of a strategic decision by the Management of the Holding Company to rationalise its investment portfolio. Management is in its advance stage of discussion with the potential buyer and expects to complete the sale of these investment within twelve months from the reporting date, i.e. March 31, 2026.

In accordance with the requirements of Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations", TPL Services Private limited and TQ Cert Services Private Limited (including its subsidiaries - refer note no. 2.1) have been considered as a disposal group and their associated assets and liabilities have been disclosed as "Assets classified as held for sale" and "Liabilities directly associated with assets classified as held for sale" in these Consolidated Financial Statements for the balances as at March 31, 2026.

Additionally, these subsidiaries were part of the Services segment of the Group and have been considered as a 'Discontinued Operations' in the disclosure of the Statement of Profit and Loss for the year ended March 31, 2026 and March 31, 2025.

### (B) Assets and Liabilities of displosal of group classified as held for sale

| Particulars | As at March 31, 2026 |
|---|---|
| **Assets classified as held for sale** | |
| Property, plant and equipment | 490.64 |
| Right-of-use assets | 181.90 |
| Intangible assets | 36.66 |
| Other financial assets | 598.78 |
| Deferred tax assets (net) | 1,365.52 |
| Non-current tax assets (net) | 1,758.41 |
| Trade receivables | 16,975.17 |
| Cash and cash equivalents | 4,529.48 |
| Bank balances other than cash and cash equivalents | 1,000.00 |
| Other financial assets | 171.96 |
| Contract assets | 9,251.12 |
| Other current assets | 2,030.31 |
| **Total assets of disposal group held for sale** | **38,389.95** |
| **Liabilities directly associated with assets classified as held for sale** | |
| Lease liabilities | 202.96 |
| Provisions | 1,783.50 |
| Trade payables | 10,687.82 |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
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| Particulars | As at March 31, 2026 |
|---|---|
| Other financial liabilities | 797.05 |
| Current tax liabilities (net) | 31.53 |
| Contract liabilities | 402.72 |
| Other current liabilities | 1,586.54 |
| **Total liabilities of disposal group held for sale** | **15,492.12** |

## (C) Financials perfomance for discontinued operations

| Particulars | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| **(I)** | Revenue from operations | 67,820.93 | 54,009.23 |
| **(II)** | Other income | 328.40 | 188.37 |
| **(III)** | **Total Income (I + II)** | **68,149.33** | **54,197.60** |
| **(IV)** | **Expenses** | | |
| | Contract execution expenses | 46,743.86 | 38,811.26 |
| | Employee benefits expense | 7,445.99 | 5,100.40 |
| | Finance costs | 75.15 | 51.79 |
| | Depreciation and amortisation expense | 218.96 | 176.23 |
| | Other expenses | 6,693.13 | 6,070.76 |
| | **Total expenses (IV)** | **61,177.09** | **50,210.44** |
| **(V)** | **Profit before exceptional items and tax (III - IV)** | **6,972.24** | **3,987.16** |
| **(VI)** | **Exceptional Items** | | |
| | Impact of new labour codes | 1,345.81 | - |
| **(VII)** | **Profit before tax (V-VI)** | **5,626.43** | **3,987.16** |
| **(VIII)** | **Tax expense** | | |
| | Current tax expense | 1,451.96 | 1,134.55 |
| | Tax - earlier years | 5.21 | 22.19 |
| | Deferred tax credit | (703.22) | (153.46) |
| | **Total Tax** | **753.95** | **1,003.28** |
| **(IX)** | **Profit from discontinued operations for the year (VII-VIII)** | **4,872.48** | **2,983.88** |
| **(X)** | **Other comprehensive income** | | |
| | (a) Items that will not be reclassified to profit and loss | | |
| | - Re-measurements of the defined benefit plans | (22.01) | (25.57) |
| | - Deferred tax relating to these items | (2.70) | 1.48 |
| | (b) Items that may be reclassified subsequently to the statement of profit and loss | | |
| | - Exchange differences in translating the financial statements of foreign operations | 328.38 | 48.10 |
| | **Total other comprehensive income for the year, net of tax (X)** | **303.67** | **24.01** |
| **(XI)** | **Total income for the year from discontinued operations (IX + X)** | **5,176.15** | **3,007.89** |

## (D) Cash flow information for Discontinued operations

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Net cash inflow from operating activities | 3,044.34 | 4,217.37 |
| Net cash outflow from investing activities | (450.56) | (1,298.19) |
| Net cash outflow from Financing activities | (1,154.66) | (2,085.56) |
| **Net increase in cash generated from discontinued operations** | **1,439.12** | **833.62** |



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
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## 30. Revenue from Operations

| | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| (a) | Revenue from contracts with customers (refer note (i) below) | 16,46,795.36 | 16,86,341.71 |
| (b) | Income from services (refer note (ii) below) | 1,298.16 | 1,448.02 |
| (c) | Income from sale of goods (refer note (iii) below) | 2,929.05 | 3,557.81 |
| (d) | Other operating revenues (refer note (iv) below) | 2,972.11 | 1,702.39 |
| **Total** | | **16,53,994.68** | **16,93,049.93** |

**Notes**:

**Disaggregate revenue information:** The Company has disaggregated the revenue basis on the nature of work performed.

| | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| (i) | Revenue from contracts with customers: | | |
| | - Supply of contract equipment and materials | 3,04,970.67 | 2,88,701.65 |
| | - Civil and erection works | 13,32,636.64 | 13,88,845.72 |
| | - Operation and maintenance works | 9,188.05 | 8,794.34 |
| | **Total** | **16,46,795.36** | **16,86,341.71** |
| (ii) | Income from services comprises: | | |
| | - Fabrication activities | 1,298.16 | 1,448.02 |
| | **Total** | **1,298.16** | **1,448.02** |
| (iii) | Income from sale of goods comprises: | | |
| | - Sale of fabricated units | 2,929.05 | 3,557.81 |
| | **Total** | **2,929.05** | **3,557.81** |
| (iv) | Other operating revenues comprises: | | |
| | - Sale of scrap | 2,101.86 | 1,385.25 |
| | - Grant income* | 611.88 | - |
| | - Duty drawback | 258.37 | 317.14 |
| | **Total** | **2,972.11** | **1,702.39** |

*Amount pertains to grant income of Artson limited (subsidiary)as part of ship building assistance policy from Ministry of Shipping.

**Unsatisfied performance obligation:** Management expects that the transaction price allocated to partially or fully unsatisfied performance obligation of ₹ 55,48,230.68 (March 31, 2025: ₹ 47,59,481.05) will be recognized as revenue over the project life cycle of those contracts.

Refer note no 27.3 for revenue recognized during the year that was included in the contract liabilities.

During the current year out of the total revenue recognised under Ind AS 115, ₹ 16,48,093.52 (March 31, 2025: ₹ 16,87,789.73) is recognised over a period of time and ₹ 5,901.16 (March 31, 2025: ₹ 5,260.20) is recognised at a point in time.

### Reconciliation of revenue recognised with contract price:

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Contracted price as at opening of the year | 1,52,12,439.91 | 1,47,88,075.09 |
| Add: New contracts entered during the year | 19,46,178.74 | 14,95,130.83 |
| Less: Contracts completed during the year | (5,05,521.86) | (12,57,357.30) |
| Add: Increase due to additional consideration recognised as per contractual terms/(decrease) due to scope reduction (net) | 5,07,546.35 | 1,86,591.29 |
| **Contracted price as at end of the year** | **1,71,60,643.14** | **1,52,12,439.91** |

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Revenue recognised during the year | 16,53,994.68 | 16,93,049.93 |
| Revenue recognised upto previous year (from the contracts pending for completion at the end of the year) | 99,58,417.78 | 87,59,908.93 |
| Balance revenue to be recognised in future i.e., unsatisfied performance obligation | 55,48,230.68 | 47,59,481.05 |
| **Contracted price as at end of the year** | **1,71,60,643.14** | **1,52,12,439.91** |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

### (a) Critical estimates while determining the Income from Contracts:

(i) Estimated Total Costs – Management determines the estimated total costs for the project, which is used to determine the stage of completion of the contract. These estimates may depend on the outcome of future events and may need to be reassessed at the end of each reporting period.

(ii) Contract Price - The contract prices are usually fixed, but they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognized when its recovery is assessed to be highly probable.

(iii) Others - Additional estimates are involved with respect to service concession agreements in two subsidiaries of the Parent Company - Ujjwal Pune Limited and TP Luminaire Private Limited, for the estimation of interest income considering the discount rate on the contract asset which is based on the projected cash flows of the individual projects over the concession period.

Refer note 2.3 for the accounting policy on Revenue from operations.

### (b) Cost to obtain the contract:

a. Amortisation in Statement of Profit and Loss: Nil (March 31, 2025: Nil)

b. Recognised as contract assets at March 31, 2026: Nil (March 31, 2025: Nil)

## 31. Other Income

| | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| **(a)** | **Interest income** | | |
| | Bank deposits | 1,794.40 | 1,414.86 |
| | Other financial assets (refer note no. (i) below) | 1,233.09 | 1,787.11 |
| | Interest on arbitral awards (net of reversals) (refer note no. (ii) below) | (1,595.37) | 19.75 |
| | | **1,432.12** | **3,221.72** |
| | (i) During the current year ended March 31, 2026, interest income pertaining to service concession agreements in subsidiaries amounting to ₹ 1,049.76 (March 31, 2025: ₹ 1,385.24). | | |
| | (ii) Interest on arbitral awards includes a reversal of ₹2,615.06 arising from change in variable consideration recognized in one of the projects of Holding company. | | |
| **(b)** | **Dividend Income** | | |
| | Dividend income from investments | - | - |
| | | - | - |
| **(b)** | **Other non-operating income (net of expenses directly attributable to such income)** | | |
| | Interest on mobilisation advances given | 24.97 | 26.12 |
| | Interest income from statutory authorities | 353.34 | 896.95 |
| | Hire charges | 1,529.26 | 761.89 |
| | Liabilities/provisions no longer required written back | - | 202.35 |
| | Income from insurance claims | 1,695.57 | 2,428.39 |
| | Miscellaneous income | 393.68 | 1,249.32 |
| | **Total** | **3,996.82** | **5,565.02** |
| **(c)** | **Other gains and losses** | | |
| | Net gain on disposal of property, plant and equipment | 404.88 | 558.51 |
| | Net gain on sale of investment in mutual fund | 54.50 | - |
| | Net foreign exchange differences | 2,398.97 | - |
| | **Total** | **2,858.35** | **558.51** |
| | **Total** | **8,287.29** | **9,345.25** |





Notes forming part of Consolidated Financial Statements
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## 32. Contract execution expenses

| | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| (a) | Cost of supplies/erection and civil works* | 13,79,678.52 | 14,01,568.96 |
| (b) | Engineering fees | 12,240.75 | 14,878.35 |
| (c) | Insurance premium | 8,326.74 | 4,140.29 |
| (d) | Bank guarantee and letter of credit charges | 12,427.96 | 12,009.21 |
| **Total** | | **14,12,673.97** | **14,32,596.81** |

*Raw materials consumption is being considered under cost of supplies/erection and civil works

## 33. Changes in inventories of finished goods and work-in-progress

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Inventories at the end of the year** | | |
| Work-in-progress | 687.60 | 1,138.48 |
| Finished goods | 52.80 | 1,008.97 |
| | **740.40** | **2,147.45** |
| **Inventories at the beginning of the year** | | |
| Work-in-progress | 1,138.48 | 1,550.24 |
| Finished goods | 1,008.97 | - |
| | **2,147.45** | **1,550.24** |
| **Net decrease/(increase)** | **1,407.05** | **(597.21)** |

## 34. Employee benefits expense

| | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| (a) | Salaries and wages | 1,21,693.87 | 1,24,108.48 |
| (b) | Contribution to provident fund (refer note 39.09) | 5,330.38 | 5,338.80 |
| (c) | Post-employment pension benefits (refer note 39.09) | 30.94 | 34.62 |
| (d) | Gratuity (refer note 39.09) | 2,154.25 | 1,745.32 |
| (e) | Superannuation (refer note 39.09) | 339.34 | 361.70 |
| (f) | Leave compensation (refer note 39.09) | 486.65 | 2,760.25 |
| (g) | Post-employment medical benefits (refer note 39.09) | 3.46 | 3.64 |
| (h) | Staff welfare expenses | 6,016.46 | 6,645.19 |
| **Total** | | **1,36,055.35** | **1,40,998.00** |

## 35. Finance costs

| | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| **Interest expense on** | | | |
| (i) | Working capital demand loans and commercial papers | 23,599.97 | 24,970.01 |
| (ii) | Bank overdrafts and loans | 1,453.42 | 1,849.65 |
| (iii) | Debentures | 30,401.22 | 27,790.40 |
| (iv) | Mobilisation advance received | 10,883.05 | 11,416.48 |
| (v) | Delayed payment of statutory dues | 290.44 | 501.43 |
| (vi) | Lease liabilities | 2,957.46 | 2,904.88 |
| (viii) | Other borrowing costs (refer note below) | 17,428.21 | 10,825.42 |
| **Total** | | **87,013.77** | **80,258.27** |

**Notes**

Other borrowing costs majorily comprises of interest on payables due to micro and small enterprises, letter of credit charges and cost relating to factoring of receivables.

# Notes forming part of Consolidated Financial Statements

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## 36. Depreciation and amortisation expense

| | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| (i) | Depreciation of property, plant and equipment (refer note no. 4) | 15,206.65 | 14,055.87 |
| (ii) | Amortisation of intangible assets (refer note no 5(b)) | 3,850.22 | 4,032.58 |
| (iii) | Depreciation of Right-of-use assets (refer note no 5(a)) | 9,604.22 | 10,070.66 |
| **Total** | | **28,661.09** | **28,159.11** |

## 37. Other expenses

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Rent | 11,086.06 | 9,230.58 |
| Repairs and maintenance | | - |
| - Building | 35.62 | 24.82 |
| - Machinery | 1,096.70 | 1,243.60 |
| - Others | 11,658.61 | 10,706.51 |
| Power, fuel and utility expenses | 10,303.05 | 13,172.55 |
| Rates and taxes | 3,296.19 | 3,730.49 |
| Insurance | 545.00 | 533.56 |
| Motor vehicle expenses | 7,658.00 | 7,231.72 |
| Travelling and conveyance | 4,489.72 | 5,256.95 |
| Legal and professional | 17,946.78 | 16,845.09 |
| Payment to auditors | 256.41 | 222.91 |
| Communication expenses | 754.94 | 786.19 |
| Printing and stationery | 554.57 | 537.55 |
| Staff recruitment and training expenses | 745.74 | 832.59 |
| Business development expenditure | 537.62 | 297.59 |
| Bank charges | 311.07 | 1,617.67 |
| Freight and handling charges | 262.37 | 330.26 |
| Bad debts | 84.15 | 251.26 |
| Allowance for expected credit losses | 19,731.29 | 23,919.72 |
| Advances written off | - | 448.63 |
| Provision for doubtful deposits and advances | 6,666.32 | 5,095.37 |
| Brand equity contribution | 4,046.17 | 4,047.97 |
| Net foreign exchange differences | 4.40 | 2,182.39 |
| Net impact on sale and reversal of impairment provision on investments (net of sale consideration) | (600.01) | - |
| Contribution towards Corporate social responsibility | 40.94 | - |
| Miscellaneous expenses | 3,484.18 | 3,092.21 |
| **Total** | **1,04,995.89** | **1,11,638.18** |





# Notes forming part of Consolidated Financial Statements

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## 38. Tax expense*

### 38.1 Income taxes recognised in Statement of Profit and Loss

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Current tax** | | |
| Current tax | 11,996.10 | 9,537.32 |
| Adjustments for current tax of prior periods | (550.74) | 1,032.43 |
| | **11,445.36** | **10,569.75** |
| **Deferred tax** | | |
| Increase in deferred tax assets | (29,581.81) | (27,583.65) |
| | **(29,581.81)** | **(27,583.65)** |
| **Total income tax expense** | **(18,136.45)** | **(17,013.90)** |

*Tax expenses mentioned above for the current year ended March 31, 2026 and March 31, 2025 includes the following amounts pertaining to subsidiaries which are considered as discontinued operations in the Statement of Profit and Loss.

