Group Initiative

HILL COUNTY PROPERTIES LIMITEDCIN:
U45200TG2005PLC046307

21st ANNUAL REPORT
2025-26

REGISTERED OFFICE:
Hill County, Bachupally, At the end of Nizampet Road, After Kesineni Bus Depot, Hyderabad, Telangana 500090 India

CORPORATE INFORMATION

Board of Directors and others:

Sabina Bhavnani	Director
Neerav Kapasi	Director
Diksha Dhillon	Director
Mahendra Bazar	CFO

Statutory Auditors:

M/s. M Bhaskara Rao & Co.,Chartered Accountants, Hyderabad

Registered Office of the Company:

Hill County, Bachupally, at the end of Nizampet Road,
After Kesineni Bus Depot, Hyderabad, Telangana - 500090 India

Venue of the Annual General Meeting:

Electronic Mode - Through Video Conference (VC) / Other Audio Visual Means (OAVM)

Meeting via ZOOM APP:

Topic: HCPL 21st AGM
Time: September 30, 2026 at 11:00 AM IST

Join Zoom Meeting
https://us06web.zoom.us/j/82002334766?pwd=9ZUhbx5WlRhAxcuPj7luY8SY6t9Rkk.1

Meeting ID: 820 0233 4766
Passcode: 154513

Contact:

Email: kamakshi_kulkarni@hillcountyproperties.com
Website: www.hillcountyproperties.com
Tel: +91 – 40 – 4000 9111
Fax: +91 – 40 – 4000 9238

Registrar & Share Transfer Agent:

KFin Technologies Private Limited, Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda,Serilingampally, Hyderabad - 500 032,
Telephone No. 040 - 6716 2222 Fax No. 040 – 2342 0814,
Email ID: einward.ris@karvy.com

NOTICE OF THE 21st ANNUAL GENERAL MEETING

Notice is hereby given that the 21st Annual General Meeting of the Members of Hill County Properties Limited will be held through Video Conference (VC) / Other Audio Visual Means (OAVM) on Wednesday, 30 September 2026 at 11:00 AM to transact the following business:

ORDINARY BUSINESS:

1) **To consider and adopt:**

   a) the audited standalone financial statements of the Company for the Financial Year ended March 31, 2026 together with the Reports of the Board of Directors and the Auditors thereon and

   b) the audited consolidated financial statements of the Company for the Financial Year ended March 31, 2026 together with the Reports of the Auditors thereon

2) **To re-appoint Mr. Neerav Yashwant Kapasi (DIN: 03500964), who retires by rotation andbeing eligible offers himself for re-appointment**

   To consider, and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act 2013, the approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Neerav Yashwant Kapasi as a Director who is liable to retire by rotation."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is herebyauthorized to do all acts, deeds and things as may be necessary to give effect to this resolution."

By the order of the Board
For **Hill County Properties Limited**

Sd/-
Neerav Kapasi
Director
DIN: 03500964

Place: Mumbai
Date: September 08, 2026

NOTES:

1. a) Ministry of Corporate Affairs ("MCA") allowed conducting Annual General Meeting through video conferencing (VC) or other audio-visual means (OAVM) without the physical presence of Members at a common venue. Accordingly, MCA issued General Circular No 02/2022 dated May 05, 2022, Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 10/2022 dated December 28 2022, circular No. 09/2023 dated September 25,2023 and Circular No. 09/2024 dated 19th September, 2024 Circular No. 03/2025 dated September 26, 2025 ("MCA Circulars"), prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. MCA Circulars and applicable provisions envisaged the holding of Annual General Meetings through VC/OAVM in compliance with the applicable provisions of the Companies Act, 2013, the 21st Annual General Meeting (AGM) of the Members will be held through VC/ OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The venue of the Meeting shall be deemed to be the registered office of the Company.

2. Members attending the Meeting through VC/OAVM will be counted for the purposes of reckoning of Quorum under Section 103 of the Companies Act, 2013.

3. The AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. The information required to be provided under the Companies Act 2013 and the Secretarial Standards on General Meetings, regarding the Directors who are proposed to be appointed/re-appointed and the relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business if any set out above are annexed heretobelow.

5. Corporate Members intending to authorize their representative to attend and vote at the meeting are requested to ensure that the certified true copy of the Board resolution, power of attorney or such other valid authorizations under Section 113 of the Companies Act, 2013, authorizing them to attend and vote at the meeting are required to send a scanned copy [pdf/jpg format] to the email address at kamakshi_kulkarni@hillcountyproperties.com prior to the commencement of the Meeting. In terms of the provisions of the Companies Act, 2013, the representatives of Corporate Members without proper authorization, such as Board resolution or power of attorney or such other valid authorization, may not be able to attend the meeting.

6. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company.

7. No attendance slip/route map has been sent along with this Notice of the Meeting as the meeting is held through Audio Visual means

8. MCA have dispensed with the requirement of printing and sending physical copies of the Annual Report and the Notice of this Meeting and the Annual Reports have been sent via email to all those members who have registered their email ids with the Company.

9. The details of the process and manner for participating in Annual General Meeting throughVideo conferencing are explained herein below:

a) Annual General Meeting shall be called through Video Conferencing mode. Members arerequested to participate in the meeting as follows:

Please connect to the site by clicking on the following link:

Join Meeting through below link via Zoom App:

https://us06web.zoom.us/j/82002334766?pwd=9ZUhbx5WlRhAxcuPj7luY8SY6t9Rkk.1

i. Join the Meeting with below details via Zoom App:

Meeting ID: 820 0233 4766
Passcode: 154513

ii. Members can participate in AGM through smart phone/laptop, however, for better experience and smooth participation it is advisable to join the Meeting through Laptops connected through broadband.

iii. Members will be required to allow Camera and use Internet with a good speed to avoidany disturbance during the meeting.

iv. Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LANConnection to mitigate any kind of aforesaid glitches.

10. Attendance at Meeting:

a. The facility of joining the Meeting will commence 15 minutes before the time scheduled to start the meeting and will close 15 minutes after such schedule time.

b. Attendance of members through VC shall be counted for the purpose of quorum underSection 103 of the Act.

11. Voting at the Meeting:

a) In terms of the provisions of Section 107 of the Act read with the aforesaid MCA circular,unless a poll is demanded under Section 109 of the Act, voting at the meeting shall be done by show of hands.

b) In case a poll is demanded, the members/ representatives shall cast their vote on the resolution only by sending an email to kamakshi_kulkarni@hillcountyproperties.com from their email ID registered with the Company/as mentioned in the resolution for corporate authorization received by the Company.

By the order of the Board
For **Hill County Properties Limited**

Sd/-
Neerav Kapasi
Director
DIN: 03500964

Place: Mumbai
Date: 08.09.2026

ANNEXURE-A TO THE NOTICE OF ANNUAL GENERAL MEETING

Profile of Director seeking appointment/re-appointment

Name of theDirector	Mr. Neerav Kapasi
DIN	03500964
Age	51yrs
Nationality	Indian
Date of Joining Board	23/12/2020
Nature of Expertise andExperience	Over 27 years of experience in varied roles handling core Finance, accounts, Secretarial, legal, capital management/ Resource planning, business handling aspects etc with proven success track as core professional.
Qualifications	Chartered Accountant
Remuneration last drawn	NA
Remuneration sought to be paid	NA
No. of shares held	1
Terms and Conditions of Appointment /Re-appointment.	Appointment as a Director liable to retire by rotation

BOARD'S REPORT

To,
The Members,
Hill County Properties Limited.

Your directors take pleasure in presenting the 21st Annual Report along with the Audited Financial Statements for the Financial Year ended March 31, 2026.

Financial Results:

The Standalone and Consolidated Financial Statements along with the comparatives for the year ended March 31, 2026 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with Rules made thereunder.

(Amount in Crores)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	12.52	-	13.20	0.76
Other Income	4.01	5.07	6.03	7.06
Total Income	**16.53**	**5.07**	**19.23**	**7.82**
Employee benefit expenses	1.36	1.20	1.41	1.24
Cost on Sales of Projects	2.38	-	2.38	-
Other Expenses	2.47	7.15	3.37	8.09
Depreciation and amortization	0.54	0.63	0.62	0.71
Finance Cost	-	-	-	-
Total Expense	**6.76**	**8.98**	**7.88**	**10.03**
Profit/(Loss) before tax	**9.77**	**(3.91)**	**11.35**	**(2.22)**
Tax Expense	0	0	0.31	0.31
Profit/ (Loss) after tax	9.77	**(3.91)**	**11.04**	**(2.52)**

Industry scenario and state of Company's affairs:

The Performance of your Company during FY 2025-2026 is given above.

The Company has closed its books of account with a Profit of Rs. 9,77,00,000 /- (Rupees Nine Crores Seventy Seven Lakhs Only) for the financial year ended 31.03.2026 as compared to the Loss of Rs. 3,91,00,000 /- (Rupees Three Crores Ninety One Lakhs Only)for the financial year ended 31.03.2025.

Status and current developments at the Company and at IL&FS Group:

Hill County Properties Limited ("HCPL") operates in the real estate industry. Post the Satyam episode and infamous declaration about fraud made by Ex-Chairman of Satyam Computer Services Ltd (SCSL), Infrastructure Leasing and Financial Services Limited ("IL&FS") Group has been inducted as per the directions of the CLB order. IL&FS Group holds 80% equity stake in HCPL. Currently IL&FS Group comprising of 302 entities is under resolution under the aegis of National Company Law Tribunal -Mumbai Bench (NCLT), Hill County Properties Limited is one among the 302 entities.

Pursuant to the application filed by the Union of India (acting through the Ministry of Corporate Affairs) under Sections 241 and 242 of the Companies Act, 2013, the NCLT), by way of an order dated October 1, 2018, suspended the erstwhile board of directors of IL&FS and re-constituted the same with persons proposed by the MCA, with additional directors being appointed subsequently pursuant to orders dated October 3, 2018 and December 21, 2018, of the NCLT (such reconstituted board, referred to as the "New Board").

Further, the National Company Law Appellate Tribunal, New Delhi ("NCLAT") by way of its order on October 15, 2018 ("Interim Order") in the Company Appeal (AT) 346 of 2018 by way of which the NCLAT, after taking into consideration the nature of the case, larger public interest and economy of the nation and interest of IL&FS and its group companies (including HCPL) has stayed certain coercive and precipitate actions against IL&FS and its group companies including HCPL. The Interim Order enables value preservation of the group's assets and it will also assist the newly constituted board of directors of IL&FS ("New Board") in its effort to evaluate and prepare a resolution plan keeping in mind the various stakeholders. IL&FS and its group companies are currently undergoing resolution process under the supervision of Justice [retd] Shri D K Jain appointed by Hon'ble NCLT.

The Resolution Framework (including the Revised Distribution Framework in the Second Addendum) had been approved by Hon'ble NCLAT on March 12, 2020. In terms of the Resolution Framework Reports, the proposal made is that all liabilities relating to the relevant IL&FS group entity and third party, whether financial (including interest, default interest, indemnity claims and additional charges), operational debt (including interest, indemnity or other claims) as well as statutory claims (including tax, employment and labour related claims), whether existing at or relating to a period after October 15, 2018 (the Cut-Off Date) should not continue accruing. Further, claims management exercise initiated by the New Board for IL&FS and some of its group companies including HCPL are available on the IL&FS website.

The New Board of IL&FS has developed a unique "Group resolution framework". The distribution process is based on public interest rationale. Hon'ble NCLAT vide its judgment dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board along with its amendments. In the said order, Hon'ble NCLAT has also approved October 15, 2018 as the Cut Off date for initiation of resolution process of the Company.

The Resolution Framework *inter alia* sets forth that:

a) given the position of and challenges in the IL&FS Group, an 'Asset Level Resolution' and in some cases, the sale of a business vertical comprising of a basket of companies and other entities is the most feasible option for resolution of the Group; and

b) with regard to companies/ entities of the Group where there are no operations or the cash flows are insufficient (established to a reasonable degree of certainty) to meet the current operating liabilities and statutory liabilities, the New Board may take steps for these companies to be wound up.

Accordingly, the New Board is pursuing vertical level, SPV level and asset level resolution plan. The New Board has been following a three-pronged strategy- Resolve, Restructure and Recover- while adopting the approach of equitable distribution and balancing interests of stakeholders across the IL&FS Group under IBC and Corporate Finance principles to resolve the debt.

The New Board is mandated to resolve the group by maximizing recovery and also ensuring an orderly wind down of the group. Therefore reducing the number of companies in the group entities by way of liquidation, closure or winding up is part of the mandate of the New Board.

Earlier, HCPL and its parent group (IL&FS) have completely resolved and settled the outstanding dues of INR 520 Cr to PE investors by monetizing the two land parcels situated at Kondapur and Jeedimetla – by handing over the subsidiary Company Jeedimetla Residential Homes Pvt Ltd (JRHPL) to nominees of PE investors.

Presently, the Company is under resolution as part of IL&FS Group, IL&FS (parent group), gave a publication for resolution of HCPL in 2019, however it was annulled in 2020. A fresh bidding process has been initiated on June 14, 2023 the same was published as advertisements in *The Economic Times, Times of India* and *Sakshi* each dated June 14th, 2023 ("**Advertisements**") and the invitation for Expression of Interest (read with the corrigendum dated August 29, 2023) available at https://www.ilfsindia.com/asset-divestment.html inviting expressions of interest ("**EOI**") from interested parties to participate in the Bid Process and submit their Bids for the HCPL Monetisation.

It is pertinent to mention here that by way of above public notice, invitation for expression of interest (EOI) for Resolution of HCPL (including indirect acquisition of wholly owned subsidiaries of HCPL) on an 'as is where is basis'. Resolution of HCPL is along with its subsidiaries even though the subsidiaries of HCPL are not part of the 302 IL&FS Group companies list however, HCPL holding share of 99.9% in the subsidiary companies, being owned by the Company, offered under the resolution process. Full particulars furnished to the interested bidders as to the transaction, assets and liabilities so also financials are provided to intending Bidders.

Bids for resolution of HCPL were re-launched, same is underway which inter alia includes among other things to do settlement with financial creditors of HCPL's subsidiaries, COC meeting, IL&FS Board, Justice (retd) Jain and also, Hon'ble NCLT approval.

As on date the bidding process is completed and highest bidder is identified which is subject to obtaining the required approvals strictly as per the laid down procedure. However, considering the present realty market it was decided by the management to call for a latest revaluation reports on all the assets of the company and its subsidiary companies which may be useful to negotiate with the bidders for achieving a best price for the assets.

The Company continues to follow resolution process and protocol as set by new management. The operation and business activities are standstill and entire focus is on resolution so as to achieve maximum value for lenders.

Operations and state of affairs of the Company:

Hill County Properties Limited along with its subsidiaries holds various land parcels and land development rights. The land parcels/ development rights held by HCPL are as follows:

S No	Location	City	State	Extent of Land Owned by HCPL (In Acres)	Extent of Land with Development Rights (In Acres)	Total Extent (In Acres)
1	Maisammaguda	Hyderabad	Telangana	145.20	153.90	299.10
2	Bachupally	Hyderabad	Telangana	68.89	29.33	98.22
3	Gopanpally	Hyderabad	Telangana	-	39.38	39.38
4	Madhurawada Hill Road	Visakhapatnam	Andhra Pradesh	25.60	-	25.60
5	Mangalgiri	Vijayawada	Andhra Pradesh	10.92	7.00	17.92
6	Daurala	Meerut#	Uttar Pradesh	13.22	-	13.22
Total				**263.83**	**229.61**	**493.44**

Earlier, the registration of #Meerut land Sale deed is completed on June 14, 2022, two sale deeds executed by IECCL, as per the approvals/instruction issued in these regard. Company's name is mutated in records of the local authorities and proceedings to that effect obtained. HCPL has deployed its own security and supervision team for watch and ward of land to prevent its encroachment. Now HCPL in coordination with Local counsel and IECCL is following up vigorously for the compensation amounts from the Special Deputy Collector – Meerut, for the land acquired by NHAI for National Highway (NH-58) road widening at Meerut, the same is in process through ASA Law firm., its taking time in view of old matter.

Legacy of Hill County Project:

Hill County Project is a residential township located at Bachupally, Hyderabad on an area of 85.36 acres, it consists of 1,166 dwelling units – 326 independent houses and 840 apartments spread over 11 towers with state of art facilities and amenities has been completed. The project was initiated by the Former Promoter Group "FPG" and it is completed by IL&FS Group.

The Company had handed over 324 independent units (Bungalows / Villas) to the respective owners out of total 324 Sold units. Similarly, the Company has handed over 815 apartments to the customers out of total 839 Sold units. The Company has customer litigation issues in legacy Hill County project and also club house related matter with association, for which continuous efforts were made to amicably resolve. The Company has settled number of matters with banks on customer loan default dues whereas certain matters were taking time due to involvement of banks (and its various branches) and pendency of cases before Consumer Commissions. It is to be noted that post dismissal of the SLPs by the Supreme Court; the Company has initiated steps and settled the claims of the Customers where some of the customers have taken possession of respective units and customers whoever filed Execution Applications as well as Consumer Cases were withdrawn by the customers before the Hon'ble State Commission and National Commission. Now in view of stay and moratorium granted by NCLAT in its order dated October 15, 2018 consumer's matters are adjourned from time to time.

HCPL - INTER CORPORATE DEPOSITS (ICD) RECOVERY FROM TECH MAHINDRA:

Basing on the Grant Thornton (GT) forensic audit of trail of funds recovery proceedings initiated against Tech Mahindra (earlier Mahindra Satyam before merger), based on the audit conducted and report submitted by GT, the report is comprehensive and entailed verification of bank statements, cheques, financial statements, and audited books of IECCL, HCPL and also the 37 FPG intermediary companies through whom the funds had been transferred to SCSL (later as Mahindra Satyam) (Mahindra Satyam merged with Tech Mahindra).

Filing of Suit for recovery:

HCPL and IECCL filed a suit against Tech Mahindra in the Bombay High Court as the registered office of Tech Mahindra is at Mumbai. All 37 FPG intermediate companies of the second level have been made parties to this Suit.

Suit filed by HCPL at Bombay High Court:

Initially Commercial Suit (L) 183 of 2022 is filed by Hill County Properties Ltd., in the High Court of Judicature at Bombay (Ordinary Original Civil Jurisdiction) seeking recovery of ICD amounts along with interests and costs. HCPL filed the suit with leave to file the same in Mumbai, further an application for amendments of plaint was also filed and the same was allowed. Tech Mahindra filed its detailed written statement along with documents and the same is taken on record. Veritas Legal are appearing on behalf of HCPL. Khaitan & Co appearing for Tech Mahindra. Tech Mahindra has objected to the filing of the Plaint as "commercial Dispute" The counsel have detailed discussion and deliberations into the objections filed by Tech Mahindra as regard maintainability of suit as "commercial dispute", detailed arguments and submissions to demonstrate that the disputes raised in the Suits are "commercial disputes" under the Act. they opined that objecting to the same is time consuming and were of the opinion that merely seek return of the Plaint to be presented before the Regular Court of the Bombay High Court as an Ordinary Suit Accordingly, a decision was taken to present it as Ordinary Suit and it is renumbered as OS 306 of 2024 and notices / summons sent to defendant for their version and hearing began and notices served to the Defendants, the matter is coming up for hearing in onward list before High Court of Judicature at Bombay, same is taken care by Veritas Team and Senior Advocate is keeping tab of the matter at Mumbai.

The Company has already provided on conservative basis such ICDs in its books of accounts, though it does not in any manner affect its legal rights of recovery. The matter is sub-judice and long court legal battle is expected for recovery.