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Current tax | 1,451.96 | 1,134.55 |
| Tax of earlier years | 5.21 | 22.19 |
| Deferred tax credit | (703.22) | (153.46) |
| **Total** | **753.95** | **1,003.28** |

### 38.2 The income tax expense for the year (continuing and discontinued operations) can be reconciled to the accounting profit as follows:

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Loss before tax from continuing operations | (1,12,856.02) | (90,657.98) |
| Profit from discontinued operations before tax | 5,626.43 | 3,987.16 |
| **Loss before tax for the year** | **(1,07,229.59)** | **(86,670.82)** |
| Income tax expense calculated* | (26,987.54) | (21,813.31) |
| Effect of expenses that are not deductible in determining taxable profit | 723.58 | 764.29 |
| Effect of liabilities written back which were not offered to tax in earlier years | 0.33 | (330.85) |
| Effect of tax losses on which no deferred tax assets are recognised | 4,810.16 | 145.27 |
| Effect of utilisation of tax losses on which no deferred tax assets were recognized in earlier years | (272.48) | (1,514.11) |
| Effect of differential tax rates on income relating to jointly controlled operations and subsidiaries | 2,247.71 | 1,862.86 |
| Effect of different tax rates of subsidiaries operating in other jurisdictions | 14.75 | 11.72 |
| Effect of deferred tax on undistributed profits in subsidiaries | 31.70 | 67.54 |
| Effect of expenses (net of reversals) for which no deferred income tax was recognised | 1,499.16 | 3,152.35 |
| Effect of reversal of earlier years tax provisions | (550.74) | 1,032.43 |
| Others | 346.92 | (392.09) |
| **Income tax expense recognised in Consolidated Statement of Profit and Loss (relating to continuing operations & discontinued operations)** | **(18,136.45)** | **(17,013.90)** |

*The tax rate used for the years 2025-2026 and 2024-2025 reconciliations above is the corporate tax rate of 25.168 % (including surcharge and education cess) payable by corporate entities in India on taxable profits under the Indian tax law.

### 38.3 Income tax recognised in other comprehensive income

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Deferred tax** | | |
| Remeasurements of defined benefit plans | (198.53) | 443.65 |
| **Total income tax recognised in other comprehensive income** | **(198.53)** | **443.65** |

*Tax expenses for the current year ended March 31, 2026 and March 31, 2025 includes the following amounts pertaining to subsidiaries which are considered as discontinued operations in the statement of profit and loss.

# Notes forming part of Consolidated Financial Statements

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## 39. Additional information to the consolidated financial statements

### 39.01 Contingent liabilities and commitments (to the extent not provided for)

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **(i)** | **Contingent liabilities:** | | |
| **(a)** | **Claims against the Group not acknowledged as debts** | | |
| | Matters under dispute: | | |
| | Sales tax/VAT | 4,669.64 | 5,948.16 |
| | Services tax | 3,116.35 | 3,162.19 |
| | Goods and Service Tax | 76,970.52 | 74,448.43 |
| | Customs | 43.77 | - |
| | Income tax | 17,260.45 | 11,650.35 |
| | Property tax | 6,975.65 | 6,496.50 |
| | Third party claims from disputes relating to contracts | 78,046.47 | 67,551.33 |

Future cash outflows in respect of the matters in (a) above are determinable only on receipt of judgements/decisions pending at various forums/authorities.

**(b) Guarantees:**

Performance and Advance bank guarantees (net) issued by banks on behalf of the Group not considered as contingent liabilities - ₹ 11,52,720.66 (March 31, 2025 - ₹ 13,62,525.32).

**(ii) Commitments**

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance ₹ 4,417.18 (March 31, 2025: ₹ 1,199.30)] | 6,758.99 | 1,210.11 |

**39.02** Based on favourable orders received by the Group in similar cases for other years, external/internal legal counsel's assessment of the merits in the disputes or claims raised by third parties, as applicable, the group assessed the probability of the demands/claims to be remote in the following matters and accordingly provision in the books of accounts/disclosure as contingent liabilities is not considered required:

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Service tax | 63,162.73 | 63,162.73 |
| Third party claims from disputes relating to contracts | 48,965.00 | 72,412.94 |

### 39.03 Segment Information

#### (a) Description of Segments and principal activities:-

The Group broadly operates in two segments - EPC and services. However, "Services" segment has been classified as discontinued operations during the year ended March 31, 2026. The EPC business provides end to end project implementation services. The projects are executed both in India and abroad. Based on the "Management Approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on the analysis of various performance indicators by geographic segments for only the continuing operations. EPC segment is the only continuing business of the Company whose financial information has been disclosed in the Balance Sheet as at March 31, 2026 and Statement of Profit Loss for the year ended March 31, 2026. For the detailed financial information of the Services segment i.e. discontinued operations, refer to Note no 29. Additionally, the information for the multiple geographic segments across EPC business have been detailed out below.





# Notes forming part of Consolidated Financial Statements

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**Accordingly the geographic segments of the group are:**

(i) Domestic

(ii) Overseas

Reporting for business segment is on the following basis:

Revenue relating to individual segment is recorded in accordance with accounting policies followed by the Group. All expenditure, which is directly attributable to a project, is charged to the project and included in the respective segment to which the project is related. The costs which cannot be reasonably attributable to any project and are in the nature of general administrative overheads are shown as unallocable expenses.

The accounting policies of the reportable segments are the same as the group's accounting policies described in note 3.12. Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of joint ventures, other income, as well as finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

For the purpose of monitoring segment performance and allocating resources between segments:

Property, plant and equipment employed in the specific project are allocated to the segment to which the project relates. The depreciation on the corresponding assets is charged to respective segments.

All other assets are allocated to reportable segments other than investments in associates, investments in joint ventures, other investments, loans, foreign-exchange forward contracts and deferred tax assets.

All liabilities are allocated to reportable segments other than borrowings, foreign-exchange forward contracts and deferred tax liabilities.

#### (b) Adjusted EBITDA

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Engineering, Procurement and Construction (EPC)** | | |
| India | (4,321.20) | 7,329.85 |
| Middle East | 199.91 | (367.84) |
| Africa | 3,581.63 | 4,208.03 |
| Asia other than India and Middle East | 1,548.07 | 2,444.57 |
| **Total adjusted EBITDA** | **1,008.41** | **13,614.61** |

**Adjusted EBITDA reconciles to profit before tax as follows:**

| | Notes | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|---|
| **Adjusted EBITDA** | | 1,008.41 | 13,614.61 |
| Finance costs | 35 | (87,013.77) | (80,258.27) |
| Interest income | 31(a) | 1,432.12 | 3,221.72 |
| Interest on mobilisation advances given | 31(b) | 24.97 | 26.12 |
| Interest income from statutory authorities | 31(b) | 353.34 | 896.95 |
| Depreciation and amortisation expense | 36 | (28,661.09) | (28,159.11) |
| **Loss before tax** | | **(1,12,856.02)** | **(90,657.98)** |

# Notes forming part of Consolidated Financial Statements

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All amounts are in ₹ Lakhs unless otherwise stated

## (c) Disaggregation of revenue from contracts with customers

| Year ended March 31, 2026 | Total segment revenue | Inter- segment revenue | Revenue from external customers | Timing of recognition | |
|---|---|---|---|---|---|
| | | | | At a point in time | Over time |
| **Engineering, Procurement and Construction** | | | | | |
| India | 15,96,255.12 | - | 15,96,255.12 | 5,901.16 | 15,90,353.96 |
| Middle East | 401.35 | - | 401.35 | - | 401.35 |
| Africa | 40,230.54 | - | 40,230.54 | - | 40,230.54 |
| Asia other than India and Middle East | 17,107.67 | - | 17,107.67 | - | 17,107.67 |
| **Total segment revenue** | **16,53,994.68** | **-** | **16,53,994.68** | **5,901.16** | **16,48,093.52** |

| Year ended March 31, 2025 | Total segment revenue | Inter- segment revenue | Revenue from external customers | Timing of recognition | |
|---|---|---|---|---|---|
| | | | | At a point in time | Over time |
| **Engineering, Procurement and Construction** | | | | | |
| India | 16,04,281.03 | - | 16,04,281.03 | 5,260.20 | 15,99,020.83 |
| Middle East | 634.96 | - | 634.96 | - | 634.96 |
| Africa | 48,665.96 | - | 48,665.96 | - | 48,665.96 |
| Asia other than India and Middle East | 39,467.98 | - | 39,467.98 | - | 39,467.98 |
| **Total segment revenue** | **16,93,049.93** | **-** | **16,93,049.93** | **5,260.20** | **16,87,789.73** |

**Note:**

There is no major customer having revenue more than 10% of the turnover in the current year. However, Dedicated Freight Corridor Corporation of India Limited has an amount of ₹ 1,98,914.62 exceeding 10% of turnover in the previous year ended March 31, 2025.

## (d) Other profit and loss disclosures

| Year ended 31 March 2026 | Engineering, Procurement and Construction | | | |
|---|---|---|---|---|
| | India | Middle East | Africa | Asia other than India and Middle East |
| **Other material expense items:** | | | | |
| Contract execution expenses | 13,65,315.77 | 67.07 | 31,333.96 | 15,957.17 |

| Year ended 31 March 2025 | Engineering, Procurement and Construction | | | |
|---|---|---|---|---|
| | India | Middle East | Africa | Asia other than India and Middle East |
| **Other material expense items:** | | | | |
| Contract execution expenses | 13,61,157.97 | 299.11 | 37,873.11 | 33,266.62 |





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## (e) Segment assets

| | As at March 31, 2026 | | | As at March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Segment assets | Investments in associate and joint ventures | Additions to non- current assets * | Segment assets | Investments in associate and joint ventures | Additions to non- current assets * |
| **Engineering, Procurement and Construction** | | | | | | |
| India | 18,61,047.35 | - | 28,617.36 | 18,94,496.04 | - | 31,979.43 |
| Middle East | 117.49 | - | - | 134.23 | - | - |
| Africa | 39,579.96 | - | 144.32 | 60,115.13 | - | 17.41 |
| Asia other than India and Middle East | 38,342.03 | - | - | 39,532.82 | - | 4.06 |
| **Total segment assets** | **19,39,086.83** | **-** | **28,761.68** | **19,94,278.22** | **-** | **32,000.90** |
| **Unallocated:** | | | | | | |
| Deferred tax assets | 1,01,057.66 | - | - | 74,706.33 | - | - |
| Investments | - | - | - | 1,502.49 | - | - |
| Derivative financial instruments | 14.47 | - | - | 783.70 | - | - |
| **Total assets**** | **20,40,158.96** | **-** | **28,761.68** | **20,71,270.74** | **-** | **32,000.90** |

* Additions to non-current assets include property, plant and equipment, capital work in progress, intangible assets and intangible assets under development and right-of-use assets, capital advances and other assets.

**Balances disclosed above for the year ended March 31, 2026 and March 31, 2025 pertains to continuing operating segment i.e., EPC.

The total of non-current assets other than financial assets, contract assets and deferred tax assets is presented below by geographical location of the assets:

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Engineering, Procurement and Construction** | | |
| India | 1,55,512.19 | 1,50,871.34 |
| Middle East | 256.93 | 256.93 |
| Africa | 1,232.60 | 1,633.05 |
| Asia other than India and Middle East | 386.86 | 1,520.73 |
| **Total non-current assets** | **1,57,388.58** | **1,54,282.05** |

## (f) Segment liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Engineering, Procurement and Construction** | | |
| India | 10,47,650.27 | 10,18,660.71 |
| Middle East | 24.62 | 230.16 |
| Africa | 15,978.95 | 39,321.24 |
| Asia other than India and Middle East | 23,351.31 | 22,236.48 |
| **Total segment liabilities** | **10,87,005.15** | **10,80,448.59** |
| Unallocated: | | |
| Deferred tax liabilities | 1,267.55 | 2,933.98 |
| Current borrowings | 4,53,398.59 | 3,20,596.63 |
| Non-current borrowings | 2,58,711.66 | 3,29,730.86 |
| Derivative financial instruments | 389.31 | 67.03 |
| **Total liabilities *** | **18,00,772.26** | **17,33,777.09** |

*Balances disclosed above for the year ended March 31, 2026 and March 31, 2025 pertains to continuing operating segment i.e., EPC.

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## 39.04 Financial Instruments

### (i) Capital Management

The Group's cash flow requirement are majorly dependent on the net working capital position. The Group manages its working capital needs and capital expenditure needs, through a balanced mix of capital (including retained earnings), short term borrowings and long term borrowings.

The capital structure of the Group comprises of net debt (borrowings reduced by cash and bank balances) and equity.

The Group is not subject to any externally imposed capital requirements. However, being a debt listed company, there is a limit on borrowings.

The Group reviews its capital requirements on an annual basis, in the form of Annual Operating Plan (AOP). The AOP of the Group aggregates the capital required for execution of projects identified and the financing mechanism of such requirements is determined as part of AOP. The Group budgeted the gearing ratio for the year 2025-26 at about 161%. The gearing ratio as at March 31, 2026 was 246% (March 31, 2025: 149%).

### (ii) Gearing Ratio

The gearing ratio at the end of the reporting period was as follows:

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Total Borrowings (Current and Non-Current) | 7,12,110.25 | 6,50,327.49 |
| Less: Cash and bank balances (Cash and cash equivalents and other bank balances) | 85,913.92 | 1,33,632.73 |
| **Adjusted net debt** | **6,26,196.33** | **5,16,694.76** |
| **Total Equity (Equity share capital+Other equity-Equity component of compound financial instruments-Capital reserve)** | 2,54,318.45 | 3,46,830.68 |
| **Adjusted net debt to adjusted equity ratio** | **246%** | **149%** |

### (iii) Categories of Financial instruments

#### a) Financial Assets

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Non-current** | | |
| Other financial assets | 4,092.50 | 2,522.37 |
| **Current** | | |
| Investments | - | 1,502.49 |
| Trade receivables | 4,07,855.36 | 3,86,258.90 |
| Cash and cash equivalents | 64,786.31 | 1,17,974.58 |
| Bank balances other than those mentioned above | 21,127.61 | 15,658.15 |
| Other financial assets | 31,217.75 | 31,185.95 |
| **Total** | **5,29,079.53** | **5,55,102.44** |

#### b) Financial Liabilities

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Financial liabilities** | | |
| **Non-current** | | |
| Borrowings | 2,58,711.66 | 3,29,730.86 |
| Lease liabilities | 4,540.95 | 5,420.38 |
| Other financial liabilities | 2,279.26 | 3,858.92 |
| **Current** | | |
| Borrowings | 4,53,398.59 | 3,20,596.63 |
| Trade payables | 5,94,874.94 | 6,33,426.15 |
| Trade acceptances | 1,09,865.29 | 1,34,532.77 |
| Lease liabilities | 25,809.10 | 25,591.06 |
| Other financial liabilities | 16,474.19 | 16,067.51 |
| **Total** | **14,65,953.98** | **14,69,224.28** |

### (iv) Financial risk management objectives

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using forward foreign exchange contracts to manage its foreign currency risk exposures. The use of forward foreign exchange contracts is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial instruments and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a periodic basis. The Group does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

The Corporate treasury function reports monthly to the Chief Financial Officer (CFO) and quarterly to the Board of Directors, who monitor risks and policies implemented to mitigate risk exposures.

### (v) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into forward foreign exchange contracts to manage its exposure to foreign currency risk and using a mix of various borrowing facilities available to the Group to manage its interest rate risk. Forward foreign exchange contracts are entered into to manage the exchange rate risk arising on the import/export of goods and services overseas.

### (vi) Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated financial assets, contract assets and financial liabilities at the end of the reporting period are as follows:

| Particulars | Currency | Liabilities | | Assets | |
|---|---|---|---|---|---|
| | | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 |
| United Arab Emirates Dirham | AED | 126.75 | 518.60 | 56.90 | 1,086.16 |
| Kenyan Shilling | KES | - | 3.41 | 21.20 | 19.27 |
| South Korean Won | KRW | - | - | - | 122.65 |
| Qatari Rial | QAR | - | - | - | 7.75 |
| Euro | EUR | 8,407.45 | 4,613.34 | 155.07 | 966.20 |
| Saudi Riyal | SAR | 378.65 | 69.75 | - | 62.04 |
| US Dollar | USD | 34,326.35 | 34,532.67 | 57,421.63 | 97,148.38 |
| Ethiopian Birr | ETB | 61.18 | 3.96 | 883.53 | 903.26 |
| Chinese Yuan Renminbi | CNY | - | 29.48 | - | 464.46 |
| Thai Baht | THB | 34.16 | 41.93 | 145.05 | 21.16 |
| Nepalese Rupee | NPR | 2,304.21 | 3,002.92 | 3,817.22 | 3,439.34 |

# Notes forming part of Consolidated Financial Statements

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| Particulars | Currency | Liabilities | | Assets | |
|---|---|---|---|---|---|
| | | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 |
| Japanese Yen | JPY | 150.07 | 2,068.43 | 2,813.51 | 1,179.22 |
| Great Britain Pound | GBP | - | 475.49 | 65.22 | - |
| Canadian Dollar | CAD | 16.13 | 14.12 | - | - |
| Singapore Dollar | SGD | 69.07 | 2.68 | 44.13 | 38.22 |
| Australian Dollar | AUD | 36.84 | 29.59 | - | - |
| West African CFA Franc | XOF | 3,191.62 | 2,169.68 | 2,545.71 | 1,249.54 |
| Bangladeshi Taka | BDT | 343.01 | 736.08 | 785.79 | 67.97 |
| Central African CFA Franc | XAF | 1,423.32 | 124.93 | 429.70 | 366.53 |
| Sierra Leonean Leone | SLE | 41.23 | 47.73 | 0.58 | 1.02 |
| Tanzanian Shilling | TZS | 725.66 | 2,271.46 | 2,291.82 | 3,173.66 |
| Omani Rial | OMR | - | 62.01 | - | 1,410.92 |
| Kuwait Dinar | KWD | 0.03 | 0.03 | - | - |

**Note:** The above carrying amounts of foreign currency denominated financial assets, contract assets and financial liabilities as at March 31, 2026, pertain only to continuing operations.

### (vii) Foreign currency sensitivity analysis

The above exposures when subjected to a sensitivity of 5% have the following impact:

| Particulars | Currency | Impact on loss before tax as at March 31, 2026 | | Impact on loss before tax as at March 31, 2025 | |
|---|---|---|---|---|---|
| | | Increase in rate by 5%* | Decrease in rate by 5%* | Increase in rate by 5%* | Decrease in rate by 5%* |
| United Arab Emirates Dirham | AED | (3.49) | 3.49 | 28.38 | (28.38) |
| Kenyan Shilling | KES | 1.06 | (1.06) | 0.79 | (0.79) |
| South Korean Won | KRW | - | - | 6.13 | (6.13) |
| Qatari Rial | QAR | - | - | 0.39 | (0.39) |
| Euro | EUR | (412.62) | 412.62 | (182.36) | 182.36 |
| Saudi Riyal | SAR | (18.93) | 18.93 | (0.39) | 0.39 |
| US Dollar | USD | 1,154.76 | (1,154.76) | 3,130.79 | (3,130.79) |
| Ethiopian Birr | ETB | 41.12 | (41.12) | 44.97 | (44.97) |
| Chinese Yuan Renminbi | CNY | - | - | 21.75 | (21.75) |
| Thai Baht | THB | 5.54 | (5.54) | (1.04) | 1.04 |
| Nepalese Rupee | NPR | 75.65 | (75.65) | 21.82 | (21.82) |
| Japanese Yen | JPY | 133.17 | (133.17) | (44.46) | 44.46 |
| Great Britain Pound | GBP | 3.26 | (3.26) | (23.77) | 23.77 |
| Canadian Dollar | CAD | (0.81) | 0.81 | (0.71) | 0.71 |
| Singapore Dollar | SGD | (1.25) | 1.25 | 1.78 | (1.78) |
| Australian Dollar | AUD | (1.84) | 1.84 | (1.48) | 1.48 |
| West African CFA Franc | XOF | (32.30) | 32.30 | (46.01) | 46.01 |
| Bangladeshi Taka | BDT | 22.14 | (22.14) | (33.41) | 33.41 |
| Central African CFA Franc | XAF | (49.68) | 49.68 | 12.08 | (12.08) |
| Sierra Leonean Leone | SLE | (2.03) | 2.03 | (2.34) | 2.34 |
| Tanzanian Shilling | TZS | 78.31 | (78.31) | 45.11 | (45.11) |
| Omani Rial | OMR | - | - | 67.45 | (67.45) |
| Kuwait Dinar | KWD | (0.00) | 0.00 | - | - |

*Holding all other variables constant. Negative amounts represents increase in loss before tax for the year ended March 31, 2026 and March 31, 2025.





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### (viii) Forward foreign exchange contracts

The following table details the Group's liquidity analysis for its derivative financial instruments - forward foreign exchange contract. The table has been drawn up based on the undiscounted contractual net outflows on derivative instruments.

| Particulars | Less than 1 month | 1-3 months | 3 months to 1 year | More than 1 year |
|---|---|---|---|---|
| **March 31, 2026** | | | | |
| Foreign exchange forward contracts (Payable) | 5,370.19 | - | 1,158.09 | - |
| Foreign exchange forward contracts (Receivable) | 9,086.06 | 5,998.61 | 15,408.20 | - |
| **March 31, 2025** | | | | |
| Foreign exchange forward contracts (Payable) | - | 3,574.19 | - | - |
| Foreign exchange forward contracts (Receivable) | 435.73 | 3,898.34 | 53,201.34 | - |

### (ix) Interest rate risk management

The Group is exposed to interest rate risk because of its borrowing at both fixed and floating interest rates. The risk is managed by the Group by maintaining appropriate mix between fixed and floating rate borrowings. Group regularly manages between conventional working capital borrowings and Commercial Paper, thus managing the interest cost. The borrowing facilities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective borrowing strategies are applied.

### (x) Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates with respect to the borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 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. The Group does not use any derivative instruments to manage its interest rate risk.

If interest rates had been 50 basis points increase/decrease and decrease/increase respectively and all other variables were held constant, the Group's:

a) Loss for the year ended March 31, 2026 would increase/decrease by ₹ 232 (Loss for the year ended March 31, 2025: increase/decrease by ₹ 318). This is mainly attributable to Group's exposure to interest rates on its variable/ floating rate borrowings; and

b) There being no debt instrument passing through FVTOCI, there would not be any impact of such change in interest rate, on OCI.

The Group's sensitivity to interest rates has increased during the current year mainly due to the structure of financial products negotiated by the Group with the lenders and also due to the increase in the prime lending rates of the lenders in general.

### (xi) Other price risks

Parent Company's investments in equity instruments are restricted to its investment in its subsidiaries which are held for strategic purposes rather than for trading. The Group, as on the reporting date of March 31, 2026 comprises of eleven operating subsidiaries. All the subsidiaries are closely held companies and unlisted, except Artson Limited (formerly known as Artson Engineering Limited), which is listed on BSE in which Parent Company holds 75% of the stake. The purpose of all such investments being strategic rather than for trading, as mentioned above, the Parent Company does not recognise any impact of sensitivity in the equity prices.

### (xii) Other risks - Borrowings

The Parent Company's terms for borrowing facilities includes various covenants including financial covenants. Under the terms of the major borrowing facilities, the Parent Company is required to comply with the financial covenants around Net Debt to Tangible Net worth. The Parent Company periodically reviews the status of compliance with the various covenants and if required, obtains the waivers for compliance with these covenants for a particular period from the lenders.

Refer to note no 20(vi) for the status of compliance with various covenants by the Parent Company during the current year.

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## (xiii) Credit Risk Management

The credit risk to the group arises from the following sources:

a) Customers, who default on their contractual obligations, thus resulting in financial loss to the Group - Trade receivables & Contractual reimbursable expenses disclosed under other financial assets & unbilled revenue and retention receivables disclosed under contract assets.

b) Non certification by the customers, either in part or in full, the works billed as per the contract, being non claimable cost as per the terms of the contract with the customer - Trade receivables & Unbilled revenue (disclosed under contract assets).

c) Investments in Subsidiaries and Jointly controlled operations and on whose behalf, the Parent Company has provided guarantees, both bank and corporate, in the event of invocation of such guarantees by the beneficiaries.

d) Credit risk relating to Cash and cash equivalents, Other Bank balances and Other financial assets (other than those included above).

### a) Customers:

Group evaluates the credentials of a customer at a very early stage of the bid. Group has adopted a policy of verification before participating for any bid. The verification process includes verification of customer credentials. The Group, as part of verification of the customer credentials, ensures the compliance with the following criterion,

(i) Customer's financial health by examining the audited financial statements

(ii) Whether the Customer has achieved the financial closure for the work for which the Group is bidding

(iii) Where the customer is a private entity, the rating of the customer by a reputed agency.

(iv) Brand and market reputation of the customer

(v) Details of other contractors working with the customer

(vi) Where the customer is Public Sector Undertaking, sanction and availability of adequate financial resources for the proposed work.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. The Group's customer base comprises a mix of public sector undertakings and private sector entities, thereby reducing concentration risk.

The Company has used practical expedient by computing expected credit loss allowance for trade receivable by taking into consideration payment profiles of sales over a period of 60 months before the reporting date and the corresponding historical credit loss experiences within this period. The expected credit loss is based on the ageing of the days, the receivables due and the expected credit loss rate. In addition, in case of event driven situation such as litigations, disputes, change in customer's credit risk history, specific provisions are made after evaluating the relevant facts and expected recovery.

### b) Contract Claim accounted not yet billed:

The Group has contract claims from customers including costs on account of delays/changes in scope/design by them etc. which are at various stages of discussions/negotiations or under arbitrations. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as opinions/ views obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.





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### c) Investments and Guarantees:

In addition to investments in subsidiaries and jointly controlled operations, Parent Company provides guarantees, both from its line of credit and as a corporate, on behalf of it's subsidiaries and jointly controlled operations. These guarantees are provided to customers of the said entities. Parent Company does not perceive any credit risk in respect of any of such guarantees issued. The purpose of all investments and guarantees are strategic rather than for trading. Hence the Parent company periodically reviews the financial performance of the subsidiaries and jointly controlled operations, other indicators and considers the inputs such as future business plans etc., to assess if there is a need to create an impairment provision for these investments/ provision against these guarantees.

### d) Cash and cash equivalents, other bank balances and other financial assets:

For balances with banks and financial institutions, the Group maintains balances with only highly rated and reputed entities. Hence they do not perceive any credit risks for these balances.

For all other asset balances, the Group periodically assess the credit risk for these balances by assessing for any indicators and assessing the credit quality of the parties from whom the balances are due.

*Allowance for expected credit losses on financial assets*

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Non-Current** | | |
| Contract assets (amount is disclosed under allowance for expected credit losses in note 11.4) | 17.77 | 26.32 |
| | | |
| **Current** | | |
| Trade Receivables* | 65,462.30 | 52,267.11 |
| Contract assets (amount is disclosed under allowance for expected credit losses in note 11.4) | 19,462.72 | 16,765.76 |
| Contractual reimbursable expenses* | 106.31 | 44.70 |
| Security deposits (amount is disclosed under provision for doubtful deposits in note 10.1) | 11,164.06 | 4,508.33 |

*Refer Note No. 9.3 and 10.2 for movement in the allowance for expected credit losses.

**Allowance for expected credit losses as at March 31, 2026 and March 31, 2025 was determined as follows for both trade receivables and contract assets under simplified approach:**

*Allowance for expected credit loss of trade receivables and contract assets for the year ended March 31, 2026*

| Particulars | Not due | 0-30 Days | 31-60 Days | 61- 90 days | 91- 120 days | More than 120 days | Total |
|---|---|---|---|---|---|---|---|
| Gross carrying amount - trade receivables | 1,62,561.01 | 63,533.74 | 14,848.88 | 20,843.14 | 13,961.20 | 1,97,569.70 | 4,73,317.66 |
| Gross carrying amount - contract assets (non-current and current) | 9,52,020.96 | - | - | - | - | - | 9,52,020.96 |
| Allowance for expected credit losses - trade receivables | 4,279.79 | 2,597.84 | 562.72 | 842.22 | 1,548.29 | 55,631.44 | 65,462.30 |
| Allowance for expected credit losses - contract assets | 19,480.49 | - | - | - | - | - | 19,480.49 |
| **Carrying amount of trade receivables (net of allowance for expected credit losses)** | **1,58,281.22** | **60,935.90** | **14,286.16** | **20,000.92** | **12,412.91** | **1,41,938.26** | **4,07,855.36** |
| **Carrying amount of contract assets (net of allowance for expected credit losses)** | **9,32,540.47** | **-** | **-** | **-** | **-** | **-** | **9,32,540.47** |

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*Allowance for expected credit loss of trade receivables and contract assets for the year ended March 31, 2025*

| Particulars | Not due | 0-30 Days | 31-60 Days | 61- 90 days | 91- 120 days | More than 120 days | Total |
|---|---|---|---|---|---|---|---|
| Gross carrying amount - trade receivables | 1,46,200.08 | 61,237.35 | 15,452.30 | 20,394.66 | 19,820.77 | 1,75,420.85 | 4,38,526.01 |
| Gross carrying amount - contract assets (non-current and current) | 9,72,716.10 | | | | | | 9,72,716.10 |
| Allowance for expected credit losses - trade receivables | 3,317.43 | 1,753.89 | 423.33 | 1,195.34 | 1,642.69 | 43,934.43 | 52,267.11 |
| Allowance for expected credit losses - contract assets | 16,792.08 | | | | | | 16,792.08 |
| **Carrying amount of trade receivables (net of allowance for expected credit losses)** | **1,42,882.65** | **59,483.45** | **15,028.97** | **19,199.33** | **18,178.08** | **1,31,486.42** | **3,86,258.90** |
| **Carrying amount of contract assets (net of allowance for expected credit losses)** | **9,55,924.02** | - | - | - | - | - | **9,55,924.02** |

## (xiv) Liquidity Risk Management

Parent Company being an EPC contractor, has a constant liquidity requirements to meet the project requirements. These requirements are met by a balanced mix of borrowings and project cash flows. Cash flow forecast is made for all projects on monthly basis and the same are tracked for actual performance on daily basis. Shortfall in cash flows are matched through short term borrowings and other strategic financing means. The daily project requirements are met by allocating the daily aggregated cash flows among the projects. Group has established practice of prioritising the site level payments and regulatory payments above other requirements.

**Liquidity Risk:**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due. Group's treasury maintains flexibility in funding by maintaining availability under deposits in banks, adequate limits in the current accounts etc.

*(i) Contractual maturities of financial liabilities:*

| Particulars | As at March 31, 2026 | | | |
|---|---|---|---|---|
| | Less than 6 months | 6 - 12 months | More than 12 months | Total |
| **Non-Current** | | | | |
| Borrowings | 4,739.75 | 4,248.03 | 2,49,723.88 | 2,58,711.66 |
| Lease liabilities | - | - | 4,540.95 | 4,540.95 |
| Other financial liabilities | - | - | 2,279.26 | 2,279.26 |
| **Current** | | | | |
| Borrowings | 3,35,975.85 | 1,17,422.74 | - | 4,53,398.59 |
| Trade payables | 3,32,165.62 | 1,02,595.24 | 1,60,114.08 | 5,94,874.94 |
| Trade acceptances | 1,09,865.29 | - | - | 1,09,865.29 |
| Lease liabilities | 4,768.28 | 4,897.64 | 16,143.18 | 25,809.10 |
| Other financial liabilities | 15,458.54 | 1,015.65 | - | 16,474.19 |





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| Particulars | As at March 31, 2025 | | | |
|---|---|---|---|---|
| | Less than 6 months | 6 - 12 months | More than 12 months | Total |
| **Non-Current** | | | | |
| Borrowings | 6,780.68 | 4,247.82 | 3,18,702.36 | 3,29,730.86 |
| Lease liabilities | - | - | 5,420.38 | 5,420.38 |
| Other financial liabilities | - | - | 3,858.92 | 3,858.92 |
| **Current** | | | | |
| Borrowings | 2,02,272.73 | 1,18,323.90 | - | 3,20,596.63 |
| Trade payables | 3,77,269.18 | 1,20,301.00 | 1,35,855.97 | 6,33,426.15 |
| Trade acceptances | 1,34,532.77 | - | - | 1,34,532.77 |
| Lease liabilities | 5,104.96 | 4,180.65 | 16,305.45 | 25,591.06 |
| Other financial liabilities | 13,002.46 | 1,759.25 | 1,305.80 | 16,067.51 |

## (xv) Financing facilities

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Unsecured fund based facilities, reviewed annually and payable at call | | |
| amount used | 37,500.00 | 52,500.00 |
| amount unused | 1,14,000.00 | 1,04,000.00 |
| | **1,51,500.00** | **1,56,500.00** |
| Unsecured non- fund based facilities, reviewed annually | | |
| amount used | 1,00,389.94 | 88,616.78 |
| amount unused | 1,32,010.06 | 45,783.22 |
| | **2,32,400.00** | **1,34,400.00** |
| Secured fund based facilities, reviewed annually and payable at call | | |
| amount used | 91,214.49 | 72,226.00 |
| amount unused | 1,02,260.51 | 1,21,574.00 |
| | **1,93,475.00** | **1,93,800.00** |
| Secured non- fund based facilities, reviewed annually | | |
| amount used | 15,48,935.96 | 15,27,283.57 |
| amount unused | 1,92,189.04 | 2,64,241.43 |
| | **17,41,125.00** | **17,91,525.00** |

## (xvi) Fair value measurements

Fair value of financial assets and liabilities measured at amortised cost.

Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets are at carrying values that approximate fair value. Borrowings, trade payables and other financial liabilities are at carrying values that approximate fair value. If measured at fair value in the financial statements, these financial instruments would be classified as Level 3 in the fair value hierarchy.

Fair value of financial assets measured at fair value through profit or loss (FVTPL).