Developments Involving FPG/ Land Owning Companies:

HCPL had number of issues arising out of land related matters for which Memorandum of Agreement, Framework Agreement, as well settlement terms were entered with Former Promoter Group (FPG) (Raju family group), PE Investors, IL&FS as a signatory. The Company has made efforts to address the issues in line with agreement agreed by all parties however due to non-cooperation, the monetization of land parcels and land development has been significantly delayed. HCPL has sent letter in 2018 itself highlighting to the FPG that there are various issues in relation to the Land Parcels (including but not limited to violation of agricultural land ceiling, boundary, survey, disputes with neighboring land owners, land use classification, access to site, past documents, encroachment, litigation, attachment by authorities for reasons attributable to the FPG, misrepresentation by FPG, restricted entry to land parcels, etc. The fact that Land Parcels were not having clear title were raised by HCPL with the FPG and the land-owning entities (affiliated to the FPG) during discussions as well as in correspondence, including vide letter dated November 28, 2018, HCPL requested for assistance from FPG to resolve the issues at hand however there was no cooperation and assistance as obligated under Master Agreements. The Company is committed to adhere to the settlement terms and will ensure that the same are followed by all parties in letter and spirit.

The Former Promoter Group (FPG) land owning companies (Raju family Group) without analyzing and understanding the obligations under the Master Agreements went on to issue notices threatening termination of Development Agreement (DA) in respect of various land parcels, they displayed notice boards stating that legal issues are pending and the Company's Rights in land parcel stands terminated by them, the Company has suitably responded to the same stating that the DA are irrevocable, termination notices are illegal, FPG and landowning companies cannot terminate in view of the settlement terms, MOA and agreements executed, further if it happens recovery of Rs.301 cr (along with interest) from FPG and Raju companies to the Company will arise. Also, personal guarantee of Teja Raju will get reinstated. HCPL sent a reply highlighting that it is the FPG that is in breach of its obligations under various agreements entered into between the parties, the commercial understanding between the parties was always that the monies payable to the FPG shall be used to apply towards payments under Clause 4.8 of the MoA, the MoA read with the development agreements collectively records various undertakings of the FPG in relation to handing over of the Land Parcels and various other obligations which the FPG is in breach of; further as regards any encumbrances created are in accordance with the agreements and any such encumbrances are only on the receivables of the project and the development rights which HCPL possess. HCPL clearly stated they could not carry out development of the project due to the defective title and non-performance of certain obligations by FPG. Development cannot take place when there are defects in the title and in fact, some Land Parcels have been attached by the CBI, the defects with respect to the land were clearly specified to FPG.

The FPG represented by B. Rama Raju has filed an Interim Application bearing I.A.No.: 3845/2019 in C.P.No.: 3638/2018 before National Company Law Tribunal, Mumbai, prayer was made (a) to direct the IL&FS & HCPL to abide by the terms mentioned in MOA dated 15.01.2013 which was entered between the parties, (b) to allow them to match the bid of the highest bidder for the proposed transaction subject to the protection of the terms and conditions of MOA and (c) in Alternative of prayer clause (b), to direct the proposed buyers/highest bidders of the proposed assets to abide by the terms and conditions mentioned in MOA therein; The Company counsel filed vakalat, later on counter was also filed by HCPL and the application during hearing of several matters was dismissed by NCLT, Mumbai on 18.09.2023;

Against such dismissal an appeal by way of Company Appeal 47 of 2024 was filed before NCLAT New Delhi., filed by B Rama Raju, the matter was listed for hearing on July 24, 2025 before the Chairperson's court of the Hon'ble NCLAT, the Advocates were briefed as to conditional submissions as to agreement to dispose the appeal in terms of 'prayer C' in the Appeal., (*adherence to the MOA terms by the Bidder and subject to Orders by the NCLAT in IA 5036 of 2023)* and the Bench recorded the submissions made by the parties and disposed-off the Appeal, all parties to the MOA shall adhere to the terms of MOA..

In regard to land development rights earlier several Letters/Notices have been received from Former Promoter Group (FPG) /Land owning companies for each land parcel separately claiming default in development of the lands and seeking cancellation/Termination of all Development Agreements entered thereto. In response, HCPL issued detailed replies and denied their averments / alleged right to cancel the Development Agreement citing the non-development of the lands, duly countering that non development is due to defects in lands, various issues plaguing the lands. HCPL also got issued notice dt.03.02.2020 to FPG seeking for return/refund of amounts of Rs.301 crores along with interest received under Agreements in respect of the land parcels in case of termination of Development Agreements by FPG/ Land Owning Companies.

HCPL through its counsel also sent legal notices to FPG/Land Owning Companies to cease and desist from interfering with peaceful possession, beneficiary ownership and development rights over the various land parcels. To which FPG have sent replies through their legal counsel i.e. 'TATVA Legal'.

Landowners and other parties to Development Agreement in respect of various land parcels have sent in all 13 Notices dated 07.04.2021, stating that they appointed Shri M.Rama Das as Arbitrator for resolution of dispute. HCPL in consultations with legal advisors replied to the same rejecting the demand duly stating that the pending issues plaguing the land parcel needs to be cleared by FPG/Land owners, further the fact that Hon'ble NCLT is dealing with the matter, resolution is in process and there is stay and moratorium was also informed.

Subsequently, the land owner have filed Arbitration OP's in High Court of Telangana seeking for Appointment of Arbitrator in accordance with the terms and conditions of the Development

Agreement, HCPL filed memo stating that there is Stay and moratorium orders and resolution of HCPL is in process under aegis of NCLT-Mumbai., the same are pending for hearing in the onward list.

LAND PARCELS - Title related issues which FPG/ Land Owners are to resolve:

A. Bachupally lands:-

a) Agriculture land ceiling issue is still live because of which land is not converted in Non-agricultural and therefore, can't be developed. Recently LRA was filed before Land Reforms Appellate Tribunal, FPG is also a party and filed Vakalath (filed vak. & stay moratorium order, on which the Hon'ble Court dismissed the memo where HCPL filed a C.R.P before High Court of Telangana and the same is pending.)
b) The larger extents of lands at Bachupally – around 375 acres are the subject matter of a protracted litigation initiated by the legal heirs of one Nawab Jung since1435 fasil year and it is re-numbered in the year 1962.
c) Encroachment by Mr.Veeresham Kasani over the land about Ac2.00 in Sy no.223, abutting main road -Bachupally, Medchal Malkajgiri. Encroachment is because of FPG related matter in Hill County due to its past legacy with Raju group, which FPG did not honour.
d) Further FPG was supposed to give clean 10 Ac land but it has given CBI attached one for Ac.4.29 Gts land, whereas HCPL paid Rs.3 cr for FPG companies behalf 4 years back, the same is still not transferred as envisaged in MOA and FPG is dilly dallying on the issues.
e) Recently, upon verification, it was observed that the entire extent of HCPL's own lands (situated at Bachupally) as well as JDA lands are shown as attached/prohibited by the District Collector, Medchal-Malkajgiri, based on references received from the Director of Enforcement (ED) with different dates recorded against the relevant entries., however, no notices as to same were received by the company, the company is seeking/obtaining details to take appropriate action for such inclusion without any notice to that effect.

B. Gopanpally lands:-

a) CBI – land attachment orders subsists for the lands in the middle of the entire land, as such land cannot be developed. Plus, there is an issue as to easementry rights given by FPG is touching through CBI attachment also in effect, rear part of land is lacking access road, however, recently HMDA laid new 100 feet road which connects site to the Outer Ring Road (ORR), earlier for want of good access site could not be developed.
b) There are attempts to disturb possession of HCPL in Gopanpally land by local land owners, Aparna Estates acquired some lands from local and tried to encroach into HCPL lands – Suit filed by HCPL and same are pending.

C. **<u>Maissamaguda lands</u>**:-

a) Land to an extent of Ac.7-06 Gts given by FPG by virtue of registered Exchange Deed - was already acquired under Land Acquisition Proceedings for Defence dept. and this fact was hidden by FPG. This was clear title deficiency, no title conveyed, documents is non-est and void in law.

b) In JDA land FPG didn't allow any party to enter till date and thereby damaging the prospects of development process and then allege that there is defaults on HCPL part. On one hand FPG prevents entry, creates hurdles and on the other hand allege non development by HCPL., earlier FPG prevented Valuers entry into land for valuation exercise., a police complaint was lodged., HCPL filed suit seeking injunction against such interference by Land owning companies / FPG, the same is pending for defendants appearance and hearing.

<u>Developments at Land Parcels:</u>

Time to time senior officials of the Company visits and inspects the land parcels, earlier when FPG / land owning companies tried to raise boundary wall at Gopanpally, HCPL got issued Notice through legal counsel to the parties to cease and desist from such acts, FPG / Land owning Companies sent replies denying all that further they filed Caveats in all the jurisdictional courts anticipating filing of Suit by HCPL. HCPL filed civil suit seeking for restraining such acts and seeking injunction – same is pending for adjudication. Notices were ordered and FPG/Land owning companies appeared and filed Petition seeking appointment of Arbitrator as per Agreement/s and HCPL has filed a detailed counter affidavit and matter is pending before the Civil court, Kukatpally.

Subsequently last year there were attempts to encroach and enter into Gopanpally land by Aparna Constructions and Estates Pvt. Ltd. stating that they purchased land vide a sale deed and to prevent any attempts to encroach the lands at Gopanpally., HCPL filed a suit for injunction in the Civil court and Notices were ordered to the parties, the matter is pending for appearance of the parties and hearing in onward list.

Recently, the FPG/land owning companies had prevented entry of HCPL staff as well as Valuers Team into the Maisammaguda site by locking the gates from inside. HCPL has tried to gain access from alternate gates also but in vain. HCPL lodged a complaint with the concerned police station complaining the high handed behavior of preventing the HCPL into its own land as well as Development Agreement lands situated at Maisammaguda. Again when HCPL staff along with valuers tried to access the maisammaguda lands, deployed staff of FPG prevented entry, HCPL filed a suit seeking perpetual injunction against such acts of the FPG/ Land Owning Companies, the matter is coming for appearance of parties and hearing in the Hon'ble Additional District Judge Court, at Medchal.

Litigation:

HCPL had earlier conveyed to customers - the position as to resolution of Company and called for closing of customers issues in "as is where is basis" to customers duly withdrawing their cases upon settling dues with banks- accordingly few customers responded positively however, more than 20 customers are yet to respond and the litigations are pending.

a) Some of the customers named Mrs. Usha Rao Surapaneni & Hari Rao Surapaneni and A.V.S.Gopala Raju have been filed an application bearing I.A.No.:3579/2022 in I.A.No.: 346/2018 before NCLAT seeking to be ordered as National Commission in earlier consumer cases as " refund along with 12% interest as well as compensation etc., calculating of compensate is very less which other financial creditors will receive and in the event units purchased by them are ready along all relevant permissions and approvals have obtained than the above said customers are to pay balance sale consideration and take over possession of their units. On 19.07.2023, the Hon'ble NCLAT, New Delhi disposed Interim Application stating to file in appropriate Judiciary Authority and I.A filed by Usha Surapaneni & Others is closed. Now they approached NCDRC seeking to proceed against SBI in view of moratorium viz a viz HCPL matter, the IA is pending for hearing.

b) HCPL received notice along with Arbitration Applications in Arb.Appl.No.'s: 91/2023, 92/2023 and 93/2023 from the High Court of Telangana 3 land parcels - BRNR Agro Pvt. Ltd. (Maissammaguda), Nallamala Agro Pvt. Ltd.(HCSEZ) and Chitta Farms Pvt. Ltd. (Gopanpally) and Cyril Amarchand Mangaldas (CAM-Hyd /Bng office) has been appointed in the matters and vakalats have been filed in the respective cases by the Counsel and Stay Moratorium memo has also been filed before the High Court. HCPL filed counter with documents in above said 3 Arb.Applications. Out of 3 cases, the other side is pressing on Arb.Appl.No.:93/2023 for appointment of an Arbitrator where Hill County SEZ Pvt. Ltd. is not mentioned in stay moratorium order (among IL&FS and its 302 entities), on which arguments are part heard and the said cases are posted for further arguments, pending for hearing in onward list.

c) HCPL has received a notice along with Arbitration Application in Arb.Appl.No.:24/2023 from the High Court of Amarvathi filed by Keelaka Agro Pvt. Ltd. for appointment of an Arbitrator relating to Development Agreement cum General Power of Attorney bearing Doc.No.:2562/2015 dt.01.06.2015 - extent of Ac.7.00 Cents - Vijayawada land parcel and The High Court of Amaravathi passed an Order dated 10.11.2023 - appointed Hon'ble Justice R.D.Dhanuka, former Chief Justice of Bombay High Court as sole Arbitrator but till now no notice has been received from the Hon'ble Arbitrator.

d) IL&FS has issued a paper publication "Invitation for Expression of Interest" in Times of India on 14.06.2023 - invited interested applicants towards resolution of Hill County Properties Ltd.(HCPL) as is where is basis (resulting in indirect acquisition of the wholly owned subsidiaries of HCPL namely, (i) HCSEZ, (ii) Downtown Recreation Pvt. Ltd., (iii) Maytas Logiparks(Isnapur) Pvt. Ltd. and (iv) Maytas Logiparks (Malkapur) Pvt. Ltd. and various land parcels where HCPL has development rights admeasuring aggregating to approximately 493.44 acres and invited the bidders for submission of documents by the interested bidders, the bids were submitted and the bidder were given time for curing the defects and after due process as undertaken in these regard the same is subject to due process and terms and conditions as stipulated in the EOI/RFP documents.

f) SBI has filed a claim of INR 44.18 crores (approx.) for an aggregate of total outstanding 25 *(at present some of them are settled /withdrawn the cases and registered their respective units as stated supra*) accounts of the borrowers/homebuyers from HCPL where GT (Claims Management Advisor) has admitted the entire claim of SBI and has classified SBI claim under unsecured creditor of HCPL. SBI has filed an application bearing M.A.No.:632/2022 in C.P.NO.: 3638/2018 before NCLT, Mumbai seeking to be classified as a secured creditor of HCPL from unsecured creditors. On March 11, 2024, SBI submitted that it should be classified as a secured creditor as SBI has security interest over the dwelling units. In response, GT submitted that it has classified SBI as an unsecured creditor of HCPL, since the security interest in the transaction was provided by the homebuyers and not HCPL. On 15.07.2024, The Hon'ble NCLT,Mumbai allowed the application filed by SBI and ordered to be treated as secured creditors by CMA.

g) Writ Petition bearing W.P.No.:3437/2024 filed Rajashekar Simma – Villa no.150 before the High Court of Telangana seeking Writ of Mandamus declaring action of the The State of Telangana & Ors. in remaining silent and not taking prompt steps to stop respondent no.5 (HCPL) & 6 (IL&FS) proceeding with sale of the Amenity A1 & Ors. in the group housing layout plus Houses File 5876/Mp2/Plg/HUDA/2005 situated at Bachupally, Medchal-Malkajgiri Dist. as illegal, arbitrary and unjust as violative of Article 14 and 300A of the Constitution of India and consequently direct the official respondents to take action pursuant to petitioners representations submitted by the petitioner and respondents are directed not to grant any permission for alienation of amenities reserved for the residents of the said layout. The same is pending for hearing.

h) Writ Petition vide W.P.No.:14929/2024 is filed by same customer i.e Mr. Simma Rajashekar in High Court of Telangana against The State of Telangana & Ors. seeking 'Writ of Mandamus' declaring action of the respondents 1 to 4 in remaining silent and not taking prompt steps in getting the formal handover of Amenities A2, A3 & A4 from the Respondent no.5 & 6 Developer of the property in the group housing layout plus houses of HUDA file no. 5876/Mp2/Plg./HUDA/2005 to the 7th Respondent., pursuant to the Petitioners representation dated 15.5.2024, 20.5.2024 and 30.5.2024 as illegal, arbitrary and un just HCPL has filed vakalat and counter in the said Writ Petition and the same is posted in onwards list for hearing.

i) Interim Applications bearing I.A.no.:3499/2024 and 3500/2024 in C.A.No.:346/2024 filed by Hill County Villa Owners' Association, and Simma Rajasekhar before NCLAT, New Delhi seeking to be impleaded in C.A.No.:346/2018 and the same are disposed of basis the undertaking by IL&FS /HCPL that they will abide by the Orders of Hon'ble High Court of Telangana in the pending WP.3437/2024 filed by the Petitioner – Simma Rajasekhar.

Initially a notice dated 14.06.2024 issued by the customer Mr.Simma Rajashekar – Villa no.150 addressed to HCPL regarding File No.:5876/Mp2/Plg/HUDA/2005, HCPL stating that the layout connecting full trunk road was not Gifted to local body as per the approved group housing plan. HCPL showed a road length of 1022.87 meters connecting the road to Nizampet road in the approved layout but gift deed Doc.No.: 2618/2016 only gift deeded portion of the road 360 meters against the full trunk road as shown is the approved layout. Another WP filed by Mr. Simma Rajashekar praying to declare action of the respondents 1 to 4 in remaining silent not taking prompt steps to stop respondent nos 5 and 6 in proceeding with sale of the part of Common approach road/trunk road/periphery road in the group housing layout Layout, direct the official respondents to take action. Notice has been received by IL&FS as well as HCPL, and Mr.Narendar Naik Advocate (Varuna Law Office) is engaged as counsel to represent the company, matter is posted for filing of counter and hearing in onward list..

j) HCPL received a notice as to filing of Implead application by EPFO Dept. filed an Interim Application in Comp. Appeal vide I.A.No.: 1565/2025 in C.A.No.: 346/2018 before NCLAT, New Delhi stating that they are necessary parties and proper parties. The same is pending and posted for hearing.

k) An E**xecution Petition** vide E.P.No.: 44 of 2024 (Old no. E.P.No.:1191/2019) filed by Rank Silicon Pvt. Ltd before IV Addl. District and Sessions Judge-cum-I Addl. Family Court, Rangareddy Dist.. Against Maytas Hill County Residence Pvt. Ltd & Maytas Properties Ltd. and in the said matter, earlier counsel Sri. A.Venkatesh, (presently designated as Sr. Counsel) office is engaged and vakalat as well as memo of NCLAT order is filed in the said case and subsequently the same is disposed of in view of lack of territorial jurisdiction of the court.

l) A suit bearing O.S.No.:1028/2008, earlier, it was filed by Mr. Kolupuri Rama Rao against Maytas Properties Ltd. seeking for permanent injunction to an extent of Ac.2.00 cnts of dry land in Sy.No.7 of Kommadi Village, Visakhapatnam and dismissed on 17.02.2017 by the Hon'ble Court as Plaintiff abated on his death long back. Recently, the Company (Hill County Properties Ltd.) have received summons in three Interim Applications vide I.A.No.: 969, 970 & 971 of 2024 in O.S.No.:1028/2008 before VII Addl. Senior Civil Judge Court, Visakhapatnam and directed to appear on 25.06.2025. On the same date, HCPL has filed vakalat in above said I.A's by counsel Mr. Ramdas (appointed by HCPL) and the same is pending for hearing, memo as to stay/moratorium order is furnished to the court for records.

m) Company Petition vide C.P.No.:4/2009 – transferred & re-numbered as TP(PB) No.78/397 -398/HYB/2017 - Union of India Vs Maytas Properties Ltd., on 04.12.2024 order pronounced by the Hon'ble National Company Law Tribunal as the said petition is disposed off as" has already been granted by this Ld. Company Law Board on 05.03.2009 by directing the Central Government to appoint one person as a nominee Director on the Board of R1(MPL) and (b) there is no reason to impose restrictions as per Section 388B (1)(a) of The Companies Act, 1956 on any of the Respondents in the Company Petition. The Company Petition is disposed off as partly allowed.