Investments in mutual funds are carried at fair value through profit or loss in financial assets. If measured at fair value in the financial statements, these financial instruments would have been classified as Level 1 in the fair value hierarchy.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

### Fair value hierarchy of financial assets and liabilities as at March 31, 2026

| Particulars | Level 1 | Level 2 | Level 3 |
|---|---|---|---|
| **Non-current financial assets** | | | |
| (i) Other financial assets | - | - | 4,092.50 |
| **Total** | **-** | **-** | **4,092.50** |
| **Current financial assets** | | | |
| (i) Investments | - | - | - |
| (ii) Trade receivables | - | - | 4,07,855.36 |
| (iii) Cash and cash equivalents | - | - | 64,786.31 |
| (iv) Other bank balances | - | - | 21,127.61 |
| (v) Other financial assets | - | - | 31,217.75 |
| **Total** | **-** | **-** | **5,24,987.03** |
| **Non-current financial liabilities** | | | |
| (i) Borrowings | - | - | 2,58,711.66 |
| (ii) Lease liabilities | - | - | 4,540.95 |
| (iii) Other financial liabilities | - | - | 2,279.26 |
| **Total** | **-** | **-** | **2,65,531.87** |
| **Current financial liabilities** | | | |
| (i) Borrowings | - | - | 4,53,398.59 |
| (ii) Trade payables | - | - | 5,94,874.94 |
| (iii) Trade acceptances | | | 1,09,865.29 |
| (iv) Lease liabilities | - | - | 25,809.10 |
| (v) Other financial liabilities | - | - | 16,474.19 |
| **Total** | **-** | **-** | **12,00,422.11** |

### Fair value hierarchy of financial assets and liabilities as at March 31, 2025

| Particulars | Level 1 | Level 2 | Level 3 |
|---|---|---|---|
| **Non-current financial assets** | | | |
| (i) Other financial assets | - | - | 2,522.37 |
| **Total** | **-** | **-** | **2,522.37** |
| **Current financial assets** | | | |
| (i) Investments | 1,502.49 | - | - |
| (ii) Trade receivables | - | - | 3,86,258.90 |
| (iii) Cash and cash equivalents | - | - | 1,17,974.58 |
| (iv) Other bank balances | - | - | 15,658.15 |
| (v) Other financial assets | - | - | 31,185.95 |
| **Total** | **1,502.49** | **-** | **5,51,077.58** |
| **Non-current financial liabilities** | | | |
| (i) Borrowings | - | - | 3,29,730.86 |
| (ii) Lease liabilities | - | - | 5,420.38 |
| (iii) Other financial liabilities | - | - | 3,858.92 |
| **Total** | **-** | **-** | **3,39,010.16** |
| **Current financial liabilities** | | | |
| (i) Borrowings | - | - | 3,20,596.63 |
| (ii) Trade payables | - | - | 6,33,426.15 |
| (iii) Trade acceptances | | | 1,34,532.77 |
| (iv) Lease liabilities | - | - | 25,591.06 |
| (v) Other financial liabilities | - | - | 16,067.51 |
| **Total** | **-** | **-** | **11,30,214.12** |





# Notes forming part of Consolidated Financial Statements

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All amounts are in ₹ Lakhs unless otherwise stated

**(xvii)** The Group does not have any offsetting financial instruments as at March 31, 2026 and March 31, 2025.

**39.05** Artson Limited (formerly known as Artson Engineering Limited), subsidiary company has significant accumulated losses as at March 31, 2026. The Management, including the Board of Directors of the subsidiary company, performed an assessment of the subsidiary's company ability to continue as a going concern. Considering the following aspects, the management and the Board of Directors of the subsidiary company have assessed that the subsidiary company would be able to meet its cash flow requirements for the next twelve months from the date of its financial statements and have accordingly, prepared their financial statements on a going concern basis,

a) Tata Projects Limited, Parent company has provided a letter of support to provide adequate business, financial and operational support to the subsidiary company, to enable it to meet its financial obligations and to continue its operations.

b) Review of the approved business plan and the future cash flow projections.

**39.06** During the current year ended March 31, 2026, Group reviewed and regrouped certain financial statement line items in the consolidated financial statements in line with the industry practices and in relevance to its current operations. Accordingly, previous year figures have been regrouped and reclassified, wherever necessary, to align with the current year presentation as under:

| Note No. | Note description | Previously reported amount as at March 31, 2025 | Revised amount | Change | Particulars |
|---|---|---|---|---|---|
| | Trade receivables (non-current) | 179.12 | - | (179.12) | a) Reclassification of retention receivables to contract assets (non-current). |
| 10 | Other financial assets (non-current) | 7,757.54 | 2,522.37 | (5,235.17) | a) Reclassification of construction revenue receivable to contract assets (non-current). |
| 11 | Contract assets (non-current) | - | 5,414.29 | 5,414.29 | a) Reclassification of retention receivables from trade receivable (non-current) ₹ 179.12 (net of allowance for expected credit losses).<br>b) Reclassification of construction revenue receivable from other financial assets (non-current) ₹ 5,235.17 (net of allowance for expected credit losses). |
| 9 | Trade receivables (current) | 6,00,503.92 | 3,86,258.90 | (2,14,245.02) | a) Reclassification of retention receivables to contract assets (current). |
| 10 | Other financial assets (current) | 11,54,052.28 | 31,185.95 | (11,22,866.33) | a) Reclassification of unbilled revenue to contract assets (current). |
| 11 | Contract assets (current) | - | 9,50,509.73 | 9,50,509.73 | a) Reclassification of retention receivable from trade receivable (current) to contract assets (current) ₹ 2,14,245.02 (net off allowance for expected credit losses).<br>b) Reclassification of unbilled revenue from other financial assets (current) to contract assets (current) ₹ 11,22.866.33 (net off allowance for expected credit losses).<br>c) Reclassification due to offsetting off of contract liabilities against contract assets ₹ (3,86,601.62). |
| 21 | Provisions (current) | 8,713.94 | 29,962.79 | 21,248.85 | a) Reclassification of provision for future foreseeable loss from other current liabilities to provisions (current). |
| 23 | Trade payables (current) | 7,67,958.92 | 6,33,426.15 | (1,34,532.77) | a) Reclassification of trade acceptances from trade payables (current) to trade acceptances (current). |

# Notes forming part of Consolidated Financial Statements

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| Note No. | Note description | Previously reported amount as at March 31, 2025 | Revised amount | Change | Particulars |
|---|---|---|---|---|---|
| 24 | Trade acceptance (current) | - | 1,34,532.77 | 1,34,532.77 | a) Reclassification of trade acceptances from trade payables (current) to trade acceptances (current). |
| 27 | Contract liabilities (current) | - | 2,04,398.19 | 2,04,398.19 | a) Reclassification of advance from customer (including mobilisation advances and interest accrued) from other current liabilities to contract liabilities (current) ₹ 3,38,745.22.<br>b) Reclassification of amounts received against arbitration awards from other current liabilities to contract liabilities (current) ₹ 1,39,125.43.<br>c) Reclassification of advance billing to customers from other current liabilities to contract liabilities (current) ₹ 1,13,129.16.<br>d) Reclassification due to offsetting off of contract assets against contract liabilities ₹ (3,86,601.62). |
| 28 | Other current liabilities | 6,44,389.06 | 32,140.40 | (6,12,248.66) | a) Reclassification of advance from customer (including mobilisation advances and interest accrued) from other current liabilities to contract liabilities (current) ₹ 3,38,745.22.<br>b) Reclassification of amounts received against arbitration awards from other current liabilities to contract liabilities (current) ₹ 1,39,125.43.<br>c) Reclassification of advance billing to customers from other current liabilities to contract liabilities (current) ₹ 1,13,129.16.<br>d) Reclassification of provision for future foreseeable loss from other current liabilities to provisions (current) ₹ 21,248.85. |

## 39.07 Earnings per Share

| | | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|---|
| Loss from the continuing operations attributable to the owners of the Parent Company | A | (94,213.60) | (74,708.39) |
| Profit from discontinued operations attributable to the owners of the Parent Company | B | 4,893.63 | 3,016.00 |
| Loss for the year attributable to the owners of the Parent Company | C | (89,319.97) | (71,692.39) |
| **Basic and Diluted** | | | |
| Weighted average number of equity shares outstanding during the year (refer note 17 (vi)) | D | 3,492.75 | 2,575.59 |
| **Earnings per share - Basic and Diluted** | | | |
| - from continuing operations | A/D | (26.97) | (29.01) |
| - from discontinued operations | B/D | 1.40 | 1.17 |
| - total for the year | C/D | **(25.57)** | **(27.84)** |

| | March 31, 2026 Number of shares | March 31, 2025 Number of shares |
|---|---|---|
| **Weighted average number of equity shares used as the denominator in calculating earnings per share** | | |
| Equity shares before rights issue | 34,92,74,937 | 25,73,06,819 |
| Equity shares issued under the rights issue during the year (refer note 17 (vi)) | - | 2,51,967 |
| **Weighted average number of equity shares used as the denominator in calculating Basic and Diluted earnings per share** | **34,92,74,937** | **25,75,58,786** |





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## 39.08 Related party transactions

### Details of related parties of Group with whom the Group had transactions and account balances:

| Description of relationship | Names of related parties |
|---|---|
| (i) Holding Company | Tata Sons Private Limited |
| (ii) Entity having significant influence | The Tata Power Company Limited |
| **Subsidiaries, associate and joint venture companies of holding company with whom the Group has transactions and account balances** | |
| (iii) Fellow subsidiaries | Air India Limited |
| | Tata Advanced Systems Limited |
| | Tata Capital Limited |
| | Tata Consultancy Services Limited |
| | Tata Consulting Engineers Limited |
| | Tata Electronics Private Limited |
| | Tata International Limited |
| | Tata Medical and Diagnostics Limited |
| | Tata Teleservices Limited |
| | Agratas Energy Storage Solutions Private Limited |
| | Tata Business Hub Limited |
| | Tata AIG General Insurance Company Limited |
| | Innovative Retail Concepts Private Limited |
| | Dharamshala Ropeway Limited |
| | Infiniti Retail Limited |
| | MahaOnline Limited |
| | Tata 1mg Technologies Private Limited |
| | Tata Communications Limited |
| | Tata Communications Transformation Services Limited |
| | Tata Teleservices (Maharashtra) Limited |
| | Tata Unistore Limited |
| | Uchit Expressways Private Limited |
| | Tata Semiconductor Manufacturing Private Limited |
| | Tata Semiconductor Assembly And Test Private Limited |
| | Tata Communications Collaboration Services Private Limited |
| | Novamesh Limited |
| | Ecofirst Services Limited |
| | Tata Africa Holdings (SA) (Proprietary) Limited |
| (iv) Joint ventures of fellow subsidiaries | Air India SATS Airport Services Private Ltd. |
| | Pune IT City Metro Rail Limited |
| | Infopark Properties Limited |
| (v) Associate of holding company | Tata Chemicals Limited |
| | Tata Motors Passenger Vehicles Limited |
| | Tata Steel Limited |
| | The Indian Hotels Company Limited |
| | Titan Company Limited |
| | Voltas Limited |
| | Tata Consumer Products Limited |
| (vi) Joint ventures of holding company | Tata AIA Life Insurance Company Limited |
| | Tata Industries Limited |
| (vii) Subsidiary of associate of holding company | Genness Hospitality Private Limited |
| | Tata Steel Colors Private Limited (w.e.f. December 31, 2025) |
| | Jaguar Land Rover Technology and Business Services India Private Limited |
| | Tata Motors Limited |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Description of relationship | Names of related parties |
|---|---|
| | Neelachal Ispat Nigam Limited |
| | Piem Hotels Limited |
| | Qurio Hospitality Private Limited |
| | Roots Corporation Limited |
| | Tata Chemicals Magadi Limited |
| | Tata Steel UK Ltd |
| | Tata Passenger Electric Mobility Limited |
| | Tata Steel Utilities and Infrastructure Services Limited |
| | United Hotels Limited |
| | Medica TS Hospital Pvt. Ltd. |
| | Universal MEP Projects & Engineering Services Limited |
| | Rallis India Limited |
| (viii) Subsidiary of joint venture of fellow subsidiaries (w.e.f December 24, 2024) | AISATS Noida Cargo Terminal Private Limited |
| | AISATS Noida Logistics Park Private Limited |
| (ix) Associate of fellow subsidiary | Cnergyis Infotech India Private Limited |
| **Subsidiaries and joint venture companies of Entity having significant influence with whom the Company has transactions and account balances** | |
| (x) Subsidiary of entity having significant influence | Maithon Power Limited |
| | Tata Power Delhi Distribution Limited |
| | TP Central Odisha Distribution Limited |
| | TP Northern Odisha Distribution Limited |
| | TP Solar Limited |
| | TP Bikaner III -Neemrana II Transmission Limited |
| | Tata Power Renewable Energy Limited |
| | Paradeep Transmission Limited |
| | TP Gopalpur Transmission Limited (formerly known as ERES-XXXIX Transmission Limited) |
| | TP Jejuri Hinjewadi Power Transmission Limited (w.e.f. January 09. 2026) |
| | TP Jalpura Khurja Power Transmission Limited |
| (xi) Common Directorship of Director | Atria Convergence Technologies Private Limited |
| | Bombay Chamber Of Commerce And Industry |
| (xii) Associate | Arthdesign Build India Private Limited (ceased to be associate w.e.f. March 31, 2026) |
| (xiii) Jointly controlled operations (JCO) | Refer note no. 39.10 for list of jointly controlled operations |
| (xiv) Name of post-employment benefit plans with whom transactions were carried out during the year | Tata Projects Provident Fund Trust |
| | Tata Projects Limited - Employee Gratuity Fund |
| | Tata Projects Limited - Superannuation Fund |
| (xv) Key Managerial Personnel (KMP) | Dr. Praveer Sinha, Chairman |
| | Mr. Vinayak Ratnakar Pai, Managing Director |
| | Mr. Sanjay Vijay Bhandarkar, Independent Director |
| | Ms. Nishi Vasudeva, Independent Director |
| | Mr. T.R.Rangarajan, Independent Director |
| | Mr. Rajiv Jalota, Independent Director (w.e.f. January 01, 2026) |
| | Mr. Sanjeev Churiwala, Non Executive Director (w.e.f July 01, 2024) |
| | Ms. Subhra Gourisaria (w.e.f. July 24, 2025) |
| | Mr. Deepak Natarajan, Chief Financial Officer (w.e.f June 10, 2024 up to April 28, 2025) |
| | Mr. Sanjay Sharma, Chief Financial Officer (up to June 09, 2024) |
| | Mr. Sanjay Dubey, Company Secretary |





# Notes forming part of Consolidated Financial Statements

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All amounts are in ₹ Lakhs unless otherwise stated

## 38.09 Related party transactions

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Holding Company | **Tata Sons Private Limited** | | | | |
| | Brand equity contribution | 4,165.51 | 4,147.28 | - | - |
| | Other income | - | 2.46 | - | - |
| | Contract execution expenses | 41.45 | - | - | - |
| | Other expenses | 29.80 | 28.93 | - | - |
| | Trade receivables | - | - | 97.82 | 100.72 |
| | Trade payables | - | - | 3,747.96 | 3,693.30 |
| Entity having significant influence | **The Tata Power Company Limited** | | | | |
| | Revenue from operations* | 34,570.91 | 69,347.05 | - | - |
| | Other expenses | 125.38 | - | - | - |
| | Other income | - | - | - | - |
| | Purchase of inventory | 1.87 | - | - | - |
| | Contract execution expenses | 88.97 | 387.25 | - | - |
| | Trade receivables | - | - | 5,970.48 | 7,613.57 |
| | Retention receivables | | | 21,757.33 | 20,992.22 |
| | Advances received | - | - | 26,903.63 | 16,653.60 |
| | Advances given | - | - | 28.86 | 0.02 |
| | Trade payables | - | - | 50.77 | 0.03 |
| | Security deposit given | - | - | 2.82 | 5.38 |
| **Subsidiaries, associate and joint venture companies of holding company with whom the Group has transactions and account balances** | | | | | |
| Fellow subsidiary | **Air India Limited** | | | | |
| | Revenue from operations* | 19,011.38 | 907.63 | - | - |
| | Advances received | - | - | 8,188.59 | - |
| | Trade receivables | - | - | 5,170.40 | - |
| | Retention receivables | | | 1,195.63 | |
| Fellow subsidiary | **Tata Advanced Systems Limited** | | | | |
| | Revenue from operations | 355.34 | 167.64 | - | - |
| | Trade receivables | - | - | 64.85 | 11.67 |
| | Trade payables | - | - | 11.91 | 0.47 |
| | Advances given | - | - | 17.24 | 4.23 |
| Fellow subsidiary | **Tata Capital Limited** | | | | |
| | Contract execution expenses | 26,068.07 | 12,063.70 | - | - |
| | Other expenses | 1.85 | - | - | - |
| | Purchase of property, plant and equipment | 40.32 | 34.36 | - | - |
| | Advances given | - | - | 50.85 | 86.69 |
| | Trade payables | - | - | 2,669.32 | 2,340.26 |
| | Lease liabilites | - | - | 24,316.45 | 23,740.98 |
| | Security deposit given | - | - | 120.44 | 1,954.87 |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Fellow subsidiary | **Tata Consultancy Services Limited** | | | | |
| | Revenue from operations* | 41,828.80 | 58,621.11 | - | - |
| | Contract execution expenses | 33.80 | - | - | - |
| | Other expenses | 2,646.49 | 2,601.13 | - | - |
| | Consulting charges (SAP Implemantation) | 3,332.27 | 3,278.43 | - | - |
| | Trade receivables | - | - | 6,669.10 | 10,476.41 |
| | Retention receivables | | | 0.25 | 0.25 |
| | Advances received | - | - | 8,308.52 | 19,914.53 |
| | Trade payables | - | - | 784.02 | 1,530.34 |
| | Payable on property, plant and equipment and intangible assets | - | - | 130.77 | - |
| Fellow subsidiary | **Tata Consulting Engineers Limited** | | | | |
| | Contract execution expenses | - | 99.62 | - | - |
| | Other expenses | 24.65 | - | - | - |
| | Trade payables | - | - | 69.45 | 124.51 |
| Fellow subsidiary | **Tata Electronics Private Limited** | | | | |
| | Revenue from operations | - | 8.42 | - | - |
| | Contract execution expenses | 0.35 | - | - | - |
| | Trade receivables | - | - | 3.61 | 17.12 |
| Fellow subsidiary | **Tata International Limited** | | | | |
| | Revenue from operations | 145.46 | 133.33 | - | - |
| | Trade receivables | - | - | 15.99 | 15.45 |
| Fellow subsidiary | **Tata Medical and Diagnostics Limited** | | | | |
| | Revenue from operations | 35.95 | - | - | - |
| | Other expenses | - | 27.73 | - | - |
| Fellow subsidiary | **Tata Teleservices Limited** | | | | |
| | Contract execution expenses | 0.60 | | | |
| | Other expenses | 14.41 | 16.14 | - | - |
| | Trade payables | - | - | 1.01 | 0.78 |
| Fellow subsidiary | **Agratas Energy Storage Solutions Private Limited** | | | | |
| | Revenue from operations* | 71,919.45 | 10,737.20 | - | - |
| | Trade receivables | - | - | 13,216.74 | 3,856.20 |
| | Retention receivables | | | 3,590.67 | |
| | Advances received | - | - | 9,993.69 | 8,374.31 |
| Fellow subsidiary | **Tata Business Hub Limited** | | | | |
| | Contract execution expenses | 11.19 | - | - | - |
| | Purchase of inventory | 178.44 | 346.41 | - | - |
| | Trade payables | - | - | 63.94 | 308.45 |
| | Advances given | - | - | 0.02 | 4.64 |



# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Fellow subsidiary | **Tata AIG General Insurance Company Limited** | | | | |
| | Contract execution expenses | 1,556.08 | 511.46 | - | - |
| | Other income | 417.87 | 52.09 | - | - |
| | Other expenses | 60.31 | 39.02 | - | - |
| | Employee benefits expenses | 26.17 | - | - | - |
| | Trade receivables | - | - | - | 0.74 |
| | Trade payables | - | - | 141.24 | 13.19 |
| | Advances received | - | - | - | 500.00 |
| | Advances given | - | - | 386.99 | 322.13 |
| | Prepaid expenses | - | - | 2.17 | - |
| Fellow subsidiary | **Innovative Retail Concepts Private Limited** | | | | |
| | Contract execution expenses | 2.15 | - | - | - |
| | Trade payables | - | - | 2.15 | - |
| Fellow subsidiary | **Dharamshala Ropeway Limited** | | | | |
| | Trade receivables | - | - | - | 9.19 |
| Fellow subsidiary | **Infiniti Retail Limited** | | | | |
| | Contract execution expenses | 1.09 | - | - | - |
| | Advances given | | | 0.11 | |
| | Trade receivables | - | - | - | - |
| Fellow subsidiary | **MahaOnline Ltd** | | | | |
| | Security deposit given | - | - | - | 5.50 |
| Fellow subsidiary | **Tata 1mg Technologies Private Limited** | | | | |
| | Contract execution expenses | 7.39 | 114.49 | - | - |
| | Employee Benefits Expenses | 75.93 | - | - | - |
| | Other expenses | 37.80 | - | - | - |
| | Trade payables | - | - | 7.39 | - |
| Fellow subsidiary | **Tata Communications Limited** | | | | |
| | Contract execution expenses | 4.20 | - | - | - |
| | Other expenses | 244.98 | 309.18 | - | - |
| | Purchase of property, plant and equipment | - | 36.95 | - | - |
| | Advances given | - | - | 1.28 | - |
| | Trade payables | - | - | 112.32 | 82.05 |
| Fellow subsidiary | **Tata Communications Transformation Services Limited** | | | | |
| | Trade payables | - | - | 1,538.38 | 1,537.13 |
| Fellow subsidiary | **Tata Teleservices (Maharashtra) Limited** | | | | |
| | Contract execution expenses | 4.70 | | | |
| | Other expenses | 13.19 | 32.95 | - | - |
| | Trade payables | - | - | 3.25 | 1.16 |
| Fellow subsidiary | **Tata Unistore Limited** | | | | |
| | Other expenses | 1.53 | 1.42 | - | - |
| | Trade payables | - | - | - | 0.31 |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Fellow subsidiary | **Uchit Expressways Private Limited** | | | | |
| | Revenue from operations | - | 345.98 | - | - |
| | Interest paid | 720.79 | - | - | - |
| | Interest accrued | | | 852.76 | |
| | Trade receivables | - | - | 1,130.51 | 5,050.41 |
| | Retention receivables | | | 376.96 | 377.48 |
| | Advances received | - | - | 9,775.20 | 10,444.12 |
| Fellow subsidiary | **Tata Semiconductor Manufacturing Private Limited** | | | | |
| | Revenue from operations* | 37,738.14 | 5,204.40 | - | - |
| | Other income | (0.35) | 0.35 | - | - |
| | Trade receivables | - | - | 2,655.38 | 2,477.13 |
| | Retention receivables | | | 38.46 | |
| | Advances received | - | - | 16,224.07 | 3,128.37 |
| Fellow subsidiary | **Tata Semiconductor Assembly And Test Private Limited** | | | | |
| | Revenue from operations* | 83,584.70 | 11,130.29 | - | - |
| | Other income | (3.06) | 3.06 | - | - |
| | Trade receivables | - | - | 14,298.40 | 4,069.36 |
| | Advances received | - | - | 28,032.30 | 14,551.60 |
| Fellow subsidiary | **Tata Communications Collaboration Services Private Limited** | | | | |
| | Contract execution expenses | 69.43 | 60.34 | - | - |
| | Other expenses | 0.39 | - | - | - |
| | Purchase of inventory | 83.95 | - | - | - |
| | Trade payables | - | - | 4.72 | (0.05) |
| Fellow subsidiary | **NOVAMESH LIMITED** | | | | |
| | Other expenses | 64.37 | 64.37 | - | - |
| Fellow subsidiary | **Ecofirst Services Limited** | | | | |
| | Consultancy charges | 1.10 | - | - | - |
| | Contract execution expenses | - | 1.43 | - | - |
| | Trade payables | - | - | 0.24 | - |
| Fellow subsidiary | **Tata Africa Holdings (SA) (Proprietary) Limited** | | | | |
| | Trade payables | - | - | 3.75 | 4.33 |
| Joint Venture of fellow subsidiaries | **Air India SATS Airport Services Private Limited** | | | | |
| | Revenue from operations* | 2,600.24 | 9,556.01 | - | - |
| | Contract execution expenses | 24.50 | | | |
| | Other expenses | 8.39 | 28.02 | - | - |
| | Trade receivables | - | - | 50.00 | 1,362.09 |
| | Retention receivables | | | - | 614.18 |
| Joint Venture of fellow subsidiaries | **Pune IT City Metro Rail Limited** | | | | |
| | Revenue from operations* | 56,313.14 | 85,603.58 | - | - |
| | Contract execution expenses | 367.90 | - | - | - |
| | Interest income | 38.96 | - | - | - |
| | Trade receivables | - | - | 6,569.95 | 20,351.77 |





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Joint Venture of fellow subsidiaries | **Infopark Properties Limited** | | | | |
| | Trade payables | - | - | - | 0.18 |
| Associate of holding company | **Tata Chemicals Limited** | | | | |
| | Revenue from operations | 34.36 | 82.38 | - | - |
| | Trade receivables | - | - | 5.77 | 36.25 |
| Associate of holding company | **Tata Motors Passenger Vehicles Limited** | | | | |
| | Revenue from operations | 19.88 | 10.33 | - | - |
| | Contract execution expenses | - | 151.19 | - | - |
| | Trade receivables | - | - | 3.48 | 24.07 |
| | Advances given | - | - | 0.67 | 0.67 |
| Associate of holding company | **Tata Steel Limited** | | | | |
| | Revenue from operations* | 29,464.05 | 30,041.44 | - | - |
| | Contract execution expenses | 2,117.42 | 21,037.15 | - | - |
| | Purchase of property, plant and equipment | 6.60 | - | - | - |
| | Other expenses | 6.01 | - | - | - |
| | Purchase of inventory | 10,865.74 | - | - | - |
| | Trade receivables | - | - | 7,909.70 | 12,540.23 |
| | Retention receivables | | | 1,665.97 | 2,078.08 |
| | Trade payables | - | - | 2,843.03 | 8,368.37 |
| | Advances received | - | - | 1,305.00 | 4,219.66 |
| | Advances given | - | - | 76.57 | 83.53 |
| | Security deposit given | - | - | - | 1.06 |
| Associate of holding company | **The Indian Hotels Company Limited** | | | | |
| | Revenue from operations | - | 685.81 | - | - |
| | Other expenses | 29.36 | 92.42 | - | - |
| | Employee benefits expenses | 0.14 | | | |
| | Retention receivables | | | 347.69 | 695.37 |
| | Trade payables | - | - | 0.79 | 13.21 |
| | Advances given | - | - | 0.26 | 0.26 |
| Associate of holding company | **Titan Company Limited** | | | | |
| | Trade payables | - | - | 20.63 | 65.88 |
| | Trade receivables | - | - | - | 2.27 |
| | Non-Convertible Debentures | - | - | 5,000.00 | 5,000.00 |
| Associate of holding company | **Voltas Limited** | | | | |
| | Revenue from operations | 62.37 | - | - | - |
| | Contract execution expenses | (15.37) | 40.16 | - | - |
| | Purchase of inventory | 22.73 | - | - | - |
| | Other expenses | 11.11 | 8.82 | - | - |
| | Purchase of property, plant and equipment | - | 0.63 | - | - |
| | Advances given | - | - | 35.80 | - |
| | Trade payables | - | - | 47.05 | 151.03 |
| Associate of holding company | **Tata Consumer Products Limited** | | | | |
| | Revenue from operations | 42.79 | 31.10 | - | - |
| | Trade receivables | - | - | - | 26.54 |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Joint venture of holding company | **Tata AIA Life Insurance Company Limited** | | | | |
| | Other income | - | 0.31 | - | - |
| | Contract execution expenses | 3.00 | 5.21 | - | - |
| | Employee benefits expenses | 278.69 | - | - | - |
| | Other expenses | - | 236.49 | - | - |
| | Advances given | - | - | 26.93 | 8.75 |
| | Trade receivables | - | - | - | 0.29 |
| | Trade payables | - | - | 1.00 | 0.62 |
| Joint venture of holding company | **Tata Industries Limited** | | | | |
| | Contract execution expenses | - | 99.00 | - | - |
| | Other expenses | 1,442.98 | 1,063.63 | - | - |
| | Trade payables | - | - | 350.64 | 355.77 |
| Subsidiary of associate of holding company | **Genness Hospitality Private Limited** | | | | |
| | Revenue from operations* | 4,262.78 | 5,274.29 | - | - |
| | Contract execution expenses | 12.79 | | | |
| | Trade receivables | - | - | 236.97 | 291.96 |
| | Retention receivables | | | 576.36 | 364.22 |
| Subsidiary of associate of holding company (w.e.f. December 31, 2025) | **Tata Steel Colors Private Limited** | | | | |
| | Purchase of inventory | 128.46 | - | - | - |
| | Trade payables | - | - | 198.18 | - |
| | Advances given | - | - | 0.54 | - |
| Subsidiary of associate of holding company | **Jaguar Land Rover Technology and Business Services India Private Limited** | | | | |
| | Revenue from operations | 0.44 | 0.55 | - | - |
| | Trade receivables | - | - | - | 0.25 |
| Subsidiary of associate of holding company | **Tata Motors Limited** | | | | |
| | Revenue from operations | 11.55 | - | - | - |
| | Trade receivables | - | - | 8.04 | - |
| Subsidiary of associate of holding company | **Neelachal Ispat Nigam Limited** | | | | |
| | Revenue from operations | 4.49 | 80.72 | - | - |
| | Contract execution expenses | 0.04 | - | - | - |
| | Trade receivables | - | - | 5.29 | 0.29 |
| | Security deposit given | - | - | - | 1.50 |
| Subsidiary of associate of holding company | **Piem Hotels Limited** | | | | |
| | Other expenses | (1.35) | 7.39 | - | - |
| | Trade payables | - | - | - | 3.13 |
| | Advances given | - | - | 0.66 | 0.66 |
| Subsidiary of associate of holding company | **Qurio Hospitality Private Limited** | | | | |
| | Revenue from operations* | 2,914.86 | 3,460.26 | - | - |
| | Contract execution expenses | 5.00 | | | |
| | Trade receivables | - | - | 114.89 | 229.60 |
| | Retention receivables | | | 379.86 | 263.23 |





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Subsidiary of associate of holding company | **Roots Corporation Limited** | | | | |
| | Other expenses | (7.76) | 69.27 | - | - |
| | Contract execution expenses | 9.21 | | | |
| | Employee benefits expenses | 3.08 | | | |
| | Trade payables | - | - | 10.56 | 13.59 |
| | Advances given | - | - | 64.11 | 0.55 |
| Subsidiary of associate of holding company | **Tata Chemicals Magadi Limited** | | | | |
| | Trade receivables | - | - | 0.19 | 0.19 |
| Subsidiary of associate of holding company | **Tata Steel UK Ltd** | | | | |
| | Revenue from operations | 137.51 | - | - | - |
| | Other income | 18.32 | - | - | - |
| | Trade receivables | - | - | 64.11 | - |
| Subsidiary of associate of holding company | **Tata Passenger Electric Mobility Limited** | | | | |
| | Revenue from operations* | 1,978.03 | 2,848.82 | - | - |
| | Trade receivables | - | - | 693.78 | 781.56 |
| Subsidiary of associate of holding company | **Tata Steel Utilities and Infrastructure Services Limited** | | | | |
| | Contract execution expenses | - | 65.00 | - | - |
| | Trade receivables | - | - | - | 0.02 |
| | Trade payables | - | - | 83.50 | 149.50 |
| Subsidiary of associate of holding company | **United Hotels Limited** | | | | |
| | Contract execution expenses | 1.00 | - | - | - |
| | Other expenses | - | 2.62 | - | - |
| | Trade payables | - | - | 0.98 | - |
| Subsidiary of associate of holding company | **Medica TS Hospital Pvt. Ltd.** | | | | |
| | Other expenses | - | 0.18 | - | - |
| | Trade payables | - | - | - | 0.18 |
| Subsidiary of associate of holding company | **Universal MEP Projects & Engineering Services Limited** | | | | |
| | Revenue from operations | 0.06 | 4.91 | - | - |
| | Contract execution expenses | 212.19 | 1,172.25 | - | - |
| | Purchase of inventory | 899.26 | - | - | - |
| | Trade receivables | - | - | 7.77 | 2.75 |
| | Advances given | - | - | 938.78 | - |
| | Trade payables | - | - | 1,691.29 | 1,139.60 |
| Subsidiary of associate of holding company | **Rallis India Limited** | | | | |
| | Revenue from operations | - | 3.25 | - | - |
| Subsidiary of joint venture of fellow subsidiaries (w.e.f. December 24, 2024) | **AISATS Noida Cargo Terminal Privated Limited** | | | | |
| | Revenue from operations* | 7,146.38 | 8,410.95 | | - |
| | Trade receivables | | - | 156.82 | 2,706.87 |
| | Retention receivables | | | 300.00 | 772.40 |
| Subsidiary of joint venture of fellow subsidiaries (w.e.f. December 24, 2024) | **AISATS Noida Logistics Park Private Limited** | | | | |
| | Revenue from operations* | 874.56 | 1,830.95 | - | - |
| | Trade receivables | - | - | 100.71 | 3.01 |
| | Retention receivables | | | 78.00 | 53.57 |
| | Advances received | - | - | 27.32 | 151.77 |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Associate of fellow subsidiary | **Cnergyis Infotech India Private Limited** | | | | |
| | Other expenses | - | 10.95 | - | - |
| **Subsidiaries and joint venture companies of Entity having significant influence with whom the Group has transactions and account balances** | | | | | |
| Subsidiary of entity having significant influence | **Maithon Power Limited** | | | | |
| | Trade receivables | - | - | - | 0.42 |
| Subsidiary of entity having significant influence | **Tata Power Delhi Distribution Limited** | | | | |
| | Other expenses | 5.99 | 27.27 | - | - |
| | Other income | 4.81 | - | - | - |
| | Trade payables | - | - | 2.34 | 0.01 |
| | Advances given | - | - | - | 0.17 |
| | Security deposit given | - | - | 2.34 | 23.14 |
| Subsidiary of entity having significant influence | **TP Central Odisha Distribution Limited** | | | | |
| | Other expenses | 21.27 | 13.38 | - | - |
| | Advances given | - | - | 14.85 | 16.20 |
| | Trade payables | - | - | 5.60 | 1.15 |
| | Security deposit given | - | - | 7.40 | 6.28 |
| Subsidiary of entity having significant influence | **TP Northern Odisha Distribution Limited** | | | | |
| | Security deposit given | - | - | 0.05 | 0.05 |
| Subsidiary of entity having significant influence | **TP Solar Limited** | | | | |
| | Revenue from operations* | 644.18 | 9,620.14 | - | - |
| | Other expenses | 156.08 | - | - | - |
| | Trade receivables | - | - | 216.99 | 1,418.77 |
| | Advances received | - | - | - | 175.52 |
| Subsidiary of entity having significant influence | **TP Bikaner III Neemrana II Transmission Limited** | | | | |
| | Revenue from operations* | 40,190.94 | 26,563.05 | - | - |
| | Interest Accrued | 9.60 | | | |
| | Interest Paid | 27.00 | - | - | - |
| | Other expenses | 2.06 | - | - | - |
| | Trade receivables | - | - | 3,301.22 | 6,616.19 |
| | Retention receivables | | | 5,954.41 | 2,372.11 |
| | Advances received | - | - | 1,834.52 | 5,231.94 |
| Subsidiary of entity having significant influence | **Tata Power Renewable Energy Limited** | | | | |
| | Revenue from operations | 137.61 | 123.59 | - | - |
| | Other expenses | 21.06 | - | - | - |
| | Contract execution expenses | - | 47.18 | - | - |
| | Trade receivables | - | - | 30.08 | 99.07 |
| | Trade payables | - | - | 53.87 | 56.03 |
| | Advances received | - | - | 1.41 | - |
| | Advances given | - | - | - | 18.95 |
| Subsidiary of entity having significant influence | **Paradeep Transmission Limited** | | | | |
| | Revenue from operations* | 33,839.06 | - | - | - |
| | Trade receivables | - | - | 6,111.01 | - |
| | Retention receivables | | | 3,496.76 | |
| | Advances received | - | - | 7,629.30 | 8,905.04 |