Other Pending issues:

a) Developments as to SIVA Group / UTOO Cabs:

In past, Chennai Properties Investment Limited (a company belongs to Sivasankaran group) was given mandate to generate Rs.2500 crores cash flows from the Company's land parcels at a fee of 20% (based on IL&FS Ex Group Chairman mail to the Company Ex Chairman). Since the Sivasankaran group was not able to monetize much and therefore, it was decided that they will do bulk sale of the Company's ready inventory of villa and apartments. The Sivasankaran group vide its group company Utoo Cabs reverted with mail that they have sold 2 villa at Rs 5 Crores total (Rs 2.50 Crores each) in October 2016. The Company received the said Rs.5 Crores. The then Chairman of the company okayed it with a note that in overall settlement the same will be addressed as this being just starting of monetization. Later, Sivasankaran group never reverted for registration of these 2 villas/bungalows no Agreement was signed with purchaser (Utoo Cabs). Post change in management at Infrastructure leasing and financial Services Ltd (IL&FS), the new Board of the Company terminated the agreement with Siva Group. Later, the Sivasankaran group reverted that they want to register the villas/bungalows and asked for pending maintenance and stamp duty information. In August 2019, UTOO Cabs (an entity belonging to Sivasankaran group) sent a legal notice demanding return of Rs.5 Crores paid by them along with interest, the Company sent a legal reply notice to Siva group.

Subsequently, to resolve the exposure and pending issues, Siva Group and IL&FS Group company namely, IL&FS Financial Services Ltd (IFIN) entered into an understanding /settlement, which was subject to various approvals under IL&FS Group resolution framework.

Based on above, the Company received letter from Siva Group in regard to 2 (Two) bungalows, necessary applications moved seeking consent from Justice [retd] Shri D K Jain (appointed by Hon'ble NCLT) and post the consent, application seeking approval made to NCLT. Basis the NCLT Approval received by way of Orders dated 11-12-2025, adhering to the same, the parties entered into a 'Settlement Agreement Dt.29-12-2025'. Accordingly, HCPL is to transfer the 2 (Two) Villa units to IFIN or nominees of IFIN without incurring any expenses, charges, etc., all such expenses, charges to be borne by IFIN or its nominees, as the two units were assigned by Utoo Cabs/Siva Group to IFIN.

b) Vijayawada Lands issue:

The company has own 10.92 Ac own land and about 7.00 Development land at Vijayawada, under an Agreement to sell - land development rights over the above stated (around 18 acres) land were sold at Rs 72.00 crores plus interest @ 12% totalling to Rs 90.00 crores with Ramakrishna Housing Pvt Limited (RHPL).,. After paying Rs 24.00 crores they defaulted and entered MOU to pay the money on time with penal interest. However, defaulted the same again also. With an ulterior intent RHPL cancelled the General Power of Attorney (GPA) given while executing Agreement for Sale (AFS). The Company had filed two Writ Petitions challenging the actions of Sub - Registrar of Pedakakani, Guntur Dist. (of Registering the Cancellation of

GPA) as arbitrary, illegal and unjust in registering the cancellation of Irrevocable General Power of Attorney seeking for quashing the same; Notices were ordered to Respondents and Additional Advocate General made appearance for the State and SRO, Advocate filed vakalath for RHPL, in the two writ petitions and the same are posted for hearing in onward list.

Earlier a paper publication issued by the Interim Resolution Professional (IRP) dated 31.10.2022 calling for the claims against the Ramakrishna Housing Private Limited from all the stakeholders. Shriram City Union Finance Limited, however in view of settlement with Shriram same was cancelled and company was restored to normal status by cancelling IRP appointment, RHPL Boards power were restored.

Recently, M/s. J.C. Flowers Assets Reconstruction Pvt. Ltd. filed a Company Petition bearing C.P.No.13/2025 in NCLT Amaravathi for recovery of amount of Rs.113 crores agaiainst RHPL. HCPL received a letter dated 02.07.2026 (10.07.2026 through speed post) from Insolvency Professional - Mr. Mallikarjuna Setty Nethi - IRP stating that (RHPL) is under Corporate Insolvency Resolution Process (CIRP) and he was appointed as the Resolution Professional by the Committee of Creditors and as per books and records of Corporate Debtor i.e RHPL are available an amount of Rs.36,04,50,269/- is outstanding and payable by company towards advance provided.

In response to the IRP's letter HCPL has sent a Detailed reply dated 29-07-2026, clearly stating the facts as to transaction and the status as to company being under resolution, which details were received and acknowledged by the IRP Mr.Mallikarjuna Setty Nethi., the Resolution of RHPL is also pending with NCLT-Amaravathi.

c) Shareholding in Baypark Hotels and Resorts Private Limited :

The company is holding 14,12,500 (Fourteen Lakh Twelve Thousand Five Hundred) equity shares, constituting 3.11% of the issued, subscribed and paid-up equity share capital of the Baypark Hotels and Resorts Private Limited, the company is pursuing to get the same dematerialised as prescribed and formally written to company to send all notices, AR etc to its Regd. Office.

Status of Affairs of the Subsidiaries of Hill County Properties Limited [“HCPL”]:

There are Four (04) wholly owned subsidiaries to Hill County Properties Limited. The status of affairs of the said Company is as follows:

1) Hill County SEZ Private Limited:

Hill County SEZ Private Limited (earlier Maytas Hill County SEZ Private Limited) is a Company promoted by Hill County Properties Limited for the development of IT/ITES SEZ on its own land (partly under non-cancellable development rights) in an area of ac 73.31 gts land situated in Bachupally village & Mandal, Medchal - Malkajgiri District, Telangana State [earlier in Ranga Reddy district of Combined AP State]. The lands are owned by land owning companies (later on few merged with the company) and not allotted by the State Government free for SEZ promotion and development.

A notification from Ministry of Commerce & Industries (MOCI), Govt. of India, vide reference no F2/500/2006-SEZ dated 13th June 2007 was issued that an area of A 73.31gts (29.89 hectares) land is notified as SEZ for development of IT/ITES.

In view of unfavorable conditions, flat market & dull response for SEZ, the Company has filed 4 (four) applications for the de-notification of SEZ land parcels - to some extent over a period of time since 2011. The final orders are awaited.

A. First application for denotification for Ac 21.35ct (8.64 hectares) land
B. Second application for denotification for Ac 19.76ct (8.01 hectare) of land
C. Third application for denotification for Acres 11.12 Cents (4.50 hectares) land
D. Fourth application for denotification for Ac 11.17 cts (4.79 hectares) land

2) Downtown Recreations Private Limited:

This is the wholly owned subsidiary of the Company incorporated in the year 2015. It is being promoted by the HCPL for the recreations activity and ancillary services for its owned Hill county Club house. Presently the Company is responsible for the upkeep managing the "The Downtown Club" at Hill County, Bachupally, Hyderabad., which is owned by Hill County Properties Ltd (HCPL) of IL&FS group located on 3+ acres land, Club House is a commercial complex which consists of supermarket, ATM facility, Retail Stores, Health Clinic, and Pharmacy etc.,. It also houses all the appurtenant sport areas, which consist of swimming pool, badminton and squash courts, guest rooms, indoor sport areas, mini theatre, Business Centre, Conference Room, library, gymnasium etc. The main users of Club House are Hill County residents (Villa & Apartment) around 1175 families also this club is open for external peoples other than hill county residents on acquiring membership and on payment of fees.

Litigations:

a) A suit has been filed by the two Associations (HCVOA & HCAOA) against HCPL & IL&FS in the Hon'ble Prl. Junior Civil Judge seeking Interim relief and permanent injunction restraining the Hill County & IL&FS, their men, servants agents etc from ever interfering with the lawful possession and enjoyment of the club house by them and in said case HCPL vakalat & Memo along with NCLT & NCLAT order copies have filed before the Hon'ble Court, HCPL filed a memo stating Stay Moratorium along with NCLAT/NCLT orders and the said case is being adjourned for hearing in Interim Application filed by Plaintiff's(Associations).

b) HCPL filed a suit against two Associations (HCVOA & HCAOA) in the Hon'ble Senior Civil Judge seeking Interim relief and perpetual injunction restraining the two Associations, their agents, servants or any other persons claiming through or from interfering with the peaceful possession of HCPL over the club house and said case petition under section 10 of C.P.C have filed by Association and this Hon'ble Court allowed I.A.No. 2515/2019 accordingly and the said suit is stayed till the disposal of O.S.No.217/2019 on the file of Junior Civil Judge and the same is pending.

c) Initially discussions held on 19-06-2023 with two Associations i.e HCVOA and HCAOA as regards Club House, subsequently a letter dated 28.06.2023 received which has been addressed to The Board Members of IL&FS, Mumbai and The Board Members of HCPL, Hyderabad., pertaining to 'Non-binding Expression of Interest for the acquisition of Hill County Club House. HCPL has received initially a letter dated 26.07.2023 from HCVOA and HCAOA with reference to IL&FS letter dated 12.07.2023, pertaining to binding offer for the acquisition of Hill County Club House situated at Hill County; After several meetings and consultations, deliberations, time extended basing on request by HCVOA, they submitted non -binding offer to acquire club house for 20 crore however, formal binding offer was awaited and March 15, 2024 was last date given to submit such offer but they didn't revert to HCPL because, few villa owners opposed transaction, one Villa owner filed a Writ Petition in the High Court of Telangana, challenging the transaction. After which HCVOA sent mail seeking response and the time given to HCVOA elapsed and finally the Company has rescinded and cancelled such transaction. The HCVOA also expressed inability in view of circumstances assuring to continue efforts once the case is decided and consensus arrived at among the community members.

Again, HCPL received a letter dated 26.03.2025 – from Hill County Villa Owners Mutually Aided Cooperative Society (HCVOMACS) by referring the earlier letter/offer addressed to The Board Members IL&FS Ltd. and as well as The Board Members/CEO/MD of HCPL, regarding an Offer for the Acquisition of Hill County Clubhouse (Downtown clubhouse) at Hill County Residential Township reference with earlier letters addressed to HCPL for Rs.20 crores.

HCVOA addressed a letter dated 24.04.2024 to Jus.D.K.Jain, Retd. Pertaining to one of member of HCVOA obtained Status quo order in W.P.No.:3437/2024 from High Court of Telangana – as Club House is an asset that should not be included in the list of assets of HCPL – which were declared in the information Memorandum that will be circulated to the prospective Resolution Applicants, in terms of IBC Protocol. Subsequent to all the correspondence, Impleadment Petition vide I.A. 3499 and I.A. 3500 (in CA 346 of 2018) are filed in NCLAT, New Delhi, by HCVOA and Mr. Rajshekhar Simma, the same are Disposed.

A Letter dated 06.02.2025 addressed to HCPL by HCVOMACS (erstwhile HCVOA) requesting for final layout with houses sanction from HMDA for group housing layout - 5876/Mp2/Plg/HUDA/2005 and replied by the HCPL in detailed.

In this regard, HCPL have already paid the fee amount of Rs.42,89,242/- towards revalidation fees, final layout charges, charges for difference in built up area, and publication fees, vide challan no.169/2016-17 Dated 07-04-2016., thereafter the Mortgage units were also released by the HUDA, HMDA released 17 plots vide a Release of Mortgage Deed (Doct No.4810/2016) subsequently all the tot lots, open spaces, internal roads, were handed over to Gram Panchayat through a Registered Gift Deed., culminating to issuance of Occupancy Certificate for all houses., confirming the completion and compliances. Duly enclosing all the documents and stating all factual developments a formal request letter dated 25-06-2025 was submitted by HCPL to Metropolitan Commissioner, HMDA - seeking for issuance of Final Layout for the Hill County Project.

Maytas Logiparks (Isnapur) Private Limited:

The Company holds the land parcel at Isnapur village, Sanga Reddy Mandal, Medak District. The Company has entered into development agreement with Aparna Green Housing LLP for the project land Acres 28-07.50 guntas by way of Plotted development. The revenue generated from the project will be shared in the ratio of 50:50 between the Maytas Logiparks (Isnapur) Private Limited ["MLIPL"] and Aparna Green Housing LLP ["AGH LLP"] as per the term sheet entered between the MLIPL and AGH LLP. The cost incurred for the execution of project shall be met by the developer from its share of revenue as per the terms mentioned in the term sheet. The developer shall ensure that the plots developed are handed over to the respective purchasers and the terms of agreements entered into such purchasers are complied with. The project is completed.

The Company has mortgaged its title deeds of land parcels admeasuring 25-18 acres 3/4 guntas on August 21, 2018 to IL&FS Group (Consists of IL&FS Ltd, IL&FS Financial Services Ltd, IL&FS Townships & Urban Assets Ltd and RIDCOR Infra Projects Limited) towards security against the loan taken by Hill County Properties Ltd, the Parent Company. The Company has hypothecated its receivables on June 21, 2018 to IL&FS Group (Consists of IL& FS Ltd, IL&FS Financial Services Ltd, IL&FS Townships & Urban Assets Ltd and RIDCOR Infra Projects Limited) towards security against the loan taken by Hill County Properties Ltd, the Parent Company. The formalities with regards to closing viz exchange of documents etc are yet to be completed And under resolution of HCPL Group where this subsidiary is part of, all such charges for IL&FS Group will stand released with NCLT order monetizing HCPL with its Subsidiaries.

3) Maytas Logiparks (Malkapur) Private Limited:

The Company is the wholly owned subsidiary of Hill County Properties Limited. The Company in the past owned land admeasuring 46.23acres (i.e., Acres 46.09 Guntas) located in Malkapur village, Choutuppal Mandal, Nalgonda district - purchased vide 6 (six) registered Sale Deeds. The land was sold [Outright Sale] for valuable considerations to NCL Industries Limited, including its affiliates, by way of three registered sale deeds in the FY2017-18. The possession of the Land was also handed over to NCL group, along with the title documents and links. The Company does not have any other assets and presently, the operations are standstill.

4) Maytas Properties ME FZE – Falconcity of Wonders LLC:

The Former Promoter Group (Raju Family Group), established a wholly-owned subsidiary, Maytas Properties ME FZE, in the Sharjah Airport International Free Zone (SAIF Zone). On November 22, 2007, this subsidiary entered into a reservation agreement with Falconcity of Wonders LLC for a building in Dubai Land known as the "Grand Pyramid" (G+35 stories).

The total purchase price was AED 261,247,487. Payments were scheduled as a 10% reservation fee, followed by a 20% payment within six months, and the remaining 70% in bi-monthly instalments over one year. After stalling its operations, Maytas Properties ME FZE successfully recovered a significant portion of its investment through the Dubai International Arbitration Centre in a dispute with Falcon City of Wonders. Subsequently, with no further business objectives, the company was legally wound up in FY 2015-16, having cleared all outstanding liabilities with the SAIF Zone authority, as confirmed by The Government of Sharjah.

The company after vigorously fighting the legal case got back the money invested with great efforts, however, it is currently addressing a non-compliance issue with Axis Bank related to a missed Annual Performance Report for the year of its closure. The company has filed the necessary papers along with all supporting documents and same were furnished to Axis Bank for onward follow up action in the matter.

Material changes and commitments affecting the financial position of the Company:

There were no material changes and commitments, affecting the financial position of the Company from the end of the financial year up to the date of this Report.

Change in the nature of the Business:

There has been no change in the nature of business of the Company.

Change in the registered office of the Company:

There was no change in the registered office of the Company during the financial year 2025-2026.

Dividend:

During the reporting financial year under review, your Directors have not recommended any dividend for the financial year 2025-26.

Share Capital:

The Authorized Share Capital of your Company is Rs.81,04,99,000/-(Rupees Eighty-One Crore Four Lakh Ninety-nine Thousand Only) divided into 80,75,000 (Eighty Lakh Seventy-Five Thousand Only) equity shares of Rs. 100/- each and 29,990 (Twenty-Nine Thousand nine ninety Only) preference shares of Rs. 100/-. The shareholding structure of the Company is detailed below.

1) **List of Equity Shareholders**
ISIN: INE0BAH01013

Face Value of Rs. 100/- each

S. No	Name of the Equity Shareholders	No. of shares	% of holding	Share Capital
1	Infrastructure Leasing and Financial Services Limited (IL&FS)	2,250	9	2,25,000
2	IL&FS Townships and Urban Assets Limited (ITUAL)	10,000	40	10,00,000
3	IL&FS Engineering and Construction Company Ltd (IECCL)	7,744	30.976	7,74,400
4	Rajendra Malani (Nominee Shareholder of IECCL)	1	0.004	100
5	Saibal Kumar Mukherjee (Nominee Shareholder of IECCL)	1	0.004	100
6	Neerav Kapasi (Nominee Shareholder of IECCL)	1	0.004	100
7	Vinay Krishan Sood (Nominee Shareholder of IECCL)	1	0.004	100
8	Sanjay Subhash Latte (Nominee Shareholder of IECCL)	1	0.004	100
9	Mukesh Sharma (Nominee Shareholder of IECCL)	1	0.004	100
10	Maytas Estates Private Limited	4,400	17.6	4,40,000
11	B. Divya	200	0.8	20,000
12	B. Nandini Raju	100	0.4	10,000
13	B. Rahul Raju	100	0.4	10,000
14	B. Sri Sandhya Raju	200	0.8	20,000
Total		**25,000**	**100**	**25,00,000**

2) **List of the Preference Shareholders**

2a) Zero Coupon Redeemable Preference Shares
ISN: INE0BAH04017

Face Value of RS.100/- each

S. No	Name of the Shareholder	No. of shares	Amount	% of holding
1	B. Suryanarayana Raju	1,000	1,00,000	20.04
2	B. Nandini Raju	1,040	1,04,000	20.84

3	B. Jhansi Rani	1,000	1,00,000	20.04
4	B. Rama Raju Sr	50	5,000	1.00
5	B. Teja Raju	1,000	1,00,000	20.04
6	B. Rama Raju	900	90,000	18.04
Total		**4,990**	**4,99,000**	**100**

2b) 4% Redeemable Preference Shares
ISIN: INE0BAH04025

Face Value of RS.100/- each

S. No	Name of the Shareholder	No. of shares	Amount	% of holding
1	B Suryanarayana Raju	500	50,000	33.33
2	N Rama Raju	500	50,000	33.33
3	B Rama Raju	500	50,000	33.33
Total		1500	1,50,000	100

Deposits:

During the year under review, your Company has not accepted any Fixed Deposits for the Financial Year 2025-26.

Board and its Committee:

Board of Directors:

During the Financial Year 2025-26 there was no change in Directors. Your Company's Board comprises of the following Directors: -

DIN/PAN	Name	Designation	Begin date	End date
06553087	Sabina Moti Bhavnani	Director	03/10/2022	-
03500964	Neerav Yashwant Kapasi	Nominee Director	23/12/2020	-
07210034	Diksha Dhillon	Director	09/10/2023	-

Dates of the Board Meeting held during the FY 2025-26 and its attendance:

The Board of Directors of the Company had met Five times during the year under review:

1. 7th May 2025
2. 13th August 2025
3. 9th September 2025
4. 3rd December 2025
5. 6th March, 2026

Sl. No.	Date of Meeting	Number of Meetings which director was entitled to attend	Number of Meetings attended
1.	Sabina Moti Bhavnani	5	5
2.	Neerav Yashwant Kapasi	5	5
3.	Diksha Dhillon	5	5

Dates of the Audit Committee held during the FY 2025-26 and its attendance:

The Audit Committee of the Company had met only once during the year under review -.

1. 9th September 2025

Sl. No.	Name of the Member of Audit Committee	Number of Meetings which director was entitled to attend	Number of Meetings attended
1.	Sabina Moti Bhavnani	1	1
2.	Neerav Yashwant Kapasi	1	1
3.	Diksha Dhillon	1	1

Dates of the Nomination and Remuneration Committee held during the FY 2025-26 and its attendance:

The Nomination and Remuneration Committee of the Company had met only once during the year under review -.

1. 6th March 2026

Sl. No.	Name of the Member of Audit Committee	Number of Meetings which director was entitled to attend	Number of Meetings attended
1.	Sabina Moti Bhavnani	1	1
2.	Neerav Yashwant Kapasi	1	1
3.	Diksha Dhillon	1	1

Particulars of the Annual General Meeting of the Company held during the FY 2025-26:

20th Annual General Meeting of the Company was held on Tuesday, September 30, 2025 at 11.00 a.m. through Video Conference.

Particulars of the Extra-Ordinary General Meetings of the Company held during FY 2025-26:

There was no Extra Ordinary General Meeting held during the year under consideration.

Independent Directors:

Status on compliance of having Independent Directors on the Board of Directors of the Company: There is no requirement to appoint independent director during the pendency of stay order granted on October 15, 2018 by National Company Law Appellate Tribunal ("NCLAT) on the institution or continuation of suits or any other proceedings by any party/person/bank/Company etc. against 'IL&FS' and its group companies in any Court of Law/Tribunal/Arbitration Panel or Arbitration Authority ("October Order"). Accordingly furnishing the details of declarations by the Independent Directors and Familiarization Program of Independent Directors does not arise.

The Non-Executive Directors of the Company are entitled for the Sitting Fees and the details of the same are as follows:

1. Board Meeting : Rs.20,000/- per meeting
2. Audit Committee Meeting : Rs.15,000/- per meeting
3. Other Committees of the Board : Rs. 10,000/- per meeting

As on March 31, 2026, the Board consists of 3 Directors. The Board periodically evaluates the need for change in its composition and size.

Audit Committee:

The Audit Committee of the Company was reconstituted by the Board of Directors vide its meeting held on February 06, 2024. There has been no change during the reporting period. The members of the committee are as follows:

1. Mr. Neerav Kapasi
2. Ms. Sabina Bhavnani
3. Ms. Diksha Dhillon

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company was reconstituted by the Board of Directors vide its meeting held on February 06, 2024. There has been no change during the reporting period. The members of the committee are as follows:

1. Mr. Neerav Kapasi
2. Ms. Sabina Bhavnani
3. Ms. Diksha Dhillon

Separate Meeting of Independent Directors:

As stated above, in view of the stay order granted by the NCLAT on October 15, 2018, there was no requirement for appointment of Independent Directors on the Board of the Company during the reporting period. Accordingly, no separate meeting of the Independent Directors was held during the reporting period."

Deposits:

The details relating to deposits:

Particulars	Amount / Description
1.Accepted during the year	Nil
2.Remained unpaid or unclaimed as at the end of the year	Nil
3.Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-	
at the beginning of the year;	Nil
maximum during the year;	Nil
at the end of the year;	Nil
the details of deposits which are not in compliance with the requirements of Chapter V of the Act;	Nil
the details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future;	Nil
the details in respect of adequacy of internal financial controls with reference to the Financial Statements.	The Internal Financial Controls with reference to Financial Statements are commensurate in relation to the size of the organization

Directors Responsibility Statement:

In terms of Section 134 (5) of the Act, the Board of Directors wishes to state that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period;

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors had prepared the annual accounts on a going concern basis; and

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Consolidated Financial Statements and Subsidiaries:

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Section 129(3) of the Companies Act, 2013 prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India in this regard.

A report on the performance and the financial position of the Subsidiaries as per Section 129(3) of the Act is provided as an Annexure-A to the Consolidated Financial Statement and forms part of this report.

Particulars of Contracts / Arrangements with Related Parties:

All Contracts/ arrangements/ transactions entered by the Company during the Financial Year with related parties were in ordinary course of business and on arm’s length basis. The details of related party transaction as per IND AS are cited in notes to Accounts.

Details of Subsidiaries, Joint Venture or Associates:

The Company has four subsidiaries, as detailed in Form AOC-1 annexed hereto. The Company does not have any joint venture or associate company. Further, there were no instances of any company ceasing to be a subsidiary, joint venture or associate company during the financial year under review.

Internal Financial Controls:

The internal financial controls with reference to the financial statements, including monthly management reviews apart from statutory audit, internal audit and cost compliances are adequate to the size and operations of the Company.

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating action on continuing basis. These are routinely tested and certified by Statutory as well as Internal Auditors. The audit observations on internal financial controls are periodically reported.

Risk Management Framework:

The Company has developed and implemented a risk management framework detailing the various risks faced by the Company and methods and procedures for identification, monitoring and mitigation of such risks. The risk management function is complimentary to the internal control mechanism of the Company and supplements the audit function. Presently, the Company as a part of IL&FS Group entity is undergoing insolvency resolution process which may be approved by the hon'ble NCLT in due course.

Fraud's reported by auditors other than those which are reportable to the Central Government u/s 143(12):

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Board under Section 143(12) of the Act, details of which need to be mentioned in this Report.

Declaration as per Section 134(3) of the Companies Act, 2013:

During the year, the Statutory Auditors have not reported any instances of frauds committed by or against the Company by its Directors/ Officers/ Employees to Board under section 143(12) of the Companies Act, 2013 and rules made thereof. Therefore, no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

Disclosures as maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013:

The Company does not fall under the preview of section 148 of the Companies Act, 2013, and hence it is not required to maintain any cost records and accordingly such accounts and records are not made and maintained by the Company.

Particulars of loans, guarantees or investments made under S.186 of the Companies Act, 2013:

During the year under review, there were no loans, guarantees or investments made under section 186 of the Companies Act, 2013.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future:

No significant and material orders were passed by the regulators or courts or tribunals which would affect the going concern status and future operations of the Company.

The amounts, if any, proposed to carry to any reserves:

The Board of Directors does not propose to carry any amounts to Reserves of the Company for the Financial Year ended March 31, 2026.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company's goal has always been to create an open and safe workplace for every employee to feel empowered, irrespective of gender, sexual preferences and other factors, and contribute to the best of their abilities. In line to make the workplace a safe environment, the Company has setup a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("PoSH Act") and local rules and regulations. Further, the Company has complied with the provisions under the PoSH Act relating to the forming of committee and framing of an anti-sexual harassment policy.

The Company has not received any complaints of work place, including complaints on sexual harassment during the year under review.

Sl. No	Nature of Complaints	Received	Disposed-Off	Pending
1	Sexual Harassment	0	0	0
2	Workplace Discrimination	0	0	0
3	Child Labour	0	0	0
4	Forced Labour	0	0	0
5	Wages and Salary	0	0	0
6	Other HR Issues	0	0	0

Vigil Mechanism Policy:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 established Vigil Mechanism Policy-Whistle Blower Policy for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and/or reports, etc.

The employees of the Company have the right to report their concern or grievance to the Chairman. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

Maternity benefit provided by the Company under Maternity Benefit Act 1961:

The Company is committed to providing maternity benefits in accordance with the provisions of the Maternity Benefit Act, 1961. During the financial year under review, no eligible woman employee approached the Company for availing maternity benefits. Hence, no maternity benefit was claimed or extended during the year.

Corporate Social Responsibility:

During the financial year 2025-26, the provisions relating to Corporate Social Responsibility (“CSR”) under Section 135 of the Companies Act, 2013 were not applicable to the Company, as the prescribed thresholds for applicability of the said provisions were not met.

The Annual Report on Corporate Social Responsibility u/s 135 of the Companies Act, 2013 is not required to be given as the Company was not required to contribute towards CSR activities during FY 2025-26.

Insurance:

All properties and insurable interests of the Company including buildings, plant and machinery and stocks have been fully insured.

Revision of financial statements:

There was no revision of the financial statements for the year under review.

Buy back of shares and disinvestment:

The Company has not bought back any of its securities and there was no disinvestment during the Financial Year ended March 31, 2026.

Policies:

The Board of Directors of your Company, from time to time have framed and revised various Policies as per the applicable Acts, Rules, Regulations and Standards for better governance and administration of the Company. The policies are reviewed periodically by the Board and updated based on need and requirements.

Audit trail applicability (Audit and Auditors) Rules 2014 - Rule 11 of the Companies Act 2013:

The Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated for all relevant transactions recorded in the software except that feature of recording audit trial (edit log) was not enabled at the database level to log any direct data changes in the account software.

The Company has retained the audit trail logs in accordance with applicable statutory requirements. Going forward, the Company shall ensure that the audit trail functionality—covering both interface-level and database-level logging—is implemented from the beginning of the financial year and maintained throughout, in full compliance with the applicable rules.

The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2026.

Data Privacy, Data Protection, and Cybersecurity:

The Company is committed to upholding the highest standards of data privacy and protection. In light of the increasing reliance on digital infrastructure, the Company has implemented comprehensive cybersecurity and data protection policies, aligned with industry best practices and the evolving regulatory framework, including provisions under the Information Technology Act, 2000, and applicable data protection regulations.
Key initiatives undertaken during the year include:

- Deployment of end-to-end encryption and multi-layered security protocols for data storage and transfer.
- Regular third-party cybersecurity audits and vulnerability assessments.
- Employee training programs on data protection and cybersecurity awareness.
- Strict access control mechanisms and implementation of role-based permissions.
- Data breach response protocols in accordance with the CERT-In guidelines.

The Company continues to invest in digital infrastructure to ensure robust protection of stakeholder information and business continuity.

Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo:

Conservation Of Energy, Technology Absorption:

As the business and activities of the Company does not involve any manufacturing activity right now, the information required to be provided under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of Conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the financial year under review.

Foreign Exchange Earnings and Outgo

Earnings:	00.00
Outgo:	00.00

a) **Conservation of Energy:**

As there are no ongoing operations in your Company. Hence there is no need to conserve energy.

b) **Technology Absorption:**

Efforts made for technology absorption	N.A.
Benefits derived	N.A.
Expenditure on Research &Development, if any	N.A.
Details of technology imported, if any	N.A.
Year of import	N.A.
Whether imported technology fully absorbed	N.A.
Areas where absorption of imported technology has not taken place, if any	N.A.

Liquidity:

Your Company maintains sufficient cash to meet our strategic objectives. We clearly understand that the liquidity in the Balance Sheet is to ensure balance between earning adequate returns and the need to cover financial and business risks. Liquidity also enables your Company to position itself for quick responses to market dynamics. Under RFP, all Hill County Properties Ltd. subsidiaries are invariably formed part of resolution of HCPL. Further, it has sufficient cash flows to incur going concern expenses till the time of resolution and immediate parent company under IL&FS Group resolution has to step in for meeting going concern expenses if there is any deficit.

Employees stock options:

No employee was issued Stock Option, during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant.

Change in accounting policy, if any:

There was no change in the accounting policy during the year.

Auditors and Auditors Report:

a) Statutory Auditors:

M/s. M Bhaskara Rao & Co., Chartered Accountants were reappointed at 17th Annual General Meeting for a tenure of 5 years commencing from the conclusion of 17th AGM to the Conclusion of 22nd Annual General Meeting of the Company.

Management responses to the Auditors' Qualifications and Observations:

With regard to Report of Auditors' and Annexure to the Auditors' Report on Standalone Financial Statements and on Consolidated Financial Statements, the Company states:

S No	Qualification/Emphasis of Matter/comment in Auditors Report	Company's comments/remarks
1	Note 8.1 regarding loans to related parties which include Rs. 20.61 Crores receivables from two entities which are outstanding for more than three years. Further, one of the subsidiaries have received notices from the respective land owners for cancellation / termination of the land development rights. Considering the financial position of the entities, we are unable to comment on the recoverability of the said balances	The loans and advances Rs.13.33 crore given to HCSEZ which is 100% subsidiary and the company is having SEZ land development rights for 73 acres which are presently not reflected in books of accounts in line with accounting standards. Also, the notices received from FPG on cancellation of land development rights were suitably responded. The balance Rs.7.28 crores given to DTRPL subsidiary towards license fee receivable for two years and initial advance to maintain the club house. As such HCPL is under obligation to maintain Club house which it is getting through this Subsidiary, namely, DTRPL so in substance, it is HCPL obligation which DTRPL is fulfilling. Further, the said subsidiaries are 100% subsidiaries, and all

		inter Company balances gets eliminated at consolidated level.
2	Note 43 regarding various risks and uncertainties, as identified by the Management, that may affect the future financial performance and the financial position of the Company. Considering the nature of litigations and the amounts involved, we are unable to comment on the consequential effect on the carrying values of assets and liabilities as at the balance sheet date	The erstwhile Company Law Board (CLB) mandate based on CLB application made by IL&FS Group has carved out certain land parcels and land development rights based on business plan prepared by SBI caps and based on input by the then Government Nominee Director appointed by CLB. However, the investigating agencies have attached certain land parcels based on its investigation in Satyam matters pertaining to Raju Group case. This has significantly affected land development and monetization and public funds put by previous management of IL&FS Group are at stake. The Company has filed case against such attachment and matter is presently sub judice. Any adverse outcome on this will affect the prospects of the Company and its monetization/repayment capacity to its lenders especially, IL&FS Group (promoter inducted by CLB in 2011) from which it has borrowed the funds to pay off liabilities. Post September 2018, the New Board of IL&FS is engaged in evolving a transparent resolution process, while keeping public interest, financial stability, legality, various stakeholder interests (including interests of our joint venture partners) and commercial feasibility in view. Further the Claims management exercise has been initiated by the New Board for IL&FS and its group companies including HCPL. The details in relation to the same are available on the website of IL&FS - www.ilfsindia.com. IL&FS Group comprising of Infrastructure Leasing & Financial Services Limited "IL&FS", IL&FS Township & Urban Assets Limited

		"ITUAL" and IL&FS Engineering and Construction Company Limited "IECCL" holds 80% equity stake in Hill County Properties Limited. IL&FS Group has invited interested parties for potential sale of the aforementioned equity stakes in HCPL on "as is where is basis". Jones Lang LaSalle Property Consultants (India) Private Limited "JLL" has been appointed as advisor to find the suitable buyers. The bidding process was completed and the highest bidder is identified and a formal communication is sent to the bidder subject to the condition that, the bidder has to settle the (lender's) banks and group company dues before taking up the process of obtaining the required approvals from the appropriate authorities in this regard. Hence, the handing over of the Company to the new management will be upon fulfilling the terms and conditions mentioned in the approval letter and after obtaining the required approvals strictly as per laid down procedure which invariably includes approval of CoC, Justice Retd Jain and NCLT.
3	Note 47 regarding Advances to Other Companies aggregating to Rs. 223.15 Crores (March 31, 2023: Rs. 223.15 Crores) (amortised values) which represent amounts paid to certain entities pertaining to former promoter group entities. The Company was in receipt of notices for cancellation / termination of development rights of the Company and litigations initiated with the Company by those former promoter group entities, as more detailed in the said note. In view of these circumstances and in the absence of agreements or confirmation of balances as at the year end from respective entities, we are unable to comment on the recoverability of the said advances.	Memorandum of Agreement (MOA) was entered with Former Promoter Group (FPG) (Raju group) in 2013 with No termination clause and inter alia agreeing for release of personal guarantee for Mr Teja Raju subject to certain terms and conditions. Post registration of Development agreements (DA) which were consequence to MOA, there were number of land related issues for which FPG (Raju group) was responsible to ensure that they all get resolved. The land development has not happened as all land parcels were having land related issues and many were not disclosed by FPG (Raju group) at the time of MOA and later on entering DA as well.

		Later on post change in management at HCPL, notices were received from Former Promoter Group (Raju) and land owning companies as regard termination of Development Agreement in respect of various land parcels, erection of notice boards by them, HCPL has suitably responded to them stating that the DA are irrevocable, termination notices are illegal, FPG and landowning companies cannot terminate in view of the settlement terms, MOA and agreements executed, further if it happens recovery of Rs.301 cr (along with interest) from FPG and Raju companies to HCPL will arise. Also, personal guarantee of Teja raju will get reinstated. HCPL through its counsel sent legal notice to FPG to cease and desist and for return of 301 crores in case of termination of DA's. The Raju group has filed application in NCLT Mumbai against monetization of HCPL, recently their Application was dismissed by NCLT. Against such dismissal an appeal by way of Company Appeal 47 of 2024 was filed before NCLAT New Delhi., filed by B Rama Raju, the matter was listed for hearing on July 24, 2025 before the Chairperson's court of the Hon'ble NCLAT, the Advocates were briefed as to conditional submissions as to agreement to dispose the appeal in terms of 'prayer C' in the Appeal., (adherence to the MOA terms by the Bidder and subject to Orders by the NCLAT in IA 5036 of 2023) and the Bench recorded the submissions made by the parties and disposed-off the Appeal, all parties to the MOA shall adhere to the terms of MOA.
4	Note 10 regarding current tax asset balance of Rs. 9.68 Crores, representing the amount of refund due from the Income Tax department for the AY to AY which is subject to reconciliation	The Assessment orders and ITRs filed/Sec 143(1) intimations. The Company have tabulated in a statement form and furnished the details as to

	by the Company of year wise balances due with the Assessment Orders for respective years. Pending such reconciliation, we are unable to comment on the adjustments, if any, that are required to be made against the amount reported in the financial statements	the probable refund. The Company is following up to persuade the Income Tax department at frequent intervals to refund the amount with interest and not to apply interest on the tax demands / update the IT portal and close the IT portal of the merged companies, reconsider the claim of Rs. 11.94 Cr before CMA as the Company is under resolution before Hon'ble NCLT/NCLAT. Depending upon the developments, the Company will plan next course of action in this regard.
5	Note No. 11 regarding other assets which includes Rs.0.13 Crores advance to a vendor and Note No.13 regarding trade receivables of Rs.1.35Crores which are subject to confirmation and reconciliation. Pending such confirmation and reconciliation we are unable to comment on the ultimate recoverability of the same.	Note no.11 : As explained earlier, Rs. 0.11 Cr represents lease rent receivable from Indus Towers, which is currently under legal dispute due to non-payment, notice sent; The remaining debit balance of Rs. 0.01 Cr relates to an amount paid to National Insurance Company (NIC) Consequently, balance confirmations were not furnished by NIC. Note no.13: The amount of Rs. 1.35 Cr relates to small, long-outstanding balances that have already been fully impaired. These will be proposed for written off during the upcoming financial year basing on analysis as to recovery prospects on a case-by-case basis.
6	Note No. 23 regarding net deferred liability of Rs.3.69Crores which includes deferred tax asset of Rs.110.81Crores recognised on the business loss. Considering the status and volume of operations of the Company, in our opinion the recognition of deferred tax asset is not appropriate.	The Company is considering the impact of the deferred tax asset on the business loss (amounting to Rs 110.81 cr) in both FY 2025 & FY 2026 since it is under resolution process u/s 241/242 of the Companies Act, 2013 and it is of the opinion that there exists a reasonable chance of the utilisation of the business loss during the culmination of the resolution process.
7	Note 42 of the standalone financial statements regarding the financial position of the Company, significant reduction in the Company's operations, management's	The Company is under resolution as part of IL&FS Group. The resolution framework has been approved by Hon'ble NCLAT vide its order dated

	assessment of Company's inability to meet its obligations over the next 12 months out of its earnings and liquid assets. During the year ended March 31, 2026, the Company was unable to discharge its obligations for repayment of loans and settlement of financial liabilities. These events and conditions indicate a material uncertainty which cast a significant doubt on the Company's ability to continue as a going concern. Despite the above conditions, the Management of the Company has prepared these standalone financial statements on going concern basis considering the status of divestment process under the Resolution Framework.	March 12, 2020 and the Company follows resolution process and protocol as set by New Board of IL&FS. The operation and business activities are standstill and entire focus is on resolution so as to achieve maximum value for lenders. The Company has requisite bank balances to meet its operational and going concern requirements and it's all other liabilities are subject to aforesaid resolution process which is adopted at IL&FS Group level for IL&FS Group Resolution for maximization of value for lenders. The Company has considered the IL&FS Group resolution framework (including the Cut-Off Date (October 15, 2018) and the framework principle that interest / additional charges are not intended to accrue beyond the Cut-Off Date for resolution purposes), while assessing and presenting the relevant financial assets and liabilities. The Company reiterates that it is functioning strictly in line with the NCLAT-approved IL&FS Group resolution framework.
8	Note 38(e) – regarding ongoing investigations by Serious Fraud Investigation Office of Ministry of Company Affairs (SFIO), Enforcement Directorate (ED) and other regulators / agencies against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Holding Company') and its subsidiaries (including the Company). The standalone financial statements of the Company for the year do not include adjustments, if any, that may arise on account of the ongoing investigations by the investigating and other agencies and Regulatory Authorities, as the management, at this juncture, do not foresee any adjustments to be made in these standalone financial	The said investigations are pertaining to former promoters of the Company which is Raju family Group. The IL&FS Group has been inducted by erstwhile CLB (Company Law Board) with Government Nominated Director to supervise the operations since 2011. Post IL&FS crisis, IL&FS New Board has appointed its Nominee Directors whose role is to facilitate the resolution / monetization of HCPL in line with directions given by IL&FS Board and laid down procedures.