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Subsidiary of entity having significant influence | **TP Gopalpur Transmission Limited (formerly known as ERES-XXXIX Transmission Limited)** | | | | |
| | Revenue from operations* | 10,723.67 | - | - | - |
| | Other expenses | 0.05 | - | - | - |
| | Trade receivables | - | - | 4,546.89 | - |
| | Retention receivables | | | 1,123.08 | |
| | Advances received | - | - | 7,672.05 | 7,320.24 |
| Subsidiary of entity having significant influence (w.e.f. Janaury 09, 2026) | **TP Jejuri Hinjewadi Power Transmission Limited** | | | | |
| | Revenue from operations* | 2.82 | - | - | - |
| | Advances received | - | - | 3,416.92 | - |
| Subsidiary of entity having significant influence | **TP Jalpura Khurja Power Transmission Limited** | | | | |
| | Revenue from operations | 52.10 | - | - | - |
| | Trade receivables | - | - | 14.72 | - |
| Common Directorship of Director | **Atria Convergence Technologies Private Limited** | | | | |
| | Other expenses | 7.80 | 3.21 | - | - |
| | Trade payables | - | - | 0.35 | 0.35 |
| Common Directorship of Director | **Bombay Chamber Of Commerce And Industry** | | | | |
| | Other expenses | 0.90 | 4.05 | | - |
| | Trade payables | | - | 1.14 | 1.24 |
| Associate | **Arth Design build India Private Limited** | | | | |
| | Contract execution expenses | (15.34) | 15.34 | | - |
| | Trade payables | | - | - | 15.43 |
| Jointly controlled operations (JCO) | **CEC-ITD Cem-TPL Joint Venture** | | | | |
| | Revenue from operations | 186.36 | 792.51 | - | - |
| | Contract execution expenses | 32.98 | 14.34 | - | - |
| | Other expenses | - | 25.74 | - | - |
| | Trade receivables | - | - | - | 210.27 |
| | Trade payables | - | - | 82.59 | - |
| | Contractual reimbursable receivables | - | - | 9.01 | 2.01 |
| | Bank guarantees given | - | - | 4,528.16 | 9,056.32 |
| Jointly controlled operations (JCO) | **Angelique-TPL JV** | | | | |
| | Contractual reimbursable receivables | - | - | - | 163.49 |
| | Trade receivables | - | - | - | 175.54 |
| | Advances received | - | - | - | 166.45 |
| | Withdrawal of share of profit | 595.59 | - | - | - |
| Jointly controlled operations (JCO) | **Daewoo-TPL JV** | | | | |
| | Other income | - | 6.58 | - | - |
| | Contract execution expenses | - | 207.56 | - | - |
| | Purchase of property, plant and equipment | - | 406.83 | - | - |
| | Purchase of inventory | - | 644.71 | - | - |
| | Trade receivables | - | - | 655.91 | 203.18 |
| | Contractual reimbursable receivables | - | - | 215.11 | 2,318.99 |
| | Trade Payables | - | - | 810.27 | 2,717.91 |
| | Bank guarantees given | - | - | 2,882.77 | 14,789.35 |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Nature of relation with the group | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Jointly controlled operations (JCO) | **Tata Projects Brookfield Multiplex Joint Venture** | | | | |
| | Contractual reimbursable receivables | - | - | 0.75 | - |
| Jointly controlled operations (JCO) | **Gulermak-TPL Pune Metro Joint Venture** | | | | |
| | Revenue from operations | 468.37 | 1,864.48 | - | - |
| | Contract execution expenses | 524.29 | 1.17 | - | - |
| | Purchase of inventory | - | 41.43 | | |
| | Contractual reimbursable receivables | - | - | 11.29 | 95.02 |
| | Retention receivables | - | - | 142.92 | - |
| | Advances received | - | - | - | 32.59 |
| | Trade payables | - | - | 1,001.13 | 697.85 |
| | Trade receivables | - | - | 245.99 | 1,129.81 |
| | Bank guarantees given | - | - | - | 3,426.23 |
| Jointly controlled operations (JCO) | **HCC-TPL Indore Metro Joint Venture** | | | | |
| | Revenue from operations | 7.66 | - | - | - |
| | Contract execution expenses | 3.51 | - | - | - |
| | Contractual reimbursable receivables | - | - | 42.62 | - |
| | Trade receivables | - | - | 411.42 | - |
| | Bank guarantees given | - | - | 10,441.49 | - |
| Jointly controlled operations (JCO) | **TPL-HCC Bhivpuri PSP Joint Venture** | | | | |
| | Revenue from operations | 69.48 | - | - | - |
| | Contract execution expenses | 0.00 | - | - | - |
| | Contractual reimbursable receivables | - | - | 38.49 | - |
| | Trade receivables | - | - | 114.75 | - |
| | Bank guarantees given | - | - | 28,138.63 | - |
| Post-employment benefit plans | **Tata Projects Provident Fund Trust** | | | | |
| | Contributions during the year | 22,978.01 | 21,857.29 | - | - |
| | Payable - other financial liabilities | - | - | 443.48 | - |
| | Security deposit given | - | - | 200.93 | - |
| Key Managerial Personnel (KMP) | **Key Managerial Personnel** | | | | |
| | Short term employee benefits | 1,098.08 | 1,448.35 | - | - |
| | Post employment benefits | 65.82 | 64.57 | - | - |
| | Directors sitting fees | 28.80 | 22.20 | - | - |
| | Commission to Non-Executive Directors | 1,071.00 | 1,086.00 | - | - |

**Note:**

(a) Contractual reimbursable expenses represent expenditure incurred on behalf of the entities and are recoverable in nature.

(b) All the above balances and transactions include both continuing and discontinued operations.





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

**Revenue billed during the year March 31, 2026**

| Particulars | Revenue billed during the year |
|---|---|
| Agratas Energy Storage Solutions Private Limited | 70,543.79 |
| Air India Limited | 18,885.92 |
| Air India SATS Airport Services Private Limited | 687.73 |
| AISATS Noida Cargo Terminal Privated Limited | 3,995.03 |
| AISATS Noida Logistics Park Private Limited | 488.90 |
| Genness Hospitality Private Limited | 4,242.90 |
| Pune IT City Metro Rail Limited | 50,395.47 |
| Qurio Hospitality Private Limited | 2,332.55 |
| Tata Consultancy Services Limited | 36,276.90 |
| Tata Passenger Electric Mobility Limited | 986.19 |
| Tata Semiconductor Assembly And Test Private Limited | 76,374.86 |
| Tata Steel Limited | 31,872.22 |
| The Tata Power Company Limited | 30,016.88 |
| TP Bikaner III Neemrana II Transmission Limited | 38,672.19 |
| TP Solar Limited | 943.60 |
| Tata Semiconductor Manufacturing Private Limited | 32,726.74 |
| Paradeep Transmission Limited | 36,618.11 |
| TP Gopalpur Transmission Limited | 11,230.79 |
| TP Jejuri Hinjewadi Power Transmission Limited | - |

**39.09 Employee benefit plan**

**(i) Defined contribution plans**

(a) In respect of defined contribution plan i.e. superannuation plan with Life Insurance Corporation ('LIC'), an amount of ₹ 339.34 (March 31, 2025: ₹ 424.24*) has been recognised as expense in the Statement of Profit and Loss during the year.

(b) The Parent Company also pays pension fund contributions to publicly administered pension funds as per local regulations and in case of one subsidiary - Artson Limited and three jointly controlled operations - Gulermak-TPL Pune Metro Joint Venture, HCC-TPL Indore Metro Joint Venture and TPL-HCC Bhivpuri PSP Joint Venture remittances of provident fund contributions are made to government administered provident fund as per local regulations.

* ₹ 62.54 pertains to discontinued operations reclassified to profit from discontinued operations for the year ended March 31, 2025.

Below is the expense recognised in the Statement of Profit and Loss in this regard.

| Entity Name | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Tata Projects Limited | 796.69 | 942.53 |
| Gulermak-TPL Pune Metro Joint Venture | 7.27 | 13.47 |
| TPL-HCC Bhivpuri PSP Joint Venture | 9.93 | - |
| HCC-TPL Indore Metro Joint Venture | 1.84 | - |
| Subsidiaries | 76.59 | 76.06 |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## (ii) Defined benefit plans

### a) Provident Fund

Employees of the Group receive benefits from a provident fund, which is a defined benefit plan. Both, the employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Parent Company contributes to the Tata Projects Provident Fund Trust except in Artson Limited (formerly known as Artson Engineering Limited), Gulermak-TPL Pune Metro Joint Venture, HCC-TPL Indore Metro Joint Venture and TPL-HCC Bhivpuri PSP Joint Venture, where contribution is made to The Employees' Provident Fund Organisation(EPFO) administered by government. The trust invests a portion in specific designated instruments as permitted by Indian Law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the government. The Parent Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the administered interest rate.

The Provident fund administered by the Tata Projects Provident Fund Trust, in addition to the contributions of on-roll employees, also includes the contributions of contract employees engaged through sub-contractors for execution of various jobs in the construction/project sites of the Group. However, effective August 2023, the group is making provident fund contributions for all new contract employees engaged through subcontractor to Employees' Provident fund organisation (EPFO). The contract employees are engaged through sub-contractors on casual and day wage basis. Most of the said sub-contractors do not have the required registrations and hence these contract workers are engaged through the licences/registrations of the Group. Accordingly, the compliance with all the required labour laws (including provident fund compliances) are ensured by the Group.

The Group engages certain employees on fixed-term contracts ranging between 6 to 12 months. In accordance with the Code on Social Security, 2020, gratuity is payable to fixed-term employees on a pro-rata basis after completion of one year of service. The Group has evaluated actuarially and recognized gratuity liability for such employees where applicable. Further, as per the Code on Wages, 2019, these employees are not eligible for leave encashment since they do not ordinarily complete 240 days of service in a calendar year. Accordingly, no provision towards leave encashment has been recognized in respect of contract employees.

The actuary has provided a valuation for provident fund liabilities and based on the valuation, there is a shortfall as at March 31, 2026 and March 31, 2025.

| Change in Defined Benefit Obligation (DBO) during the year | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Opening defined benefit obligations | 1,05,264.75 | 86,610.55 |
| Current service cost | 7,678.36 | 6,301.11 |
| Interest cost | 7,163.54 | 6,487.62 |
| Actuarial loss arising from changes in financial assumptions | 899.93 | 843.88 |
| Actuarial loss arising from experience assumptions | 1,268.25 | 4,332.01 |
| Employees contribution | 10,557.06 | 11,988.94 |
| Benefits paid | (11,569.21) | (15,234.29) |
| Liabilities assumed | (118.66) | 3,934.93 |
| **Closing defined benefit obligation** | **1,21,144.02** | **1,05,264.75** |

| Change in fair value of plan assets during the year | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Opening fair value of plan assets | 1,00,593.28 | 83,399.32 |
| Interest on plan assets | 6,855.23 | 6,256.42 |
| Remeasurement due to: | | |
| *Actual return on plan assets less interest on plan assets* | 1,598.80 | 3,946.85 |
| Contribution from the employer | 7,678.36 | 6,301.11 |
| Employees contribution during the year | 10,557.06 | 11,988.94 |
| Benefits paid | (11,569.21) | (15,234.29) |
| Assets acquired | (118.66) | 3,934.93 |
| **Closing fair value of plan assets** | **1,15,594.86** | **1,00,593.28** |





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| Amount recognised in Balance sheet | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Present value of benefit obligation at year end | 1,21,144.02 | 1,05,264.75 |
| Plan assets at period end, at fair value* | 1,15,594.86 | 1,00,593.28 |
| **Funded status** | **5,549.16** | **4,671.47** |
| **Net liability arising from defined benefit obligation** | 5,549.16 | 4,671.47 |
| Net defined benefit obligation bifurcated as follows: | | |
| Current (refer note 21) | 5,549.16 | 4,671.47 |
| **Total** | **5,549.16** | **4,671.47** |

*The plan assets have been primarily invested in the following categories:

**Fair values of major categories of plan assets are as follows:**

| Particulars | As at March 31, 2026 | | | As at March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Quoted | Unquoted | Total | Quoted | Unquoted | Total |
| Debt instruments - Central government bonds | 36,607.24 | - | 36,607.24 | 33,186.45 | - | 33,186.45 |
| Debt instruments - State government bonds | 31,415.28 | - | 31,415.28 | 27,160.10 | - | 27,160.10 |
| Debt instruments - PSU bonds | 39,990.71 | - | 39,990.71 | 35,589.54 | - | 35,589.54 |
| Debt instruments - Others | - | 262.60 | 262.60 | - | 262.60 | 262.60 |
| Equity Instruments - ETF | 7,158.12 | - | 7,158.12 | 4,378.09 | - | 4,378.09 |
| Other receivables | - | 160.91 | 160.91 | - | 16.50 | 16.50 |
| **Closing balance of the plan assets** | **1,15,171.35** | **423.51** | **1,15,594.86** | **1,00,314.18** | **279.10** | **1,00,593.28** |

**Risk exposure**

The primary risk faced by companies maintaining exempt provident funds is the potential inability of its investment portfolio to match the guaranteed RPFC rate set by the Employers' Provident Fund Organization in the future for its own members. The other risks pertain to the unrealized losses that can arise on the investment portfolio of the exempt provident fund or any impairment in assets values. These risks essentially emanate from:

**Interest Rate Risk** arising due to exposure of the portfolio to changes in the interest rates in the market.

**Equity Risk** pertaining to the volatility associated with the equity market within which the portfolio would have invested.

**Default Risk** arising due to the possibility of a counter-party not meeting its contractual obligations due to inability or unwillingness.