	statements of the Company as a result of these investigations	
9	Note 46 – regarding attachment of the Company's lands by the investigative agencies in the ongoing investigations against the former promoters of the Company. The adjustments, if any, arising out of the above matters to the carrying value of assets or to the amounts disclosed in financial statements, cannot be determined at this juncture for the reasons stated in respective notes.	The investigative agencies (while investigating Raju Group period when it was at helm of affairs) have made application seeking attachment of land to instill confidence among the investors, the company has already made application for removal of attachment before such courts, the matter is presently before the Hon'ble High court of Telangana in onward list for hearing. (Earlier SFIO matter was disposed-off in favour of the company). Also, HCPL got land parcels and land development rights based on erstwhile CLB order inducting IL&FS Group where SBI Caps made business plan for revival of HCPL was taken as basis for IL&FS induction. Further, present HCPL monetization under IL&FS New Board is As on where is basis and new investor / bidder will have to address land and all other issues/matters post its monetization/takeover.
10	Note 49 regarding non-recognition of interest expense on the borrowings availed by the Company, pursuant to the Interim Order and the Judgement passed by NCLAT specifying October 15, 2018 as cut-off date for initiation of resolution process.	The Resolution Framework has been approved by Hon'ble NCLAT on March 12, 2020. In terms of the Resolution Framework process approved by NCLAT, no liabilities, including interest, default interest, indemnity claims and additional charges are to be accrued on liability existing as on the cut-off date. The Company is just following NCLAT order and accounting any financial liabilities post October 1, 2018 will be in breach of order of March 12, 2020

b) <u>Cost Auditor:</u>

The Company does not fall within the purview of section 148 of the Companies Act, 2013 and hence, it is not required to appoint a cost auditor for the financial year 2025-2026.

c) <u>Secretarial Auditor:</u>

The provisions of Section 204 of the Companies Act 2013 are not applicable to the Company and hence, it is not required to appoint a Secretarial Auditor for the financial year 2025-2026.

d) Internal Auditor

The Company is not required to appoint Internal Auditor as it does not fall within purview of section 138(1) of Companies Act, 2013 and Rule 13 of Companies (Accounts) Rules, 2014

However, for good governance practice the company had appointed *M/s P. Ravi & Co.,* as their Internal Auditor and necessary report was sought thereof.

Extract of the Annual Return:

Subsequent to amendments in Section 92, Section 134 and Rule 12 of the Companies (Management and Administration) Rules, 2014: –

The Company shall place a copy of the annual return in Form MGT-7 on its website and the web-link of such annual return shall be disclosed in the Board's Report of the Company. Since the Company have the website, the Annual Return shall be placed on the Company website http://www.hillcountyproperties.com

Disclosure of remuneration of employees covered under rule 5(2) of the Companies (appointment and remuneration of managerial personnel) Rules, 2014:

None of the employee of your Company, who was employed throughout the financial year, was in receipt of remuneration in aggregate of Rupees One Crore and Two Lakhs or more or if employed for the part of the financial year was in receipt of remuneration of Rupees Eight Lakh & Fifty Thousand or more per month.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016:

During the year under review, no application was made under the Insolvency and Bankruptcy Code, 2016 and there were no one time settlement with any of the Banks or Financial Institutions.

Compliance with Secretarial Standards:

The Company complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

A Statement Indicating the manner in which formal Annual Evaluation has been made by the board of its own performance and that of its Committees and Individual Director (Paid Up Share Capital >= 25 Crore):

This provision is not applicable to the Company since the paid-up share capital of the Company doesn't exceed Rs. 25 Crore during the year under review.

Transfer of unclaimed dividend(s)/ shares to investor education and protection fund:

During the FY 2025-26, there was no unpaid/ unclaimed dividend pertaining to FY 2017-18 to be transferred to the Investors Education and Protection Fund ('IEPF') Account established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred to the Investor's Education and Protection Fund ('IEPF') after giving due notices to the concerned shareholders, which is not applicable to the Company during the year.

Appreciation:

The board wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to reach the targets set during the year under review.

Cautionary Statement:

Statements in this Report describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

The Company's parent namely , Hill County Properties Ltd (HCPL) belongs to IL&FS Group which is operating under resolution framework as approved by Hon'ble NCLAT on March 12, 2020. The Hon'ble NCLT had granted general immunity against all proceedings to all the directors appointed to the IL&FS Group after Oct 2018 and this immunity covers directors of HCPL also.

The primary duty of the Directors now is only the culmination of the resolution proceedings and are not responsible for past acts and deeds of the Company which was under previous management prior to October 2018. The present Board of the company are acting under direction of IL&FS Board appointed by Hon'ble NCLT, Mumbai. HCPL is classified as a "Red" entity by external resolution consultant, A&M (Alvarez & Marshal), indicating that it is not able to meet all obligations (financial and operational) including the payment obligations to senior secured financial creditors. In fact, Red classification further indicates that even senior secured creditors may not get its money back. Accordingly, the Company is permitted to make only those payments necessary to maintain and preserve the going concern status. The New Board is currently seeking a fair and transparent resolution for the Group while keeping in mind larger public interest, financial stability, legality, various stakeholders' interest, compliance with legal framework and commercial feasibility.

The Current Board of Directors of the are representatives of the IL&FS Group as nominee directors with no role except facilitating resolution as directed by IL&FS under resolution framework. They has been appointed/ nominated as directors by IL&FS for the purpose of complying with the requirements of the Companies Act, 2013 to facilitate resolution of Company as part of IL&FS Group 302 entities.

Acknowledgement:

The Directors place on record their sincere appreciation for the continued support and cooperation extended to the Company by its bankers, business associates, consultants, professional advisors and various Government Authorities during the year under review.

The Directors also express their gratitude to the shareholders for their continued support, confidence and trust in the Company.

By the Order of the Board
For Hill County Properties Limited

sd/-	sd/-	sd/-
Sabina Bhavnani	**Neerav Kapasi**	**Diksha Dhillon**
Director	**Director**	**Director**
[DIN: 06553087]	**[DIN: 03500964]**	**[DIN: 07210034]**
Place: Mumbai	**Place: Mumbai**	**Place: Mumbai**
Date:08.09.2026	**Date:08.09.2026**	**Date: 08.09.2026**

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts '000)

Particulars // Name of the subsidiary	**Hill County SEZ Private Limited**	**Maytas Logiparks (Isnapur) Pvt Ltd**	**Maytas Logiparks (Malkapur) Private Limited**	**Downtown Recreations Private Limited**
Reporting period	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026
Reporting currency and Exchange rate	INR	INR	INR	INR
Share capital	100.00	100.00	100.00	100.00
Reserves & surplus	0	0	0	0
Total assets	1,60,485.86	2,78,999.26	57.88	18,443.29
Total Equity & Liabilities	1,60,485.86	2,78,999.26	57.88	18,443.29
Investments	0	0	0	0
Profit/(Loss) before taxation	(1547.02)	15,631.88	(143.06)	(130.65)
Tax Payable	0	0	0	0
Profit after taxation	(1547.02)	15,631.88	(143.06)	(130.65)
Proposed Dividend	Nil	Nil	Nil	Nil

Particulars // Name of the subsidiary	**Hill County SEZ Private Limited**	**Maytas Logiparks (Isnapur) Pvt Ltd**	**Maytas Logiparks (Malkapur) Private Limited**	**Downtown Recreations Private Limited**
Reporting period	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026
% of shareholding	100%	100%	100%	100%

1. Names of subsidiaries which are yet to commence operations: Nil,
2. Names of subsidiaries which have been liquidated or sold during the year. Nil

Part "B": Associates and Joint Ventures-NA

By the Order of the Board
For Hill County Properties Limited

sd/-
Sabina Bhavnani
Director
[DIN: 06553087]
Place: Mumbai
Date:08.09.2026

sd/-
Neerav Kapasi
Director
[DIN: 03500964]
Place: Mumbai
Date:08.09.2026

sd/-
Diksha Dhillon
Director
[DIN: 07210034]
Place: Mumbai
Date: 08.09.2026

INDEPENDENT AUDITOR'S REPORT

To the Members of
Hill County Properties Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying Standalone Financial Statements of **Hill County Properties Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified opinion

3. We draw attention to following notes to accompanying standalone financial statements:

a. Note 8.1 regarding loans to related parties which include Rs. 20.62 Crores receivables from two entities which are outstanding for more than three years. Further, one of the subsidiaries have received notices from the respective land owners for cancellation / termination of the land development rights. Considering the financial position of the entities, we are unable to comment on the recoverability of the said balances.

b. Note 10 regarding non-current tax asset balance of Rs. 9.68 Crores, representing the amount of refund due from the Income Tax department for the earlier years which is subject to reconciliation by the Company of year wise balances due with the Assessment Orders for respective years. Pending such reconciliation, we are unable to comment on the adjustments, if any, that are required to be made against the amount reported in the financial statements.

c. Note No. 11 regarding other assets which includes Rs.0.13Crores advance to a vendor and Note No.13 regarding trade receivables of Rs.1.35Crores which are subject to confirmation and reconciliation. Pending such confirmation and reconciliation we are unable to comment on the ultimate recoverability of the same.

d. Note No. 23 regarding net deferred liability of Rs.3.69 Crores which includes deferred tax asset of Rs.110.81Crores recognised on the business loss. Considering the status and volume of operations of the Company, in our opinion the recognition of deferred tax asset is not appropriate.

e. Note 43 regarding various risks and uncertainties, as identified by the Management, that may affect the future financial performance and the financial position of the Company. Considering the nature of litigations and the amounts involved, we are unable to comment on the consequential effect on the carrying values of assets and liabilities as at the balance sheet date.

f. Note 47 regarding Advances to Other Companies aggregating to Rs. 223.15 Crores (March 31, 2025: Rs. 223.15 Crores) (amortized values) which represent amounts paid to certain entities pertaining to former promoter group entities. The Company was in receipt of notices for cancellation / termination of development rights of the Company and litigations initiated with the Company by those former promoter group entities, as more detailed in the said note. In view of these circumstances and in the absence of agreements or confirmation of balances as at the year end from respective entities, we are unable to comment on the recoverability of the said advances.

4. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Material uncertainty related to going Concern:

5. Attention is invited to Note 42 of the standalone financial statements regarding the financial position of the Company, significant reduction in the Company's operations, management's assessment of Company's inability to meet its obligations over the next 12 months out of its earnings and liquid assets. During the year ended March 31, 2026, the Company was unable to discharge its obligations for repayment of loans and settlement of financial liabilities. These events and conditions indicate a material uncertainty which cast a significant doubt on the Company's ability to continue as a going concern. Despite the above conditions, the Management of the Company has prepared these standalone financial statements on going concern basis considering the status of divestment process under the Resolution Framework.

   Our opinion is not modified in respect of this matter.

Emphasis of matter

6. We draw attention to following notes to accompanying standalone financial statements:

   a. Note No.38(ii)(c) regarding claims submitted by financial and operational creditors and other parties aggregating to Rs2363Crores and admitted by Claim Management Agency appointed under the Resolution Framework. As against the amounts admitted, the Company has recognized Rs2291Crores as at the year end. Pending completion of Resolution process, the Company has not recognized difference of Rs.72Crores for the reasons stated in the said note.

   b. Note 46 – regarding attachment of the Company's lands by the investigative agencies in the ongoing investigations against the former promoters of the Company.

   c. Note 49 regarding non-recognition of interest expense on the borrowings availed by the Company, pursuant to the Interim Order and the Judgement passed by NCLAT specifying October 15, 2018 as cut-off date for initiation of resolution process.

   The adjustments, if any, arising out of the above matters to the carrying value of assets or to the amounts disclosed in financial statements, cannot be determined at this juncture for the reasons stated in respective notes.

   Our opinion is not modified in respect of the aforementioned matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the standalone and consolidated financial statements and our auditor's report there on.

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

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

The Board's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2A. As required by Section 143(3) of the Act, we report that:

a) Except for the matters in the Basis for Qualified Opinion paragraph hereinabove, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph 2B.(vi)below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and the standalone statement of changes in equity dealt with by this Report are in agreement with the books of account.

d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with rules made thereunder.

e) The matters relating to going concern described under Material Uncertainty Related to Going Concern paragraph above and the matters stated at paragraphs 6 (a), (b) and (c) under Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

f) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

g) The qualifications relating to the maintenance of account and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

2B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note – 38 to the Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company at present.

iv. (a) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement;

v. The Company has not declared or paid any dividend during the year; and

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated for all relevant transactions recorded in the software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in the accounting software used for maintaining the books of account. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2C. With respect to the matter to be included in the Auditors' Report under section 197 (16) of the Act as amended, according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the current year except sitting fees paid to the non- executive / independent directors which is in accordance with the provisions of section 197 of the Act.

for **M Bhaskara Rao and Co.**
Chartered Accountants
Firm Registration No. 000459S

M V Ramana Murthy
Partner
Membership No. 206439
UDIN: 26206439QIDKFR3694

Hyderabad, September 08, 2026

"Annexure A" to the Independent Auditor's Report on the standalone financial statements
(Referred to in paragraph (1) under "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Hill County Properties Limited**)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. With respect to Property, Plant and Equipment and intangibles:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have intangibles as on reporting date.

(b) The Property, Plant and Equipment have been physically verified during the year by the Management and the discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(c) The title deeds of following immovable properties included under the investment property in the financial statements are not in the name of the Company:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
Investment property – Land	Rs. 594.63 Crores	Plavanga Agro Farms Private Limited	No	Since 2014-15	Pursuant to merger, pending mutation
		Mandakini Agrotech Private Limited	No		
		Chandrabagha Agro Farms Private Limited	No		
		Maytas Mansions Private Limited	No		
		Mahendragriri Greenlands Private Limited	No		
		Manas Greenlands Private Limited	No		
		Malayagiri Greenlands Private Limited	No		
		Konar Greenfields Private Limited	No		
		Medravati Agro Farms Private Limited	No		
		Swarnagiri Greenfields Private Limited	No		
		Vamsadhara Agro Private Limited	No		
		Uttarashada Biotech Private Limited	No		

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year and accordingly, paragraph 3(i)(d) of the Order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Prohibition of Benami Property Transactions Act, 2016 (as amended) and rules made thereunder.

ii. (a) The management has conducted physical verification of inventories, which are in the nature of land and unsold residential flats, during the year. In our opinion, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% of more were noticed in aggregate for each class of inventory.

(b) The Company has not been sanctioned working capital limits in excess of rupees five crores during the year. Hence, paragraph 3(ii)(b) of the Order is not applicable.

iii. a. The Company has neither made investments nor provided any guarantee nor security nor granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. However, the Company has advanced amounts to related parties and other Companies in earlier years, as per details below:

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Particulars	Loans (Rs.in Crores)
Aggregate amount granted / provided during the year	
- Subsidiaries	0
- Related Parties other than subsidiaries	0
- Other Companies	0
Balance outstanding as at the balance sheet date	
- Subsidiaries (Provision made Rs.26.56 Crores)	47.17
- Related Parties – Other than subsidiaries (Provision made Rs.10.00 Crores)	10.00
- Other Companies (Provision made Rs.278.61 Crores)	501.76

b. Considering the nature and purpose of said advances given in earlier years, in our opinion these loans are not prejudicial to the interests of the Company.

c. In respect of loans to other parties, the amounts fallen due in earlier years are overdue and have not been renewed or roll forwarded; hence, in our opinion the schedule for repayment of principal and payment of interest have not been stipulated and the repayments or receipts are not regular.

d. The loans to subsidiaries and other parties aggregating to Rs.558.42 Crores outstanding at the balance sheet date are overdue for more than ninety days and have been provided for to the extent of Rs.315.17 Crores in earlier years.

e. In respect of loans to other parties, the amounts fallen due in earlier years have not been renewed or extended or fresh loans granted to settle the overdues.

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f. The Company has granted loans in earlier years to subsidiaries without specifying any terms and period of repayment. The aggregate amount of such loans granted to related parties as defined in clause (76) of section 2 of the Act is Rs.47.17 Crores and percentage thereof to total loans is 19%.

iv. In our opinion and based on the information and explanations provided to us, the Company has not, during the year, granted any loans, made any investments, provided any guarantees, or offered any security to which the provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.

v. Based on the information and explanations provided to us and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder, and the directives issued by the Reserve Bank of India, are not applicable to the Company. Further, no order has been passed against the Company by the Company Law Board, National Company Law Tribunal, Reserve Bank of India, any court or any other tribunal. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, the Company does not fall under the threshold limits prescribed for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly paragraph 3(vi) of the Order is not applicable, at present.

vii. With respect to statutory dues:

a. The Company has generally been regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities during the year.

There were no arrears in respect of undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as at March 31, 2026 for a period of more than six months from the date the same became payable.

b. According to the records of the Company, the outstanding dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute as at March 31, 2026 are as follows:

Name of the Statute	Nature of dues	Amount demanded (Rs in Crores)	Paid under protest (Rs in Crores)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	1.59	1.02	2008-11	Customs Excise & Service Tax Appellate Tribunal, South Zonal Branch, Bengaluru
Finance Act, 1994	Service Tax	1.04	-	2011-12	Customs Excise & Service Tax Appellate Tribunal, South Zonal Branch, Bengalurus
Finance Act, 1994	Service Tax	1.49	-	2015-16 to 2016-17	Customs Excise & Service Tax Appellate Tribunal, South Zonal Branch,

viii. There were no transactions that were not recorded in books which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. a. The Company has defaulted in repayment of loans and payment of interest thereon to its lenders. The period and amount of default are detailed below:

Nature of borrowing Including debt securities	Name of the lender	Amount not paid on due date (Crores)	Principal or interest	No. of Days delay or unpaid

Secured / unsecured borrowings	IL&FS Townships & Urban Assets limited	110.00	Principal	2708 days
	Sabarmathi Capital One Limited	10.00		882 – 2836 days
	Tierra Enviro Limited	20.70		2647 days
	IL&FS	1,138.84		2192 days
Secured / unsecured borrowings	IL&FS	38.00	Principal	1753 days
	IL&FS Financial Services Ltd	290.50		2557 days
	IL&FS Financial Services Ltd	175.00		2708 days
	IL&FS Cluster Development Initiative Ltd	6.50		2350s days
	IL&FS Engineering and Construction Company Limited	154.95		2192 days
	IL&FS Airport Limited	9.00		2470 days
	Hill County SEZ Pvt Ltd	10.00		2003s days
	Livia India Limited	34.00		2008 days
	IL&FS Financial Services Limited	16.70	Interest	366 – 2861 days
	IL&FS	44.83		1 - 2831 days
	IL&FS Financial Services Limited	15.19		821 – 2861 days
	IL&FS	2.04		1753 days
	Livia India Limited	1.21		821 -2831 days
	IL&FS Cluster Development Initiative Limited	0.56		821 -2831 days
	IL&FS Airports Limited	0.43		898 -2831 days
	IL&FS Townships & Urban Assets Limited	67.12		2707 days
	Hill County SEZ Private Limited	1.50		2003 days
	Sabarmathi Capital One Limited	0.86		898 – 2831 days
	Tierra Enviro Limited	3.57		898 – 2831 days

- The interest reported above does not include interest not recognized (refer Note 49 to the financial statements).

b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c. The Company has not availed any term loans during the year.

d. On an overall examination of the financial statements of the Company, no funds have been raised on short term basis during the year. Accordingly, paragraph 3(ix)(d) of the Order is not applicable.

e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible), and accordingly, paragraph 3(x)(b) of the Order is not applicable.

xi. a. During the course of our examination of the books and other records of the Company carried out in accordance with the generally accepted auditing practices in India, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management under report.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c. Based on the information and explanations furnished to us, no whistle blower complaints were received by the Company during the year (and up to the date of this report).

xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. The transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. a. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with them and hence provisions of Section 192 of the Act, are not applicable.

xvi. a. Based on the information and explanations furnished to us, in our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d. As represented by the management, the Group has one (1) Core Investment Companies (‘CICs’) (including CICs exempt from registration and CICs not registered) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii. The Company has not incurred cash loss during the financial year covered by our audit. However, it has incurred cash loss of Rs.3.28 Crores in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year, accordingly paragraph 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, and significant reduction in the Company's future income from operations and the other matters stated in the Note 42 to financial statements, in our opinion, there exists a material uncertainty which cast a significant doubt on the Company's ability to continue as a going concern, and therefore it may not be able to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. The ability of the Company to continue as a going concern is solely dependent on the finalisation and approval of the resolution plan, which is not wholly within the control of the Company.

xx. In our opinion, provisions of Section 135 of the Act are not applicable to the Company at present. Accordingly, paragraph 3(xx) (a) and (b) of the Order is not applicable.

for **M Bhaskara Rao and Co.**
Chartered Accountants
Firm Registration No. 000459S

M V Ramana Murthy
Partner
Membership No. 206439
UDIN: 26206439QIDKFR3694

Hyderabad, September 08, 2026

Annexure B to the Independent Auditor's Report
(Referred to in paragraph 2 (h) of our Report of even date to the members of **Hill County Properties Limited**)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to standalone financial statements of **Hill County Properties Limited** ('the Company') as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to standalone financial statements

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements 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 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that

receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company's internal financial controls with reference to standalone financial statements as at March 31, 2026:

a. The Company's internal financial control system with regard to the assessment of recoverable value of loans and advances and trade receivables; and
b. Assessment of impact of various risks and uncertainties.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31,2024 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 issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2026 and the material weaknesses have affected our opinion on the said standalone financial statements of the Company and we have issued a qualified opinion on the financial statements of the Company.

for **M Bhaskara Rao and Co.**
Chartered Accountants
Firm Registration No. 000459S

M V Ramana Murthy
Partner
Membership No. 206439
UDIN: 26206439QIDKFR3694

Hyderabad, September 08, 2026

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Standalone Balance sheet as at March 31,2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current Assets			
Property, plant and equipment	4	38.37	38.91
Capital work-in-progress	5	-	-
Investment property	6	594.63	594.63
Financial assets			
Investments	7	0.04	0.04
Loans	8	243.77	243.77
Other financial assets	9	-	-
Non -Current tax assets (net)	10	9.68	9.58
Other non-current assets	11	2.84	2.55
Total non-current assets		**889.33**	**889.47**
Current assets			
Inventories	12	26.65	29.03
Financial assets			
Trade receivables	13	1.35	1.35
Cash and cash equivalents	14	19.83	53.73
Loans	8	-	-
Other financial assets	9	52.03	6.99
Current tax assets (net)	10	-	-
Other current assets	11	0.19	0.24
Total current assets		**100.05**	**91.35**
Total assets		**989.38**	**980.82**
Equity and liabilities			
Equity			
Equity share capital	15	0.25	0.25
Other equity	16	(1,215.75)	(1,225.52)
Total Equity		**(1,215.50)**	**(1,225.27)**
Non-current liabilities			
Financial liabilities			
Borrowings	17	0.02	0.02
Other financial liabilities	19	-	-
Provisions	22	-	-
Deferred Tax Liabilities	23	3.69	3.69
Total non-current liabilities		**3.71**	**3.71**
Current liabilities			
Financial liabilities			
Borrowings	18	2,151.61	1,997.58
Trade payables			
Total outstanding dues of micro enterprises and small	20	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1.30	1.23
Other financial liabilities	19	19.82	175.10
Other current liabilities	21	11.66	11.69
Provisions	22	16.78	16.78
Total current liabilities		**2,201.17**	**2,202.37**
Total equity and liabilities		**989.38**	**980.82**

Corporate information and material accounting policies 1&2

The accompanying notes form integral part of the standalone financial statements

As per our report of even date attached
for M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Sd/-
M V Ramana Murthy
Partner
Membership No. 206439

Place: Hyderabad
Date : September 8, 2026

For and on behalf of the Board of Directors of
Hill County Properties Limited

Sd/-
Sabina Bhavnani
Director
DIN: 06553087

Sd-
Neerav Kapasi
Director
DIN: 03500964

Sd/-
Diksha Dhillon
Director
DIN : 07210034
Date : September 8, 2026
Place: Mumbai

Sd-
Mahendra Bazar
Chief financial officer

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Standalone Statement of profit and loss for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

Particulars	**Note No.**	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Revenue from operations	24	12.52	-
Other income	25	4.01	5.07
Total income (I)		**16.53**	**5.07**
Expenses			
Cost of sales on projects	26	2.38	-
Employee benefit expenses	27	1.36	1.20
Finance cost	28	0.00	0.00
Depreciation and Amortization expense	29	0.54	0.63
Other expenses	30	2.47	7.15
Total expenses (II)		**6.76**	**8.98**
Profit/(Loss) before tax (III = I-II)		**9.77**	**(3.91)**
Tax expense:			
Current Tax	32	-	-
Deferred tax	23	-	-
Tax expense (IV)		**-**	**-**
Profit/(Loss) after tax (V = III-IV)		**9.77**	**(3.91)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains / (losses) on defined benefit plan		-	-
Total other comprehensive income for the year, net of tax (VI)		**-**	**-**
Total comprehensive income/(Loss) for the year		**9.77**	**(3.91)**
Earnings per equity share [nominal value of share Rs. 100 (March 31, 2025: Rs. 100)]			
Basic and diluted (In Rs.)	31	0.00039	(0.00016)

Corporate information and material accounting policies 1&2
The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

for M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Sd/-
M V Ramana Murthy
Partner
Membership No. 206439

Place: Hyderabad
Date : September 8, 2026

For and on behalf of the Board of Directors of
Hill County Properties Limited

Sd/-
Sabina Bhavnani
Director
DIN: 06553087

Sd/-
Neerav Kapasi
Director
DIN: 03500964

Sd/-
Diksha Dhillon
Director
DIN : 07210034
Date : September 8, 2026
Place: Mumbai

Sd/-
Mahendra Bazar
Chief financial officer

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Statement of cash flow for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow used in operating activities		
Profit/(Loss) before taxation	**9.77**	**(3.91)**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization	0.54	0.63
Provision no longer required written back	-	-
Interest income	(3.98)	(4.14)
Operating loss before working capital changes	**6.32**	**(7.42)**
Adjustments for:		
Increase / (decrease) in trade payables	0.07	0.00
Increase / (decrease) in provision	-	(0.91)
Increase / (decrease) in other financial liabilities	(1.25)	0.03
Increase / (decrease) in other liabilities	(0.03)	0.04
(Increase) / decrease in inventories	2.38	-
(Increase) / decrease in trade receivables	-	0.23
(Increase) / Decrease in loans and Advances	0.00	-
(Increase) in other financial assets	-	-
(Increase) in other assets	(0.24)	(0.23)
Cash (used in) /from operations	7.26	(8.27)
Direct taxes refund received / (paid) (net)	(0.11)	3.82
Net cash flow from/ (used in) operating activities (A)	**7.16**	**(4.45)**
B. Cash flow used in investing activities		
Purchase of tangible and intangible assets	0.00	(0.03)
Increase in loans and advances to subsidiaries (net)	(0.01)	0.11
Interest received	3.98	4.14
Net cash flow from/(used) in investing activities (B)	**3.98**	**4.22**
C. Cash flow from financing activities		
Interest paid	-	-
Proceeds / (Repayment) from short term borrowings	-	-
Net cash (used in)/from financing activities (C)	**-**	**-**

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Statement of cash flow for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Net increase in cash and cash equivalents (A + B + C)	11.13	(0.24)
Cash and cash equivalents at the beginning of the year	60.73	60.96
Cash and cash equivalents at the end of the year	**71.86**	**60.73**
Components of cash and cash equivalents:		
Cash on hand	-	-
With banks		
- on current accounts	0.85	0.59
- on deposit account	71.01	60.13
Total cash and cash equivalents (refer note 14)	**71.86**	**60.73**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
for M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Sd/-
M V Ramana Murthy
Partner
Membership No. 206439

Place: Hyderabad
Date : September 8, 2026

For and on behalf of the Board of Directors of
Hill County Properties Limited

Sd/-
Sabina Bhavnani
Director
DIN: 06553087

Sd/-
Neerav Kapasi
Director
DIN: 03500964

Sd/-
Diksha Dhillon
Director
DIN : 07210034

Sd/-
Mahendra Bazar
Chief financial officer

Date : September 8, 2026
Place: Mumbai

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Statement of changes in the Equity for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

A. Equity Share Capital	**No. of shares**	**Amount**
Balances as at April 01, 2024	25,000	0.25
Changes in the Equity share capital during year	-	-
Balances as at March 31, 2025	25,000	0.25
Changes in the Equity share capital during year	-	-
Balances as at March 31, 2026	**25,000**	**0.25**

B. Other Equity

	Reserves and Surplus		**Items of Other Comprehensive income (OCI)**	**Total**
	Capital reserve (Bargain	**Retained earnings**	**Other items of OCI**	
Balance as at April 01, 2024	**357.99**	**(1,579.60)**	**-**	**(1,221.61)**
Profit/(Loss) for the year	-	(3.91)	-	(3.91)
Remeasurement of net defined benefit liability/assets	-	-	-	-
Balances as at March 31, 2025	**357.99**	**(1,583.51)**	**-**	**(1,225.52)**
Profit/(Loss) for the year	-	9.77	-	9.77
Remeasurement of net defined benefit liability/assets	-	-	-	-
Balances as at March 31, 2026	**357.99**	**(1,573.74)**	**-**	**(1,215.75)**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
for M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Sd/-
M V Ramana Murthy
Partner
Membership No. 206439

Place: Hyderabad
Date : September 8, 2026

For and on behalf of the Board of Directors of
Hill County Properties Limited

Sd/-
Sabina Bhavnani
Director
DIN: 06553087

Sd/-
Neerav Kapasi
Director
DIN: 03500964

Sd/-
Diksha Dhillon
Director
DIN : 07210034

Sd/-
Mahendra Bazar
Chief financial officer

Date :September 8, 2026
Place: Mumbai

1. Corporate information

The Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located Hill County, Bachupally, At the end of Nizampet Road, After Kesineni Bus Depot Hyderabad, Telangana-500090. The Companies primary objective is to engage in the business of construction, development and sale of integrated township, independent villas, bungalows and flats.

The standalone financial statements were approved for issue in accordance with a resolution of the directors on September 08, 2026.

2. Material accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The stand-alone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The stand-alone financial statements are presented in INR and all values are rounded to the nearest crores (INR 00,00,000), except when otherwise indicated.

3. Summary of material accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- ► Expected to be realised or intended to be sold or consumed in normal operating cycle
- ► Held primarily for the purpose of trading
- ► Expected to be realised within twelve months after the reporting period, or
- ► Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- ► It is expected to be settled in normal operating cycle
- ► It is held primarily for the purpose of trading
- ► It is due to be settled within twelve months after the reporting period, or
- ► There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Foreign currencies

The Company's financial statements are presented in INR, which is also its functional currency.

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions.

Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at the functional currency spots rate of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss.

c. Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date in accordance with accounting policy for financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- ► Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ► Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue recognition

Revenue from sale of residential properties

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from sale of land and development rights

Revenue from sale of land and development rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from sale of land and development rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

Service Income

Revenue is recognized in relation to services provided, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest Income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

e. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

f. Property, plant and equipment

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. All directly attributable costs related to the acquisition of PPE and, borrowing costs in case of qualifying assets are capitalised in accordance with the Company’s accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as “capital work-in-progress”.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use. PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

g. Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis using the following rates arrived at based on the useful lives estimated by the management which coincide with the lives prescribed under the schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over the useful life prescribed in Schedule II to the Companies Act, 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

i. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.
A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating Leases - Company as a lessee

Lease rentals are recognized as expense on a straight line basis with reference to lease terms and other considerations except where

i. Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or
ii. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating Leases - Company as a lessor

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where-

i. Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or
ii. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Finance leases as lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Finance leases as lessor

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

k. Inventories

Land other than area transferred to constructed properties at the commencement of construction is valued at lower of cost and net realisable value.

Work-in-progress is valued at cost or Net Realisable Value (NRV) whichever is lower. Cost includes cost of land, Sub-contract cost, cost of materials, cost of borrowings to the extent it relates to specific project, services and other related project overheads.

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l. Impairment of non-financial assets

Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The reduction is treated as impairment and recognised in the statement of profit or loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

m. Provision and contingent liabilities

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities is identified and disclosed with respect to following:-

i. a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
ii. a present obligation that arises from past events but is not recognised because:
   - ► it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
   - ► the amount of the obligation cannot be measured with sufficient reliability.

n. Employee benefits

Short term benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Post-employment benefits and other long term employee benefits

Provident Fund:
Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

Gratuity:
Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- ► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ► Net interest expense or income

Leave Encashment:

Short term compensated absences are provided for based on estimates. Since the Company does not have an unconditional right to defer its settlement for 12 months after the reporting date the Company presents the liability as current liability. Compensated absences are provided for based on actuarial valuation on projected unit credit method made at the end of each financial period.

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
Debt instruments at amortised cost.
Debt instruments at fair value through other comprehensive income (FVTOCI)
Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Impairment of financial assets
In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) 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 11 and Ind AS 18 (referred to as ‘contractual revenue receivables’ in these illustrative financial statements)
d) Loan commitments which are not measured as at FVTPL
e) Financial guarantee contracts which are not measured as at FVTPL
The Company follows ‘simplified approach’ for recognition of impairment loss allowance on:
Trade receivables or contract revenue receivables

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

p. Investment in equity instruments of subsidiaries

Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statement.

q. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

s. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to chief operating decision maker. The CODM is responsible for allocating resources and assessing performance of the operating segment of the Company.

t. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

a) In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

b) Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

c) Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

d) Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Notes to standalone financial statements for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

4. Property, Plant and Equipmen	Land	Buildings	Plant and machinery	Vehicles	Furniture and fixtures	Computers	Office equipment	Electrical equipment	Total tangible
Cost or deemed cost									
As on April 01, 2024	19.75	24.18	2.62	0.22	15.36	0.27	0.20	4.22	66.82
Additions	-	-		-	-	0.03	-	-	0.03
Disposals / Adjustments	-	-	-	-	0.04	0.00	-	0.00	0.04
As on March 31, 2025	**19.75**	**24.18**	**2.62**	**0.22**	**15.32**	**0.30**	**0.20**	**4.22**	**66.81**
Additions	-	-		-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-	-	-	-
As on March 31, 2026	**19.75**	**24.18**	**2.62**	**0.22**	**15.32**	**0.30**	**0.20**	**4.22**	**66.81**
Accumulated Depreciation									
As on April 01, 2024	**-**	5.26	1.93	0.22	15.36	0.27	0.20	4.08	27.32
Charge for the year	**-**	0.38	0.13	-	0.00	0.00	0.00	0.12	0.63
Disposals / Adjustments	**-**	-	-	-	0.04	0.00	-	0.00	0.04
As on March 31, 2025	**-**	**5.63**	**2.06**	**0.22**	**15.32**	**0.27**	**0.20**	**4.19**	**27.90**
Charge for the year	-	0.38	0.13	-	0.00	0.01	-	0.03	0.54
Disposals / Adjustments	-	-	-	-	-	-	-	-	-
As on March 31, 2026	**-**	**6.01**	**2.19**	**0.22**	**15.32**	**0.28**	**0.20**	**4.22**	**28.44**
Net Block									
As on March 31, 2025	**19.75**	**18.55**	**0.55**	**0.00**	**0.00**	**0.03**	**0.00**	**0.03**	**38.91**
As on March 31, 2026	**19.75**	**18.17**	**0.43**	**0.00**	**0.00**	**0.02**	**0.00**	**0.00**	**38.37**

Note :

a) Details of PPE pledged as security (if any) - Refer note.17.1.8

5. Capital work-in-progress (Refer Note 5.1)

Particulars	**As at March 31,2026**	**As at March 31, 2025**
At cost:		
Considered good	-	-
Considered impaired	15.53	15.53
	15.53	**15.53**
Provision for impairment	(15.53)	(15.53)
	-	**-**

Note :
5.1) Capital work-in-progress consists of construction cost pertaining to club house and commercial area constructed towards Hill County phase I project which would be under ownership of the Company.

CWIP ageing schedule

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended				15.53	15.53
Provision for impairment		-	-	-	(15.53)
Net Amount				-	-

6. Investment property (Refer note 6.1, 43 and 46)

	Land	Total
Cost		
Opening balance at April 01, 2024	594.63	594.63
Additions during the Year	-	-
Closing balance as at March 31, 2025	**594.63**	**594.63**
Opening balance at April 01, 2025	594.63	594.63
Additions during the Year	-	-
Closing balance as at March 31, 2026	**594.63**	**594.63**
Depreciation		
Opening balance at April 01, 2024	-	-
Charge for the Year	-	-
Closing balance as at March 31, 2025	-	-
Opening balance at April 01, 2025	-	-
Charge for the Year	-	-
Closing balance as at March 31, 2026	**-**	**-**
Net Block		
As at March 31, 2025	**594.63**	**594.63**
As at March 31, 2026	**594.63**	**594.63**

Reconciliation of fair value:

	Investment properties	
	Land	**Total**
Opening balance as at April 01, 2024	1,418.05	**1,418.05**
Other fair value differences	141.90	**141.90**
Closing balance as at March 31, 2025	**1,559.95**	**1,559.95**
Opening balance as at April 01, 2025	**1,559.95**	**1,559.95**
Other fair value differences	(42.28)	(42.28)
Closing balance as at March 31, 2026	**1,517.67**	**1,517.67**

The fair value of land is based on guideline value July 19, 2026 as notified by government agencies.

6.1 The title deeds of land amounting to th extent of 250.63 Ac, Gunts (March 31, 2025 : 250.63 Ac. Gunts) being the land acquired through amalgamation of own subsidiaries is pending transfer in the Company's name.