**Credit Risk** from the risk of fluctuating asset values due to an actual or perceived change in the credit worthiness of the issuer of a bond.

| Components of employer expense | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Current service cost | 7,678.36 | 6,301.11 |
| Net Interest Cost on net defined benefit liabilities | 308.31 | 231.20 |
| **Components of defined benefit costs recognised in statement of profit and loss** | **7,986.67** | **6,532.31** |
| **Remeasurements:** | | |
| Return on plan assets | (1,598.80) | (3,946.85) |
| Actuarial loss arising from changes in financial assumptions | 899.93 | 843.88 |
| Actuarial loss arising from experience assumptions | 1,268.25 | 4,332.01 |
| **Components of defined benefit costs recognised in other comprehensive income** | **569.38** | **1,229.04** |

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**The principal assumptions used for the purposes of the actuarial valuations were as follows:**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Discount rate (%) | 6.70 | 6.60 |
| Future derived return on assets (%) | 7.09 | 7.57 |
| Discount Rate of the Remaining Term to Maturity of the investment (%) | 7.15 | 6.60 |
| Average historic yield on the investment portfolio (%) | 7.54 | 7.57 |
| Guaranteed rate of return (%) | 8.25 | 8.25 |

| Sensitivity Analysis | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Discount rate** | | |
| Impact of increase in 100 bps on DBO | -2.15% | -2.22% |
| Impact of decrease in 100 bps on DBO | 3.09% | 3.68% |
| **RPFC Guaranteed Rate of Return** | | |
| Impact of increase in 100 bps on DBO | 2.96% | 3.50% |
| Impact of decrease in 100 bps on DBO | -2.13% | -2.20% |

The Parent company contributed ₹ 7,986.67 and ₹ 6,532.31 during the years ended March 31, 2026 and March 31, 2025 respectively and the same has been recognized in the Statement of Profit and Loss under the head contribution to provident fund of ₹ 4,394.63 (March 31, 2025: ₹ 4,284.23) (refer note 33 (b)) and under the head of contract execution expenses of ₹ 3,592.04 (March 31, 2025: 2,248.08).

The expected contribution payable to the plan next year is ₹ 8,292.63. The weighted average duration to the payment is 3.54 years.

**b) Gratuity, Pension and Post retirement medical Benefits**

The following tables set out the funded status of Gratuity and the amounts of Gratuity, Pension and Post retirement medical benefits recognized in the Group's financial statements as at March 31, 2026 and March 31, 2025.

Also, the balances and transactions as at and for the year ended March 31, 2026 pertain only to the continuing operations.

| Change in Defined Benefit Obligation (DBO) during the year | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gratuity (funded)* | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) | Gratuity (funded) | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) |
| Opening defined benefit obligations | 12,393.92 | 498.41 | 54.96 | 10,558.17 | 510.58 | 53.06 |
| Balance restated to liabilities directly associated with asset classified as held for sale | (930.03) | - | - | - | - | - |
| **Net opening defined benefit obligation** | **11,463.89** | **498.41** | **54.96** | **10,558.17** | **510.58** | **53.06** |
| Current service cost | 2,115.49 | | | 1,870.54 | - | - |
| Past service cost | 4,330.87 | | | | | |
| Interest Cost | 714.73 | 30.94 | 3.46 | 698.98 | 34.62 | 3.64 |
| **Remeasurement (gain)/loss:** | | | | | | |
| *-Actuarial (Gain)/loss arising from changes in demographic assumptions* | (733.19) | - | - | - | - | - |
| *-Actuarial (Gain)/loss arising from changes in financial assumptions* | (61.55) | (2.26) | (0.29) | 418.60 | 14.60 | 1.90 |
| *-Actuarial (Gain)/loss arising from experience assumptions* | (455.81) | 14.81 | 4.52 | 321.34 | (2.00) | (2.27) |
| Benefits paid | (1887.98) | (61.52) | (10.76) | (1,473.71) | (59.39) | (1.37) |
| **Closing defined benefit obligation** | **15,486.46** | **480.38** | **51.89** | **12,393.92** | **498.41** | **54.96** |





Notes forming part of Consolidated Financial Statements
for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

| Change in fair value of plan assets during the year | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gratuity (funded)* | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) | Gratuity (funded) | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) |
| Opening fair value of plan assets | 10,417.15 | - | - | 10,132.88 | - | - |
| Balance restated to liabilities directly associated with asset classified as held for sale | (888.64) | | | | | |
| **Net opening value of plan assets** | **9,528.51** | **-** | **-** | **10,132.88** | **-** | **-** |
| Interest income | 654.59 | - | - | 764.64 | - | - |
| Remeasurement gain/(loss) | - | - | - | 0.34 | - | - |
| *-Return on plan assets (excluding amounts included in net interest expense)* | 110.62 | - | - | 18.86 | - | - |
| Contribution from the employer | 2,178.65 | 61.52 | 10.77 | 775.08 | 59.39 | 1.36 |
| Benefits paid | (1887.97) | (61.52) | (10.77) | (1,473.73) | (59.39) | (1.36) |
| Assets transferred | | - | - | 199.08 | - | - |
| **Closing fair value of plan assets** | **10,584.40** | **-** | **-** | **10,417.15** | **-** | **-** |

| Amount recognised in Balance sheet | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gratuity (funded)* | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) | Gratuity (funded) | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) |
| Present value of funded defined benefit obligation | 15,486.46 | | | 12,393.92 | - | - |
| Fair value of plan assets | 10,584.40 | - | - | 10,417.15 | - | - |
| **Funded status** | **4,902.06** | **-** | **-** | **1,976.77** | **-** | **-** |
| Present value of unfunded defined benefit obligation | - | 480.38 | 51.89 | - | 498.41 | 54.96 |
| **Net liability/(asset) arising from defined benefit obligation** | **4,902.06** | **480.38** | **51.89** | **1,976.77** | **498.41** | **54.96** |
| Net Defined benefit obligation bifurcated as follows | | | | | | |
| Current (refer note 21) | 4,782.59 | 61.61 | 5.00 | 1,933.83 | 59.40 | 5.00 |
| Non-Current (refer note 21) | 119.47 | 418.77 | 46.89 | 42.94 | 439.01 | 49.96 |
| **Total** | **4,902.06** | **480.38** | **51.89** | **1,976.77** | **498.41** | **54.96** |

| Components of employer expense | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gratuity (funded)* | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) | Gratuity (funded) | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) |
| Current service cost | 2,185.12 | - | - | 1,870.57 | - | - |
| Past service cost and loss from settlements | 4,330.87 | - | - | - | - | - |
| Net Interest Cost on net defined benefit liability | 60.14 | 30.94 | 3.46 | (59.68) | 34.62 | 3.64 |
| **Components of defined benefit costs recognised in statement of profit and loss*** | **6,576.13** | **30.94** | **3.46** | **1,810.89** | **34.62** | **3.64** |
| **Remeasurement:** | | | | | | |
| Return on plan assets | (110.62) | - | - | (19.19) | - | - |
| Actuarial (Gain)/loss arising from changes in demographic assumptions | (733.19) | - | - | - | - | - |

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
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| Components of employer expense | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gratuity (funded)* | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) | Gratuity (funded) | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) |
| Actuarial (Gain)/loss arising from changes in financial assumptions | (61.55) | (2.26) | (0.29) | 418.60 | 14.60 | 1.90 |
| Actuarial (Gain)/loss arising from experience assumptions | (455.81) | 14.81 | 4.52 | 321.34 | (2.00) | (2.27) |
| **Components of defined benefit costs recognised in other comprehensive income (Gain/(Loss)**** | **(1361.17)** | **12.55** | **4.23** | **720.75** | **12.60** | **(0.37)** |

* Components of defined benefit costs recognized in statement of profit and loss for the previous year ended March 31, 2025 includes an amount of ₹ 65.57 pertaining to the subsidiaries which have been considered as "Discontinue Operations" in the disclosure of Statement of Profit and Loss.

** Components of defined benefit costs recognized in other comprehensive income for the previous year ended March 31, 2026 includes an amount of ₹ 25.57 pertaining to the subsidiaries which have been considered as "Discontinue Operations" in the disclosure of Statement of Profit and Loss.

An amount of ₹ 1.95 of other comprehensive income pertains to actuarial loss on gratuity in CEC-ITD CEM TPL JV for the year ended March 31, 2026.

The remeasurement of the net defined liability is included in other comprehensive income.

The gratuity plan of the group is administered through a trust formed by the group and the trustees of the fund have outsourced the investment management of the fund to Life Insurance Corporation (LIC). The insurance company in turn manages gratuity fund as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Gratuity plan for fixed term employees is unfunded.

## The principal assumptions used for the purposes of the actuarial valuations in parent company were as follows:

| | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gratuity (funded)* | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) | Gratuity (funded) | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) |
| Discount rate | 6.70% | 6.70% | 6.70% | 6.60 | 6.60% | 6.60% |
| Expected rate of salary increase* | 8.00% | - | - | 8.00% | - | - |
| Expected rate of pension increase | - | 5.00% | - | - | 5.00% | - |
| Medical Inflation rate | - | - | 5.00% | - | - | 5.00% |
| Retirement Age** | 60 yrs. | 60 yrs. | - | 60 yrs. | 60 yrs. | - |
| Average leaving service | 21.33% | - | - | 16.75% | - | - |

* For fixed term employees, the expected rate of salary increase for gratuity is 6.70%

**Mortality (applicable to Gratuity): Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.





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## The principal assumptions used for the purposes of the actuarial valuations in one of the subsidiary company - Artson Limited (formerly known as Artson Engineering Limited) ('AEL'/'Artson') were as follows:

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| | Gratuity (funded)* | Gratuity (funded) |
| Discount rate | 6.91% | 6.45% |
| Expected rate of salary increase | 8.00% | 8.00% |

## Sensitivity Analysis of Parent Company

| Sensitivity Analysis | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gratuity (funded)* | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) | Gratuity (funded) | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) |
| **Discount rate*** | | | | | | |
| Impact of increase in 50 bps on DBO | -2.17% | -2.29% | -2.75% | -2.89% | -2.45% | -2.90% |
| Impact of decrease in 50 bps on DBO | 2.26% | 2.40% | 2.89% | 3.05% | 2.57% | 3.06% |
| **Life Expectancy** | | | | | | |
| Life Expectancy 1 year increase | | 10.31% | 8.07% | 0.00% | 9.65% | 7.63% |
| Life Expectancy 1 year decrease | | -10.75% | -8.33% | 0.00% | -10.02% | -7.87% |
| **Salary Escalation Rate**** | | | | | | |
| Impact of increase in 50 bps on DBO | 2.21% | | | 2.99% | - | - |
| Impact of decrease in 50 bps on DBO | -2.14% | | | -2.86% | - | - |
| **Pension Increase Rate** | | | | | | |
| Impact of increase in 100 bps on DBO | 4.94% | - | - | 5.30% | - | - |
| Impact of decrease in 100 bps on DBO | -4.59% | - | - | -4.91% | - | - |
| **Medical Inflation Rate** | | | | | | |
| Impact of increase in 100 bps on DBO | | | 5.98% | - | - | 6.33% |
| Impact of decrease in 100 bps on DBO | | | -5.50% | - | - | -5.80% |

*For fixed term employees, the impact on discount rate of increase and decrease in 50 bps on DBO is +/- 0.47%

**For fixed term employees, the impact on salary escalation rate of increase and decrease in 50 bps on DBO is +/- 0.47%.

Sensitivity Analysis of Artson Limited (formerly known as Artson Engineering Limited):

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| | Gratuity | Gratuity |
| **Discount rate** | | |
| Impact of 1% increase to the defined benefit obligation | (192.31) | (110.42) |
| Impact of 1% decrease to the defined benefit obligation | 218.45 | 125.63 |
| **Salary escalation rate** | | |
| Impact of 1% increase to the defined benefit obligation | 217.52 | 125.05 |
| Impact of 1% decrease to the defined benefit obligation | (192.91) | (110.79) |

# Notes forming part of Consolidated Financial Statements

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All amounts are in ₹ Lakhs unless otherwise stated

## Projected Plan Cash Flow

**The expected cash flow profile of the benefits to be paid to the current membership of the plan, are as follows:**

| Maturity Profile | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gratuity (funded)* | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) | Gratuity (funded) | Pension (unfunded) | Post Retirement Medical Benefits (unfunded) |
| Expected Benefits for year 1 | 5,355.67 | 61.61 | 5.00 | 1,950.58 | 59.39 | 5.00 |
| Expected Benefits for year 2 | 2,219.74 | 60.81 | 5.08 | 1,534.71 | 59.09 | 5.10 |
| Expected Benefits for year 3 | 2,092.24 | 59.42 | 5.14 | 1,624.03 | 58.27 | 5.18 |
| Expected Benefits for year 4 | 1,886.69 | 57.47 | 5.16 | 1,649.92 | 56.96 | 5.22 |
| Expected Benefits for year 5 | 1,560.65 | 54.99 | 5.15 | 1,563.04 | 55.15 | 5.25 |
| Expected Benefits for year 6* | 1,369.81 | 52.07 | 5.11 | 1,344.46 | 52.90 | 5.23 |
| Expected Benefits for year 7* | 1,138.19 | 48.78 | 5.02 | 1,209.66 | 50.23 | 5.18 |
| Expected Benefits for year 8* | 965.11 | 45.21 | 4.88 | 1,098.54 | 47.22 | 5.09 |
| Expected Benefits for year 9* | 817.88 | 41.44 | 4.70 | 975.24 | 43.93 | 4.95 |
| Expected Benefits for year 10 and above* | 3,525.34 | 211.02 | 31.59 | 6,704.69 | 251.34 | 36.75 |
| Weighted average duration to the payment of these cash flows for parent company** | 4.43 Years | 4.68 Years | 5.37 Years | 5.94 Years | 5.02 Years | 5.68 Years |
| Weighted average duration to the payment of these cash flows for subsidiary company (AEL) | 5.83 Years | | | 5.85 Years | - | - |

*Expected benefit for the years 6 and above included ₹ 88.58 (March 31, 2025: ₹ 55.61) every year relating to Artson Limited (formerly known as Artson Engineering Limited).

**Weighted average duration to the payment of cash flows related to fixed term employees is 0.94 years.

**Gratuity:** The expected contribution payable to the gratuity plan next year is ₹ 2,500.

Expected contribution to be made to plan assets in the Financial Year 2025-26 includes ₹ 19.24 lakhs (March 31, 2025: ₹ 13.25 lakhs) relating to Artson Limited (formerly known as Artson Engineering Limited).

On November 21, 2025, the Government of India notified four labour codes the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') consolidating twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Group has assessed impact of these changes based on the best available information and recognised an incremental impact of past service cost in gratuity amounting to ₹ 4,330.87, arising primarily from the revision in the definition of wages and eligibility of fixed term employees(FTEs) for gratuity after one year of continuous service. Considering its non-recurring nature and quantum involved, past service cost is presented under "exceptional items" in the consolidated financial statements. The Group will continue to monitor the finalization of central and state rules, clarifications from the government on other aspects of the labour code and will provide appropriate impact as needed.

c) Employee benefits expense includes expenditure in relation to compensated absences (privileged and sick leave) aggregating to ₹ 486.65 (March 31, 2025 - ₹ 2,760.25).

The leave obligations cover the Group's liability for earned leave which are classified as other long-term benefits.