Line item in Balance sheet	Item of property	Gross carrying value (In Crores)	Title deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Investment property	Lands	594.63	Plavanga Agro Farms P Ltd Mandakini Agrotech P Limited Chandrabagha Agro Farms P Limited Maytas Mansions P Ltd Mahendragriri Greenlands P Limited Manas Greenlands P Limited Malayagiri Greenlands P Limited Konar Greenfields P Limited Medravati Agro Farms P Limited Swarnagiri Greenfields P Limited Vamsadhara Agro P Limited Uttarashada Biotech P Limited	No	2014-15	Pursuant to merger, pending mutation

7. Non Current Investments (Refer note 7.1)	**As at March 31, 2026**	**As at March 31, 2025**
Investment in equity shares (Unquoted)		
I. Investment in subsidiaries (At cost)		
10,000 (March 31, 2025: 10,000) equity shares of Rs. 10 each in Hill County SEZ Private Limited	0.01	0.01
10,000 (March 31, 2025: 10,000) equity shares of Rs. 10 each in Maytas Logiparks (Malkapur) Private Limited	0.01	0.01
10,000 (March 31, 2025: 10,000) equity shares of Rs. 10 each in Maytas Logiparks (Isnapur) Private Limited	0.01	0.01
10,000 (March 31, 2025: 10,000) equity shares of Rs. 10 each in Downtown Recreations Private Limited	0.01	0.01
II. Other Investments (At fair value through profit or loss)		
1,412,500 (March 31, 2025: 1,412,500) equity shares Rs. 10 each Baypark Hotel & Resorts Private Limited (At Cost less provision for other than temporary dimunition Rs.1.41 crores (March 31, 2025 : 1.41 crores)	-	-
	0.04	**0.04**
Aggregate value of unquoted investments (Gross)	1.45	1.45
Aggregate amount of impairment in value of investments	1.41	1.41

7.1 None of Investments were pledged as at March 31, 2026 (March 31,2025 : Nil)

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

8 Loans

		Non-current		Current	
		As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
A. Loans to related parties (Refer note 36)					
Unsecured, considered good (Refer note 8.1)		20.62	20.61	-	-
Considered doubtful (Refer note 8.2)		36.56	36.56	-	-
		57.18	**57.17**	**-**	**-**
Less: Provision		(36.56)	(36.56)	-	-
	(A)	**20.62**	**20.61**	**-**	**-**
B. Loans to employees					
Unsecured, considered good		-	-	-	-
Considered doubtful		0.51	0.51	-	-
		0.51	**0.51**	**-**	**-**
Less: Provision		(0.51)	(0.51)	-	-
	(B)	**-**	**-**	**-**	**-**
C. Other Loans					
Unsecured, considered good					
Advance to other companies (Refer note.47)		223.15	223.15	-	-
Considered doubtful					
Inter corporate loans (Refer note.50)		261.70	261.70		
Advance to other companies		16.40	16.40	-	-
		501.25	**501.25**	**-**	**-**
Less: Provision		(278.10)	(278.10)	-	-
	(C)	**223.15**	**223.15**	**-**	**-**
Total (A+B+C)		**243.77**	**243.77**	**-**	**-**

Loans to related parties include	Non-current		Current	
	As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
8.1 Loan given to related parties, Considered good				
Downtown Recreations Private Limited	7.28	7.28	**-**	-
Hill County SEZ Private Limited	13.33	13.33	**-**	-
	20.62	**20.61**	**-**	**-**
8.2 Loan given to related parties, Considered doubtful (Refer note.44)				
MAYTAS Logiparks (Malkapur) Private Limited	26.56	26.56	**-**	**-**
Baleshwar Kharagpur Expressway Ltd	10.00	10.00	**-**	**-**
	36.56	**36.56**	**-**	**-**

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	Nil	Nil
Directors	Nil	Nil
KMPs	Nil	Nil
Related Parties	47.18	**19%**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

9 Other financial assets

	Non-current		Current	
	As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
A. Interest accrued on deposits and others	1.91	1.91	0.38	0.38
B. Interest accrued on advances	2.26	2.26	-	-
C. Maintenance charges recoverable from customers	0.58	0.58	1.82	1.82
D. Fixed deposits - Bank - Orginal maturity more than 12 months	-	-	52.03	6.99
	4.76	**4.76**	**54.23**	**9.19**
Less: Provision	(4.76)	(4.76)	(2.20)	(2.20)
Total	**-**	**-**	**52.03**	**6.99**

10 Current tax asset

	Non-current		Current	
	As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
Advance income tax				
Considered good	9.68	9.58	-	-
Considered doubtful	3.85	3.85	-	-
	13.53	13.42		
Less: Provision	(3.85)	(3.85)	-	-
Total	**9.68**	**9.58**	**-**	**-**

11 Other assets

	Non-current		Current	
	As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
A. Balances with statutory / government authorities	2.79	2.50	-	-
B. Other advances				
Considered good	0.05	0.05	0.19	0.24
Considered doubtful	0.61	0.61	4.55	4.55
	0.66	**0.66**	**4.74**	**4.79**
Less: Provision	(0.61)	(0.61)	(4.55)	(4.55)
	0.05	**0.05**	**0.19**	**0.24**
Total	**2.84**	**2.55**	**0.19**	**0.24**

12 Inventories (valued at lower of cost and net realizable value)

	Non-current		Current	
	As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
Land and land development expenses	38.83	38.83	13.96	13.96
Unsold stock	-	-	17.40	19.78
	38.83	**38.83**	**31.36**	**33.74**
Less: Provision for diminution in value of inventory	(38.83)	(38.83)	(4.71)	(4.71)
Total	**-**	**-**	**26.65**	**29.03**

13 Trade Receivables (Refer Note 13.1)

	As at March 31,2026	As at March 31, 2025
Unsecured, considered good	-	-
Considered good, secured	**-**	**-**
Trade Receivables – credit impaired	1.56	1.56
	1.56	**1.56**
Less: Allowance for expected credit loss	(0.21)	0.21
Total	**1.35**	**1.35**

13.1 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in note 43.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

As at March 31, 2026

	< 6 Months	6 m -1 year	1 - 2 years	2-3 years	>3 years	Total
Undisputed Trade Receivables – considered good		-	-			
credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	1.56	1.56
Less: provision for doubtful allowances	-	-	-	-	-	(0.21)
Total	-	-	-	-	-	1.35

As at March 31, 2025

	< 6 Months	6 m -1 year	1 - 2 years	2-3 years	>3 years	Total
Undisputed Trade Receivables – considered good	-	-	-	-	1.56	1.56
credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Less: provision for doubtful allowances	-	-	-	-	-	(0.21)
Total	-	-	-	-	-	1.35

14 Cash and cash equivalents

	As at March 31,2026	As at March 31, 2025
A. Balances with banks:		
-In current accounts (Please refer note 14.1)	0.85	0.59
-'Deposits with less than three months maturity	-	-
B. Cash on Hand	-	-
C.Other bank balances:		
-Deposits with more than three months but less than 12 months maturity	18.98	53.14
	19.83	**53.73**

14.1 Includes amount of Rs. 0.001 crores (March 31, 2025: Rs. 0.001 crores) lying in escrow account as per High Court order dated December 5, 2012 and Rs.0.31 crores (March 31, 2025: Rs. 0.31 crores)attached by ED for which no confirmation balance availabe

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

15 Equity share capital

	As at March 31,2026	As at March 31, 2025
Authorised capital		
8,075,000 (March 31, 2025: 8,075,000) equity shares of Rs. 100 each	80.75	80.75
29,990 (March 31, 2025: 29,990) redeemable preference shares of Rs. 100 each	0.30	0.30
	81.05	**81.05**
Issued, subscribed and fully paid-up shares		
25,000 (March 31, 2025 : 25,000) equity shares of Rs. 100 each	0.25	0.25
4,990 (March 31, 2025 : 4,990) zero coupon redeemable preference shares of Rs. 100 each	0.05	0.05
1,500 (March 31, 2025: 1,500) 4% redeemable preference shares of Rs. 100 each	0.02	0.02
Total issued, subscribed and fully paid-up share capital	**0.32**	**0.32**
Less: Amount classified as financial liability (Refer note 17)		
4,990 (March 31, 2025 : 4,990) zero coupon redeemable preference shares of Rs. 100 each	0.05	0.05
1,500 (March 31, 2025: 1,500) 4% redeemable preference shares of Rs. 100 each	0.02	0.02
Amount considered in Equity	**0.25**	**0.25**

15.a Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares:	**As at March 31,2026**		**As at March 31, 2025**	
	No. of shares	**Rs.**	**No. of shares**	**Rs.**
At the beginning of the year	25,000	0.25	25,000	0.25
Issued during the year	-	-	-	-
Outstanding at the end of the year	**25,000**	**0.25**	**25,000**	**0.25**

Zero coupon redeemable preference shares:	**As at March 31,2026**		**As at March 31, 2025**	
	No. of shares	**Rs.**	**No. of shares**	**Rs.**
At the beginning of the year	4,990	0.05	4,990	0.05
Issued during the year	-	-	-	-
Outstanding at the end of the year	**4,990**	**0.05**	**4,990**	**0.05**

4% redeemable preference shares:	**As at March 31,2026**		**As at March 31, 2025**	
	No. of shares	**Rs.**	**No. of shares**	**Rs.**
At the beginning of the year	1,500	0.02	1,500	0.02
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,500**	**0.02**	**1,500**	**0.02**

15.b Terms/ rights attached to equity shares

The Company has only one class of the equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.c Terms/ rights attached to preference shares

(i) Zero coupon redeemable preference shares

The preference shares have a zero coupon and are redeemable after 10 years from the date of allotment or with an option to redeem earlier than the redemption period by providing two months notice to the concerned preference shareholders. The preference shares are redeemable at par value.

The preference shares were scheduled for redemption in FY 2025-26, but since the company is one of the 302 IL&FS Group entities under resolution. Hence redumtion could not made.

(ii) 4% redeemable preference shares

4% redeemable preference shares of Rs. 100 each are redeemable after 15 years from the date of allotment or with an option to redeem after 2 years from the date of allotment by providing two months' notice. Redeemable preference share carry dividend @ 4% p.a from 11th year onwards. The preference shares are redeemable at par value.

15.d Details of shareholders holding more than 5% shares in the Company

	As at March 31,2026		**As at March 31, 2025**	
	No. of shares	**% of holding in the class**	**No. of shares**	**% of holding in the class**
Equity shares of Rs. 100 each fully paid				
IL&FS Townships & Urban Assets Limited	10,000	40.00%	10,000	40.00%
IL&FS Engineering and Construction Company Limited	7,750	31.00%	7,750	31.00%
Infrastructure Leasing & Financial Services Limited	2,250	9.00%	2,250	9.00%
Maytas Estates Private Limited	4,400	17.60%	4,400	17.60%

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

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

	As at March 31,2026		As at March 31, 2025	
	No. of shares	% of holding in the class	No. of shares	% of holding in the class
Zero coupon redeemable preference shares Rs.100 each fully paid				
B Nandini Raju	1,040	20.84%	1,040	20.84%
Suryanarayana Raju	1,000	20.04%	1,000	20.04%
B Jhansi Rani	1,000	20.04%	1,000	20.04%
B Teja Raju	1,000	20.04%	1,000	20.04%
B Rama Raju	900	18.04%	900	18.04%
4% Redeemable preference shares Rs.100 each fully paid				
Suryanarayana Raju	500	33.33%	500	33.33%
N Rama Raju	500	33.33%	500	33.33%
B Rama Raju	500	33.33%	500	33.33%

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

15.e Details of promoter shareholding

Details of promoter shareholding	As at March 31,2026 No of shares	% of total shares	% change during the year
IL&FS Townships & Urban Assets Limited	10,000	40.00%	-
IL&FS Engineering and Construction Company Limited	7,750	31.00%	-
Infrastructure Leasing & Financial Services Limited	2,250	9.00%	-

Details of promoter shareholding	As at March 31, 2025 No of shares	% of total shares	% change during the year
IL&FS Townships & Urban Assets Limited	10,000	40.00%	-
IL&FS Engineering and Construction Company Limited	7,750	31.00%	-
Infrastructure Leasing & Financial Services Limited	2,250	9.00%	-

16. Other equity

		As at March 31,2026	As at March 31, 2025
16.1	**Retained earnings (Loss)**		
	Opening balance	(1,583.51)	(1,579.60)
	Add: Profit/(Loss) for the year	9.77	(3.91)
	Add: Remeasurement gain or loss on net defined plan	-	-
	Closing balance	**(1,573.74)**	**(1,583.51)**
16.2	**Capital reserve (Bargain purchase) (Refer Note 16.2.1)**		
	Opening balance	357.99	357.99
	Movement during the year	-	-
	Closing balance	**357.99**	**357.99**
	Total other equity	**(1,215.75)**	**(1,225.52)**

16.2.1 Capital reserve: Capital reserve represent bargain purchase on the merger of certain entities with the company in the year 2014-15 and 2015-16.

17 Borrowings

	Non-current portion		Current maturities	
	As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
A. Redeemable preference shares (Refer note 15)				
Zero coupon redeemable preference shares	-	-	0.05	0.05
4% redeemable preference shares	0.02	0.02	-	-
(A)	**0.02**	**0.02**	**0.05**	**0.05**
B. Loans from related parties				
(i) Secured (Refer Note 17.1.8)				
Inter corporate loans from related parties (Refer Note 17.1.8 and 36)	-	-	1,460.90	1,460.90
Funded interest term loan from related parties (Refer Note 17.1.8 and 36)	-	-	291.43	291.43
(ii) Unsecured				
Inter corporate loans from related parties (Refer Note 36)	-	-	93.31	93.31
Funded interest term loan from related parties (Refer Note 17.2 and 36)	-	-	78.14	78.14
(B)	**-**	**-**	**1,923.78**	**1,923.78**
Total (A +B)	**0.02**	**0.02**	**1,923.83**	**1,923.83**

17.1 Inter corporate loans and funded interest term loans from related parties (secured) of Rs. 1752.33 crores (March 31, 2025: Rs. 1752.33 crores) represents:

17.1.1 Rs. 753.10 crores (March 31, 2025: Rs. 753.10 crores) carries interest rate of 13% p.a (calculated at monthly rests) upto March 31, 2018 and @ 16.50% p.a thereafter till March 31, 2020. The loan is repayable on March 31, 2020. Interest from the drawdown date till March 31, 2018 would be accrued and converted into FITL and thereafter to be paid on monthly basis. FITL shall carry interest @ 6% p.a. (calculated at monthly rests) and to be paid along with accrued interest on March 31, 2020. FITL balance as on March 31, 2026: Rs. 197.95 crores (March 31, 2025: Rs. 197.95 crores).

17.1.2 Rs. 2.78 crores (March 31, 2025: Rs. 2.78 crores) carries interest rate of 13.00 % p.a (calculated at monthly rest) upto March 31, 2018 and 19% p.a thereafter till March 31, 2020. The loan is repayable on March 31, 2020. Interest from the drawdown date till March 31, 2015 was accrued and converted into FITL and thereafter to be paid on monthly basis. FITL shall carry interest @ 6% p.a. (compounded on yearly basis) and to be paid along with accrued interest on March 31, 2020. FITL balance as on March 31, 2026 is Rs. 0.33 crores (March 31, 2025: Rs.0.33 crores).

17.1.3 Rs. 157.95 crores (March 31, 2025: Rs. 157.95 crores) carries interest rate of 13.00 % p.a (calculated at monthly rest) upto March 31, 2018 and 19% p.a thereafter till March 31, 2020. The loan is repayable on March 31, 2020. Interest from the drawdown date till March 31, 2016 is accrued and converted into FITL. FITL shall carry interest @ 6% p.a. (compounded on yearly basis) and to be paid along with accrued interest on March 31, 2020. FITL Balance as on March 31, 2026 - Rs. 26.74 crores (March 31, 2025: Rs. 26.74 crores).

17.1.4 Rs. 110.00 crores (March 31, 2025: Rs.110.00 crores) carries interest rate of 17% p.a (compounded on monthly basis). The loan and the interest accrued is repayable at the end of 36 months from the date of first disbursement i.e. October 29, 2018.

17.1.5 Rs.224.07 crores (March 31, 2025: Rs. 224.07 crores) carries interest rate of 13% p.a (calculated at monthly rest) upto March 31, 2018 and @ 16.50% p.a till March 31, 2020. Interest from the drawdown date till March 31, 2018 is accrued and converted into FITL. FITL shall carry interest @ 6% p.a. (calculated at monthly rest) and to be paid along accrued interest on March 31, 2020. FITL balance as on March 31, 2026 - Rs.66.42 crores (March 31, 2025: Rs. 66.42 crores).

17.1.6 Rs. 175.00 crores (March 31, 2025: Rs.175.00 crores) carries Interest rate of 16% p.a. payable quarterly in arrear, repayable in two instalments of Rs. 100.00 crores and Rs. 75.00 crores on October 28, 2018 and November 17, 2018 respectively.

17.1.7 Rs. 38.00 crores (March 31, 2025: 38.00 crores) carries interest rate of 15.5% p.a (compounded on quarterly basis). The loan and the interest accrued is repayable at the end of 36 months from the date of first disbursement i.e. June 12, 2021.

17.1.8 Inter corporate loans and funded interest term loan from related parties and others are secured by:

During the earlier year, the Company had entered into interse agreement with IL&FS Group wherein the Company had provided security against the aforesaid borrowings in the form of residual charge against hypothecation of certain identified receivables including inter corporate loans etc., letter of guarantees and Mortgage of title deeds of identified immovable properties of the Company and its subsidiaries.

The Company has received loans and advances from its group companies apart from parent, IL&FS Ltd and its NBFC company, IL&FS Financial Services Ltd (IFIN) and were used for the purposes of project and paying off liabilities etc. These loans might be originating from group NBFC namely, IFIN and were given through group companies for reasons known to IFIN. The IL&FS Group including that of IFIN were under obligation to pay off all liabilities of HCPL under erstwhile Company Law Board (CLB) order dated January 13, 2011.

17.2 Inter corporate loans and funded interest term loans from related parties (Unsecured) of Rs. 205.45 crores (March 31, 2025: Rs. 205.45 crores) represents:

17.2.1 During the earlier year, the Company had restructured inter corporate loan of Rs. 47.87 crores received from a related party (unsecured). As per the terms of restructuring, interest accrued upto March 31, 2012 amounting to Rs. 28.94 crores had been converted into principal resulting into revised loan amount of Rs. 76.81 crores carrying interest @ 13%p.a and was repayable in 16 quarterly instalments starting from June 2015:

Year 2015-16 - 15% of the loan amount, Year 2016-17 - 20% of the loan amount,Year 2017-18 - 15% of the loan amount and Year 2018-19 - 50% of the loan amount

Interest on revised principal amount from April 1, 2012 to March 31, 2015 has been converted into FITL carrying interest @ 6% p.a. which along with FITL is payable at the end of March 2018. During the year 16-17, the Company has further restructured the loan and FITL; as per the terms of restructuring the entire loan is now payable at the end of March 2020 and carries interest @ 13% p.a. Further interest on principal amount from April 1, 2012 to March 31, 2017 is convertible into FITL carrying interest @ 5.84% p.a which along with FITL is now payable at the end of March 2020. During the year 18-19, the Company has made request for extension towards repayment of principal, converting the interest on principal to FITL carrying interest @ 5.84% p.a which along with FITLwhich is payable at the end of March 31, 2025. Loan balance as on March 31, 2026 Rs. 76.81 crores (March 31, 2025: Rs. 76.81 crores).FITL balance as on March 31, 2026: Rs. 78.14 crores (March 31, 2025: Rs. 78.14 crores).

17.2.2 Rs.6.50 crores (March 31, 2025 - Rs. 6.50 crores) carries interest rate of 16% p.a. (payable on quarterly basis) and repayable at the end of 24 months from the date of first disbursement i.e. September 27, 2019

17.2.3 Rs.10.00 crores (March 31, 2025: Rs. 10.00 crores) carries interest rate of 14.50% p.a. (payable on quarterly basis) and repayable at the end of 36 months from the date of first disbursement i.e October 05, 2020. Loan given by HC SEZ P Ltd to the company Rs.10.00 crores submitted its claim in claims management pursuant ressolution under NCLT for payment of its loan along with interest amounting to Rs. 11.50 crores.

17.3 As per the Group Advisory and affidavit filed by IL&FS Group, the interest has not been recognised subsequent to October 15 2018 as per note 42 (iii).