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Leave obligations not expected to be settled within the next 12 months | 3,983.64 | 5,173.62 |





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## 39.10 Jointly Controlled Operations-Share of Parent Company

The Parent Company along with the Joint operators enters into contracts with the customers for execution of the projects. The Parent Company as a Joint operator, recognizes assets, liabilities, income and expenditure held/incurred jointly with other partners in proportion to its interest in such joint arrangements in compliance with applicable accounting standards taking into account the related rights and obligations applicable in the respective jointly controlled operations. The operations of the jointly controlled operations have been included in the consolidated financial statements basis the accounts of the jointly controlled operations, on line-by-line basis with similar items in the Parent Company's accounts in proportion to its effective ownership interest in such Joint Venture Arrangements.

| Sl. No. | Name of the Jointly Controlled Operations (with specific ownership interest in the arrangement) | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| 1 | SIBMOST-TATA Projects (JV) | | |
| 2 | TATA-ALDESA (JV) | 100.00% | 100.00% |
| 3 | GIL-TPL (JV) | 100.00% | 100.00% |
| 4 | TPL-SUCG Consortium | 100.00% | 100.00% |
| 5 | TPL- JBTPL Joint Venture | 100.00% | 100.00% |
| 6 | Tata Projects - Balfour Beatty JV | 100.00% | 100.00% |
| 7 | GYT-TPL Joint Venture | 100.00% | 100.00% |
| 8 | GULERMAK - TPL Joint Venture | 100.00% | 100.00% |
| 9 | CEC-ITD Cem-TPL Joint Venture | 40.00% | 40.00% |
| 10 | CCECC -TPL JV | 100.00% | 100.00% |
| 11 | TPL-HGIEPL Joint Venture | 100.00% | 100.00% |
| 12 | Tata Projects Brookfield Multiplex Joint Venture | 50.00% | 50.00% |
| 13 | JV of Tata Projects Limited and CHINT Electric Company Limited | 100.00% | 100.00% |
| 14 | TPL-SSGIPL Joint Venture | 100.00% | 100.00% |
| 15 | TPL - KIPL Joint Venture | 100.00% | 100.00% |
| 16 | TPL Gulermak Karimnagar JV | 100.00% | 100.00% |
| 17 | Daewoo-TPL JV | 40.00% | 40.00% |
| 18 | ANGELIQUE - TPL JV* | 41.95% | 41.95% |
| 19 | Joint Venture of Tata Projects Limited & Raghava Constructions | 100.00% | 100.00% |
| 20 | CHEC-TPL LINE 4 Joint Venture | 100.00% | 100.00% |
| 21 | Gulermak-TPL Pune Metro Joint Venture | 50.00% | 50.00% |
| 22 | TPL-AGE HIRAKUD JV | 100.00% | 100.00% |
| 23 | TPL-PCIPL Joint Venture | 100.00% | 100.00% |
| 24 | LEC-TPL UJV | 100.00% | 100.00% |
| 25 | TPL-IAV VOZ CPRR Joint Venture | 100.00% | 100.00% |
| 26 | TPL-CAI-JV | 100.00% | 100.00% |
| 27 | HCC-TPL Indore Metro Joint Venture | 45.00% | 45.00% |
| 28 | TPL-HCC Bhivpuri PSP Joint Venture | 50.00% | 50.00% |

# Notes forming part of Consolidated Financial Statements

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### 39.11 Disclosure of additional information as required by the Schedule III in respect of subsidiaries

#### (a) As at and for the year ended March 31, 2026

| Name of the entity in the Group | 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** | | | | | | | | |
| Tata Projects Limited (excluding Jointly controlled operations) | 90.58% | 2,37,642.04 | 125.77% | (1,12,049.94) | 65.61% | 577.86 | 126.37% | (1,11,472.08) |
| Jointly Controlled operations | -6.97% | (18,278.66) | 4.96% | (4,420.75) | -0.30% | (2.65) | 5.01% | (4,423.40) |
| **Indian Subsidiaries** | | | | | | | | |
| 1. Artson Limited (formerly known as Artson Engineering Limited) | 0.33% | 855.72 | 1.75% | (1,556.77) | 0.17% | 1.52 | 1.76% | (1,555.26) |
| 2. Ujjwal Pune Limited | 1.60% | 4,195.80 | 0.86% | (769.63) | 0.00% | - | 0.87% | (769.63) |
| 3. TQ Cert Services Private Limited | 4.71% | 12,347.44 | -7.35% | 6,549.50 | -2.33% | (20.49) | -7.40% | 6,529.01 |
| 4. TP Luminaire Private Limited | 0.33% | 855.45 | -4.61% | 4,110.01 | 0.00% | - | -4.66% | 4,110.01 |
| 5. TCC Construction Private Limited | 4.75% | 12,464.21 | -51.03% | 45,468.45 | 0.00% | - | -51.54% | 45,468.45 |
| 6. TPL-CIL Construction LLP | -0.30% | (787.11) | 28.05% | (24,994.97) | 0.00% | - | 28.34% | (24,994.97) |
| 7. TPL - Services Private Limited | 3.40% | 8,911.18 | -1.51% | 1,341.87 | -0.48% | (4.22) | -1.52% | 1,337.65 |
| **Foreign Subsidiaries** | | | | | | | | |
| 1. TQ Services Europe, GmbH | 0.02% | 50.74 | 0.59% | (526.27) | 5.92% | 52.18 | 0.54% | (474.09) |
| 2. TQ Cert Services L.L.C. (formerly known as Industrial Quality Services LLC, Oman) | 0.42% | 1,091.08 | -0.04% | 33.31 | 11.22% | 98.84 | -0.15% | 132.15 |
| 3. TQ Cert Services (Shanghai) Co Ltd (formerly known as Ind Project Engineering (Shanghai) Co Ltd) | 0.10% | 269.37 | 2.71% | (2,416.03) | 16.42% | 144.64 | 2.57% | (2,271.39) |
| 4. TQ Cert Services WLL | -0.04% | -111.13 | 0.10% | (88.75) | -0.77% | (6.75) | 0.11% | (95.50) |
| **Minority Interests in all subsidiaries** | 1.06% | 2,778.39 | -0.25% | 226.83 | 4.54% | 39.98 | -0.00 | 266.81 |
| **Total** | **99.99%** | **2,62,284.53** | **100.00%** | **(89,093.14)** | **100.00%** | **880.90** | **100.00%** | **(88,212.24)** |

* Share of profit or loss, share in other comprehensive income and share in total comprehensive income for the year ended March 31, 2026 includes amount for both continuing and discontinued operations.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

#### (b) As at and for the year ended March 31, 2025

| Name of the entity in the Group | 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** | | | | | | | | |
| Tata Projects Limited (excluding Jointly controlled operations) | 89.22% | 3,16,553.39 | 171.88% | (1,19,735.66) | 101.03% | (1,484.15) | 170.43% | (1,21,219.81) |
| Jointly Controlled operations | -2.83% | (10,047.76) | -15.84% | 11,035.86 | -0.06% | 0.91 | -15.52% | 11,036.77 |
| **Indian Subsidiaries** | | | | | | | | |
| 1. Artson Limited (formerly known as Artson Engineering Limited) | 0.04% | 135.56 | 8.79% | (6,125.73) | 0.49% | (7.22) | 8.62% | (6,132.95) |
| 2. Ujjwal Pune Limited | 1.32% | 4,678.83 | -0.54% | 376.97 | 0.00% | - | -0.53% | 376.97 |
| 3. TQ Cert Services Private Limited | 2.27% | 8,041.95 | -3.61% | 2,517.86 | 1.22% | (17.98) | -3.51% | 2,499.88 |
| 4. TP Luminaire Private Limited | 0.61% | 2,170.32 | -4.89% | 3,409.28 | 0.00% | - | -4.79% | 3,409.28 |
| 5. TCC Construction Private Limited | 7.68% | 27,239.67 | -112.85% | 78,606.89 | 0.00% | - | -110.52% | 78,606.89 |
| 6. TPL-CIL Construction LLP | -1.35% | (4,774.82) | 60.74% | (42,307.68) | 0.00% | - | 59.48% | (42,307.68) |
| 7. TPL - Services Private Limited | 1.94% | 6,886.10 | -2.12% | 1,473.83 | 0.42% | (6.11) | -2.06% | 1,467.72 |
| **Associate** | | | | | | | | |
| 1. Arth Designbuild India Private Limited | - | - | - | - | 0.00% | - | 0.00% | - |
| **Foreign Subsidiaries** | | | | | | | | |
| 1. TQ Services Europe, GmbH | -0.01% | (22.63) | 0.31% | (215.48) | -0.39% | 5.88 | 0.29% | (209.60) |
| 2. TQ Cert Services L.L.C. (formerly known as Industrial Quality Services LLC, Oman) | 0.25% | 876.84 | 0.11% | (79.05) | -1.52% | 22.38 | 0.08% | (56.67) |
| 3. TQ Cert Services (Shanghai) Co Ltd (formerly known as Ind Project Engineering (Shanghai) Co Ltd) | 0.15% | 547.74 | 0.94% | (649.47) | -0.70% | 10.24 | 0.90% | (639.23) |
| **Minority Interests in all subsidiaries** | 0.71% | 2,511.58 | -2.92% | 2,035.46 | -0.49% | 7.19 | -2.87% | 2,042.65 |
| **Total** | **100.00%** | **3,54,796.77** | **100.00%** | **(69,656.92)** | **100.00%** | **(1,468.86)** | **100.00%** | **(71,125.78)** |

* Share of profit or loss, share in other comprehensive income and share in total comprehensive income for the year ended March 31, 2025 includes amount for both continuing and discontinued operations.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

## (c) Unrecognised share of losses of joint ventures

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Unrecognised share of losses of joint ventures for the year** | | |
| Al-Tawleed for Energy & Power Company | - | 7.77 |
| | **-** | **7.77** |

| Cumulative share of loss of joint ventures | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Al-Tawleed for Energy & Power Company | - | 281.24 |
| | **-** | **281.24** |

Note: The above mentioned Joint Ventures are not considered for consolidation purposes. Refer note no 2.1 and 7.

**39.12 Significant estimates - Artson Limited (formerly known as Artson Engineering Limited), Subsidiary Critical judgements in recognising revenue**

In the Subsidiary Company (AEL), following are the critical estimates while determining the revenue from contracts:

(i) Estimated total costs

(ii) Estimated contract revenue

(iii) Estimation on variable consideration

These estimates may depend on the outcome of future events and may need to be reassessed at the end of each reporting period.

Refer note 2.3 for the accounting policy on Revenue from Construction activities.

**39.13** The Group has following transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956:-

| Sl. No. | Name of Struck off Company | Nature of Transaction | Relationship with Struck off Company | Balance Outstanding as on March 31, 2026 | Balance Outstanding as on March 31, 2025 |
|---|---|---|---|---|---|
| 1 | Ankurampeeth Enterprises (OPC) Private Limited | Advances given | NA | (0.01) | (0.01) |
| 2 | Arisen Syscon Private Limited | Advances given | NA | (1.72) | (1.72) |
| 3 | Bashinda Infratech Private Limited | Trade payables | NA | 0.44 | 0.44 |
| 4 | Plinth Construction Private Limited | Trade payables | NA | 0.02 | 0.02 |
| 5 | Radhanath Infra (OPC) Private Limited | Trade payables | NA | 3.28 | 3.28 |
| 6 | Raj Unique Developers Private Limited | Trade payables | NA | 3.35 | 3.35 |
| 7 | Rmp Engicon Private Limited | Trade payables | NA | 2.16 | 2.16 |
| 8 | Vibhash Constructions Private Limited | Trade payables | NA | 0.93 | 0.93 |
| 9 | Madhuram Enterprises Private Limited | Trade payables | NA | 0.82 | 0.82 |
| 10 | Comfort Solutions Private Limited | Trade payables | NA | 23.89 | 23.89 |
| 11 | Josmar Consulting Engineers Private Limited | Trade payables | NA | 0.58 | 0.58 |
| 12 | Elcon Services Private Limited | Trade payables | NA | 0.38 | 0.38 |





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
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| Sl. No. | Name of Struck off Company | Nature of Transaction | Relationship with Struck off Company | Balance Outstanding as on March 31, 2026 | Balance Outstanding as on March 31, 2025 |
|---|---|---|---|---|---|
| 13 | SR Buildtech Private Limited | Trade payables | NA | 10.33 | 10.33 |
| 14 | Rathi Enterprises Private Limited | Trade payables | NA | 0.26 | 0.26 |
| 15 | West Coast Optilinks Limited | Trade payables | NA | 2.11 | 2.11 |
| 16 | Comfort Solutions Private Limited | Advances given | NA | (0.17) | (0.17) |
| 17 | Rathi Enterprises Private Limited | Advances given | NA | (0.52) | (0.52) |
| 18 | Infinitypmc Private Limited | Trade payables | NA | 0.01 | 0.01 |

**39.14** The Group has no income surrendered or disclosed as income during the current and previous year in the tax assessments under Income Tax Act, 1961, that has not been recorded in the books of account.

**39.15** During the current year, there are no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond the statutory period.

**39.16** No proceedings have been initiated on or are pending against the Group for holding any benami property under the Prohibition of Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) (formerly Benami Transactions (Prohibition) Act, 1988) (45 of 1988) and Rules made thereunder.

**39.17** None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority during the current year and previous year.

**39.18** The Group has not traded or invested in crypto currency or virtual currency during the current and previous year.

**39.19** The Group has borrowings from banks which are secured by a charge on the current assets of the Group. As per the terms of the sanction letters, the Group has filed the quarterly statements containing the financial details after the end of each quarter. The Quarterly returns filed by the group with the banks are in agreement with the books of accounts. Further, the Group is yet to submit the quarterly returns for March 31, 2026 to the Banks.

**39.20** The Parent company and its subsidiaries are part of the TATA Group. The TATA Group includes the following companies as Core Investment Companies (CIC) in its structure:

a) Tata Sons Private Limited

b) Tata Industries Limited

c) Protraviny Private Limited

**39.21** The Parent Company has some inter entity transactions with the jointly controlled operations. These transactions and the unrealised gains on these transactions are eliminated to the extent of the parent company's interest in such Jointly Controlled Operations. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

**39.22** The Parent Company, TQ Cert Services Private Limited and TPL Services Private Limited have received certain whistleblower complaints during the year with allegations on certain employees (including former employees) and certain vendors, and of those, there are still some matters in respect of which investigations are ongoing. Based on management's initial review of these matters, the Group does not consider that these matters will have a material impact on the consolidated financial statements (including compliance with laws and regulations) or internal financial controls with reference to the consolidated financial statements.

# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

**39.23** The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with companies (Restriction on number of Layers) Rules 2017, and there are no Companies beyond the specified layers.

**39.24** The Group has not entered into any scheme of arrangement which has an accounting impact on current and previous financial year.

**39.25** The Group has not advanced or loaned or invested funds to any other persons or entities, 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.

**39.26** The Group has not received any fund from any persons or entities, 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.

**39.27** The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current and previous year.

**39.28** As disclosed in each of the annual financial statements commencing from the year ended March 31, 2023, in relation to certain projects in the north-eastern region for which Tata Projects Limited ("TPL"/"The Holding Company") is one of the EPC Contractors, one public sector undertaking ("PSU") official was taken into custody by a law enforcement agency. The law enforcement agency took four officials of TPL and an ex-employee of TPL into custody. Subsequently, the PSU official and TPL officials were released on bail. The law enforcement agency has filed final chargesheet before Panchkula court in the first week of January 2023, naming the PSU official, TPL officials and officials of other companies. Subsequently, the law enforcement agency has filed a Supplementary Final Report dated December 21, 2024 in the Panchkula Court on February 17, 2025 wherein TPL has been arraigned. On July 01, 2025, TPL had filed a discharge application under Section 227 of the CrPC before the Special Judge, CBI Court, Panchkula, which has subsequently been dismissed. In consultation with their legal experts, Management is in the process of challenging the order before the High Court of Punjab and Haryana. In June 2025, a prosecution complaint under the Prevention of Money Laundering Act, 2002 (PMLA), was filed by the Enforcement Directorate before the Special Judge, Gurugram, against the PSU official, TPL's officials and officials of other companies who ever named in the chargesheet of the law enforcement agency. The prosecution complaint mentioned that investigation in the role of TPL is on going.

The operations of the Holding Company were not impacted in any manner during the period gone by (including its ongoing EPC contracts with the PSU undertaking). TPL is of the view that there would not be any significant impact on the operations, consolidated financial statements because of the matter. TPL continues to adhere to strong norms in all its business transactions/dealings and has zero tolerance to any compromise in this regard.





# Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2026
All amounts are in ₹ Lakhs unless otherwise stated

**39.29** The Holding Company has been executing certain projects in a country in West Africa. Recently, the Holding Company has faced significant challenges in execution of one of the projects arising from the evolving security situation in the country. Consequent to which the Holding Company has invoked the relevant contractual clauses relating to Risk of War and Force Majeure. The Holding Company does not expect any material adverse financial impact from these events, as the project is financed by World Bank. As of March 31, 2026, the Holding Company's net exposure on this project amounts to ₹ 4,468.76. Additionally, the customer had initiated encashment instructions, in November 2025, for the Bank Guarantees given on this project which has been stayed by the relevant jurisdictional Courts.

In addition to the above project, the Holding Company is in an advanced stage of completion of two additional projects in the same country. Management does not anticipate any risks impacting the timely completion of these projects.

The operations of the Holding Company were not impacted in any manner during the period gone by and the Holding Company is of the view that there would not be any significant impact on the operations and consolidated financial statements because of the matter.

**39.30** With effect from June 01, 2025, the registered office of the Holding Company has been relocated to Corporate Centre, 3rd Floor, Building Block B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai - 400009, Maharashtra, India.

**39.31 Approval of financial statements**

The financial statements were approved for issue by the Board of Directors on May 02, 2026.

**39.32** The financial statements have been prepared and presented in accordance with the amended Division II of Schedule III to the Companies Act, 2013 issued vide notification dated March 24, 2021 (the "Notification").

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Dibyendu Majumder**
**Partner**
Membership Number: 057687
Place: Bengaluru

Date: May 02, 2026

**For and on behalf of the Board of Directors**

**Praveer Sinha**
**Chairman**
DIN: 01785164
Place: Mumbai

**Vinayak Ratnakar Pai**
**Managing Director**
DIN: 03637894
Place: Mumbai

**Subhra Gourisaria**
**Chief Financial Officer**
Place: Mumbai
Date: May 02, 2026

**Sanjay Dubey**
**Company Secretary**
Place: Mumbai
Date: May 02, 2026