17.4 The Company has defaulted in repayment of loans and interest. The details of continuing defaults as at March 31, 2026 and 2025 are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025	Period of delay as of March 31, 2026	Period of delay as of March 31, 2025
Repayment of principal:				
IL & FS	1,138.84	1,138.84	2192 days	1827 days
IL & FS	38.00	38.00	1753 days	1388 days
IL&FS Financial Services Ltd	290.50	290.50	2557 days	2192 days
IL&FS Financial Services Ltd	175.00	175.00	2708 days	2343 days
IL&FS Townships & Urban Assets Ltd	110.00	110.00	2708 days	2343 days
Ridcor Infra Projects Ltd	-	-		
IL&FS Cluster Development Initiative Ltd	6.50	6.50	2350 days	1985 days
ILFS Engineering and Constrcution company Ltd	154.95	154.95	2192 days	1827 days
Livia India Limited	34.00	34.00	2008 days	1643 days
Hill County SEZ P Ltd	10.00	10.00	2003 days	1638 days
Payment of Interest on Loans :				
IL&FS Financial Services Ltd	16.70	16.70	366 to 2861 days	366 to 2496 days
IL&FS Financial Services Ltd	15.19	15.19	821 to 2861 days	821 to 2466 days
IL & FS	44.83	44.83	1 to 2831 days	1 to 2496 days
IL & FS	2.04	2.04	1753 days	1388 days
Livia India Limited	1.21	1.21	821 to 2831 days	821 to 2466 days
IL&FS Cluster Development Initiative Ltd	0.56	0.56	821 to 2831 days	821 to 2466 days
IL&FS Townships & Urban Assets Ltd	67.12	67.12	2707 days	2342 days
Hill County SEZ P Ltd	1.50	1.50	2003 days	1638 days

18. Short term borrowings (Refer note 18.3)

	Current	
	As at March 31,2026	As at March 31, 2025
Current maturities of long-term borrowings (refer note 17)	2,077.86	2,077.86
Loans from related parties		
Unsecured - Inter corporate loans (refer note 18.1 and 18.2)	39.73	39.73
Loans from others parties		
Unsecured - Inter corporate loans (refer note 18.2)	34.02	34.02
Total	**2,151.61**	**1,997.58**

Notes:

18.1 Rs. 9 crores (March 31, 2025: Rs. 9 crores) carries interest rate of 15.50% p.a. (payable on quarterly basis) and repayable at the end of 12 months from the date of first disbursement i.e June 26, 2021

18.2 Inter corporate loan from related parties (unsecured) of Rs. 30.73 crores (March 31, 2025: Rs. 30.73 crores) represents:

18.2.1 Rs.20.70 crores (March 31, 2025: Rs. 20.70 crores) carries interest rate of 15.50% p.a. (payable on quarterly basis) and repayable at the end of December 2018.

18.2.2 Rs. 3.00 crores (March 31, 2025: Rs. 3.00 crores) carries interest rate of 16.5% p.a. (payable on quarterly basis) and repayable at the end of 3 months from the date of first disbursement i.e. September 30, 2016 and which was extended to December 28, 2018.

18.2.3 Rs. 7.00 crores (March 31, 2025: Rs. 7.00 crores) carries interest rate of 15.5% p.a. (payable on quarterly basis) and repayable at the end of 12 months from the date of first disbursement i.e. August 2018.

18.3 Rs.34 crores (March 31, 2025 : Rs. 34 crores) carries intrest rate of 16.5% (payable at quaterely basis) and repayable at end of 36 months from the date disburment.

18.4 The Company has defaulted in repayment of loans and interest. The details of continuing defaults as at March 31, 2025 and 2024 are as follows:

Particulars	As At March 31, 2026	As At March 31, 2025	Period of delay as of March 31, 2026	Period of delay as of March 31, 2025
Repayment of principal:				
Sabarmathi Capital One Limited	3.00	3.00	882-2836 days	882-2471 days
Sabarmathi Capital One Limited	7.00	7.00	882-2836 days	882-2471 days
Tierra Enviro Limited	20.70	20.70	2647 days	2282 days
IL&FS Airport Limited	9.00	9.00	2470 days	2105 days
Payment of Interest				
Sabarmathi Capital One Limited	0.59	0.59	898-2831 days	898-2466 days
Sabarmathi Capital One Limited	0.27	0.27	898-2831 days	898-2466 days
Tierra Enviro Limited	3.57	3.57	898-2831 days	898-2466 days
IL&FS Airport Limited	0.43	0.43	898-2831 days	898-2466 days

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

19 Other financial liabilities

	Non-current		Current	
	As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
Corpus fund	-	-	0.02	0.02
Amount refundable to customers, banks on cancellation / litigations	-	-	19.80	21.05
	-	**-**	**19.82**	**21.07**

20 Trade payables

	Current	
	As at March 31,2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other than related parties	1.30	1.23
Total	**1.30**	**1.23**

Trade payables are non-interest bearing and are normally settled on 60-day terms
The Company's exposure to liquidity risks related to trade payables is disclosed in Note 40
For MSME disclosures, Refer note 33

As at March 31, 2026

	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.25	0.00	0.00	1.05	1.30
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**0.25**	**0.00**	**0.00**	**1.05**	**1.30**

As at March 31, 2025

	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.18	0.00	0.00	1.05	1.23
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**0.18**	**0.00**	**0.00**	**1.05**	**1.23**

21 Other Current liabilities

	Current	
	As at March 31,2026	As at March 31, 2025
Contract Liabilities		
Advance from customers	11.40	11.40
Others		
Statutory liabilities	0.26	0.28
	11.66	**11.69**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

22 Provisions

	Non-current		Current	
	As at March 31,2026	As at March 31, 2025	As at March 31,2026	As at March 31, 2025
Provision for employee benefits				
Provision for gratuity (Refer note 34)	-	-	-	-
Provision for leave benefits	-	-	0.16	0.16
	-	**-**	**0.16**	**0.16**
Other provisions				
Provision for compensation to customers (Refer note 22.1, 45(iv))	-	-	16.61	16.61
	-	**-**	**16.61**	**16.61**
Total	**-**	**-**	**16.78**	**16.78**

22.1 Reconciliation for provision for compensation to customers

	Year ended March 31, 2026	Year ended March 31, 2025
Amount at the beginning of the year	**16.61**	**17.51**
Provision / (reversal) made during the year	-	(0.89)
Amount used during the year	-	-
Increase in amount due to passage of time	-	-
Amount at the end of the year	**16.61**	**16.61**

23 Deferred tax liability/ (asset) (Net)

	As at March 31,2026	Movement during the period	As at March 31, 2025	Movement during the year 2024-25	As at March 31, 2024
Deferred tax liability/ (asset) in relation to					
Property plant and equipment	0.56	-	0.56	-	0.56
Inventory acquired through business combination	134.70	-	134.70	-	134.70
Long term advances to other companies	(16.38)	-	(16.38)	-	(16.38)
Provisions for customer compensation	(4.38)	-	(4.38)	-	(4.38)
Business loss	(110.81)	-	(110.81)	-	(110.81)
	3.69	-	3.69	-	3.69

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

24 Revenue from operations

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of land and real estate units		
Sale of independent units	12.06	-
Sale of Apartments	0.46	-
	12.52	**-**

24.a) Ind AS 115 disclosures

Timing of revenue recognition

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue recognition at a point of time	12.52	-
Total revenue from contracts with customers	12.52	-
Contract balances		
Trade receivables from contracts under Ind AS 115 (refer note 13)	1.35	1.35
Contract assets	-	-
Contract liabilities (refer note 19 and 21)	31.20	32.46

Contract assets are initially recognised for revenue earned on account of contracts where revenue is recognised over the period of time as receipt of consideration is conditional on successful completion of performance obligations as per contract. Once the performance obligation is fulfilled and milestones for invoicing are achieved, contract assets are classified to trade receivables.

Contract liabilities include amount received from customers as per the installments stipulated in the buyer agreement to deliver properties once the properties are completed and control is transferred to customers.

Set-out below is the amount of revenue recognised from:

Movement of contract liability	**Amount**
Amounts included in contract liabilities at the beginning of the year	**32.46**
Amount received / adjusted against contract liability during the year	(1.25)
Amounts included in contract liabilities at the end of the year	**31.20**

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contracted price	12.52
	12.52

Performance obligation

Information about the Company's performance obligations for material contracts are summarised below:

The performance obligation of the Company in case of sale of residential plots and apartments and commercial office space is satisfied once the project is completed and control is transferred to the customers.
The customer makes the payment for contracted price as per the installment stipulated in the respective Buyer's Agreement.

25 Other income

	Year ended March 31, 2026	Year ended March 31, 2025
Provision for Compensation to Customers written back	-	0.89
Interest Income on Bank Deposits	3.98	4.14
Miscellaneous income	0.02	0.04
	4.01	**5.07**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

26 Cost of sales on project

	Year ended March 31, 2026	Year ended March 31, 2025
Cost of sales on projects / land	2.38	-
	2.38	**-**

27 Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	1.12	0.99
Contribution to provident fund	0.06	0.06
Gratuity expenses	0.07	0.03
Leave benefits	-	0.02
Staff welfare expenses	0.11	0.11
	1.36	**1.20**

For details on employee benefits, Refer note.34

28 Finance costs

	Year ended March 31, 2026	Year ended March 31, 2025
Interest on delayed payment of TDS	-	0.00
Bank charges	0.00	0.00
	0.00	**0.00**

29 Depreciation expense

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation expense (note 4)	0.54	0.63
	0.54	**0.63**

30 Other expenses

	Year ended March 31, 2026	Year ended March 31, 2025
Power, fuel and water charges	0.10	0.10
Rent	0.01	0.02
Rates and taxes	0.03	0.05
GST Ineligible credit written off	-	0.25
Communication expenses	0.03	0.02
Repairs and maintenance (others)	0.04	0.09
Legal and professional charges	1.67	2.19
Office maintenance	0.30	0.26
Service charges	0.17	0.21
Printing and stationery	0.01	0.01
Auditor's fees (Refer Note 30.1)	0.09	0.09
Provision for doubtful TDS receivable	-	3.85
Directors sitting fees	0.03	0.02
	2.47	**7.15**

	Year ended March 31, 2026	Year ended March 31, 2025
As auditor (excluding GST)		
Statutory audit fees	0.05	0.05
Audit fees for consolidated financial statements	0.04	0.04
	0.09	**0.09**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

31 Earnings per share

	Year ended March 31, 2026	Year ended March 31, 2025
Basic and Diluted EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.		
Profit /(Loss)after tax	9.77	(3.91)
Dilution effect	-	-
Profit/ (Loss)after tax adjusted for dilution effect	9.77	(3.91)
Weighted average number of equity shares in calculating basic & diluted EPS	25,000	25,000
Face value per share	100	100
Basic (Rs.)	0.00039	(0.00016)
Diluted (Rs.)	0.00039	(0.00016)

32 Income Tax

(a) Income tax expense:

The major components of income tax expense are as follows:

(i) Statement of profit and loss

	Year ended March 31, 2026	Year ended March 31, 2025
Current tax expense	-	-
Prior period tax	-	-
Deferred tax	-	-
Total income tax expense recognised in statement of Profit and Loss	**-**	**-**
(ii) OCI Section		
Net (gain) on remeasurement of defined benefit plans	-	-
Income tax charged to OCI	**-**	**-**

(b) Reconciliation of tax expense and accounting profit

	For the year ended March 31, 2026	For the year ended March 31, 2025
Accounting profit/ loss before tax	9.77	(3.91)
Exceptional items	-	-
Profit/(Loss) before tax	9.77	(3.91)
Income tax expense calculated at 25% (for 2022-23: 25%)	-	-
Adjustment		
Tax for prior periods	-	-
Permanent differences	-	-
Deferred tax not created on business losses and other temporary differences	-	-
Income tax expense reported in the statement of profit and loss	-	-

(c) Unabsorbed depreciation and unused tax losses

	For the year ended March 31, 2026	For the year ended March 31, 2025
Unused tax losses for which no deferred tax is recognised	(420.13)	(329.81)
Unabsorbed depreciation for which no deferred tax is recognised	(33.13)	(31.28)

33 Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The identification of micro, small and medium enterprise suppliers as defined under the provisions of "The Micro, Small and Medium Enterprises Development Act, 2006" is based on Management's knowledge of their status. As per the information available with the Management, trade payable do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act" as at March 31, 2026 and March 31, 2025.

34 Employee benefits

The Company has the following post-employment benefits plans

(a) Defined contribution plan

Provident fund - Provident fund contribution recognized as expenses in statement of profit and loss Rs. 0.06 crores (March 31, 2025: Rs. 0.06 crores).

(b) Defined benefit plan

Gratuity (Funded) - Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of Rs. 20 Lakhs at the time of separation from the company. The scheme funded with LIC

(i) Changes in the present value of the defined benefit obligation are, as follows:

	As at March 31, 2026	As at March 31, 2025
Present value of obligation at the beginning of the period	0.20	0.20
Interest cost	0.02	0.01
Current service cost	0.02	0.02
Past service cost	0.06	-
Benefits paid from the fund	-	(0.04)
Acturial (gains)/ losses on obligation - dues to change in financial assumption	(0.01)	0.01
Acturial (gains)/ losses on obligation - dues to change in experience	0.00	0.00
Present value of obligation at the end of the period	**0.29**	**0.20**

(ii) Changes in the fair value of plan assets are, as follows:

	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the period	**0.20**	**0.20**
Interest income	0.01	0.01
Contribution by the employer	0.02	0.03
Benefits paid from the fund	-	(0.04)
Return on plan assets excluding interest income	(0.00)	(0.00)
Fair value of plan assets at the end of the period	**0.24**	**0.20**

(iii) Amount recognised in the balance sheet:

	As at March 31, 2026	As at March 31, 2025
Present value of obligation	(0.29)	(0.20)
Fair value of plan assets	0.24	0.20
Net liability/ (asset) amount recognised in balance sheet	0.05	0.00
Amount recognised in balance sheet	**(0.05)**	**0.00**

(iv) Expense recognised in statement of profit and loss:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	0.02	0.02
Past service cost	0.06	-
Net interest cost	0.00	(0.00)
Expense recognised in the statement of profit and loss	**0.08**	**0.02**

(v) Expense recognised in other comprehensive income:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial (gains)/ losses on obligation for the period	(0.01)	0.01
Return on plan assets excluding interest income	0.00	0.00
Change in asset ceiling	-	-
Net (Income)/ expense for the period recognised in other comprehensive income	**(0.01)**	**0.01**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

(vi) The major categories of plan assets of the fair value of the total plan assets are as follows:

Investment Details	As at March 31, 2026	As at March 31, 2025
Insurance funds	0.20	0.20
	0.20	**0.20**

	As at March 31, 2026	As at March 31, 2025
Discount rate		
1% increase	(0.02)	(0.02)
1% decrease	(0.03)	0.02
Salary escalation		
1% increase	0.03	0.02
1% decrease	(0.02)	(0.02)
Attrition rate		
1% increase	0.00	0.00
1% decrease	(0.00)	(0.00)

(vii) Maturity analysis of the benefit fund

	As at March 31, 2026	As at March 31, 2025
1st year	0.01	0.00
2nd year	0.01	0.00
3rd year	0.02	0.01
4th year	0.01	0.01
5th year	0.01	0.01
Sum of 6-10 year	0.14	0.10
Sum of 11 year and above	0.41	0.29

Weighted average duration of the projected benefit obligation is 11 years (March 31, 2025: 11 years)
The estimates of future salary increases, considered in acturial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

35 Segment reporting

As per Ind AS 108, the Company has identified “construction and / or sale of residential properties” as the only reportable segment.

(A) Geographical Information

	As at March 31, 2026	As at March 31, 2025
Revenue from Operations		
- India	12.52	-
- Outside India	-	-
Non-current assets		
- India	38.37	38.91
- Outside India	-	-

* Non-current assets includes property, plant and equipment, capital work in progress and intangibles.

(B) Information about revenue from major customers which is included in revenue

There is no transactions with single external customer which amounts to 10% or more of the Company's revenue.

36 Related party disclosures

(I) Names of related parties and description of relationship

(A) (i) Companies having Control

Infrastructure Leasing & Financial Services Limited
IL&FS Engineering and Construction Company Limited
IL&FS Townships & Urban Assets Limited

(ii) Companies having significant influence/other group companies

IL&FS Financial Services Limited
IL&FS Airports Limited
Livia India Limited
IL&FS Cluster Development Initiative Limited
Fagne Songadh Expressway Limited
Sabarmati Capital One Limited
Tierra Enviro Limited
Baleshwar Kharagpur Expressway Limited

(B) Subsidiaries

Maytas Logiparks (Isnapur) Private Limited
Hill County SEZ Private Limited
Maytas Logiparks (Malkapur) Private Limited
Downtown Recreations Pvt Ltd

(C) Key management personnel : Nil

Nominated Directors appointed by ILFS:
Sabina Bavnani - Director
Neerav Y Kapasi - Director
Diksha Dhillon - Director

(II) Summary of transactions with aforesaid parties

(A) (i) Companies having Control

	For the year ended March 31, 2026	For the year ended March 31, 2025
Infrastructure Leasing and Financial Services Limited		
Service charges expense #	0.17	0.21
Repayment of Service charges	(0.18)	(0.23)
FITL repaid	-	-

Amount incurred by the company for the provision of service provided by Infrastrcture Leasing & Financial services Limited is Rs 0.17 crores (March 31, 2025 : Rs. 0.20 crores)

IL&FS Township Urban Assets Limited		
Reimbursement of Expenses	-	-

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

		For the year ended March 31, 2026	For the year ended March 31, 2025
	(ii) Companies having significant influence/other group companies		
	IL&FS Financial Services Limited		
	Advance from Customers	-	-
	Inter corporate loan received	-	-
	Loan received	-	-
	Interest expenses	-	-
	Fagne Songadh Expressway Limited		
	Interest expenses	-	-
(B)	**Subsidiaries**		
	Maytas Logiparks (Isnapur) Private Limited $		
	Expenses incurred on behalf of the party	0.00	0.00
	Reimbursement of Expenses	(0.00)	0.01
	Hill County SEZ Private Limited		
	Expenses incurred on behalf of the party	0.00	0.01
	Repayment advance / Reimbursement of Expenses	-	0.10
	Maytas Logiparks (Malkapur) Private Limited $		
	Expenses incurred on behalf of the party	0.00	0.00
	Refund of advance given	-	(0.01)
		-	-
	Downtown Recreations Private Limited		
	Expenses incurred on behalf of the party	0.54	0.56
	Refund of advance given	(0.54)	0.57

$ Land has been offered as security towards the Company’s borrowings

		For the year ended March 31, 2026	For the year ended March 31, 2025
(C)	**Nominated Directors by IL&FS:**		
	Sitting fees		
	Sabina Bhavnani	0.01	0.01
	Neerav Y Kapasi	-	-
	Diksha Dhillon	0.01	0.01

(III) Balance outstanding

		As at March 31, 2026	As at March 31, 2025
(A)	**(i) Companies having Control**		
	Infrastructure Leasing and Financial Services Limited		
	Inter corporate loan	951.83	951.83
	Funded interest term loan	225.01	225.01
	Interest payable	46.89	46.89
	Trade payable	-	-
	IL&FS Engineering and Constructions Company Limited		
	Inter corporate loan	76.81	76.81
	Funded interest term loan	78.14	78.14
	Other (payable) / advance	0.17	0.17
	IL&FS Townships and Urban Assets Limited		
	Inter corporate loan	110.00	110.00
	Interest payable	67.12	67.12

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

(ii) Companies having significant influence/other group companies		
IL&FS Financial Services Limited		
Inter corporate loan	399.07	399.07
Funded interest term loan	66.42	66.42
Advance from Customers	0.39	0.39
Interest payable	31.89	31.89
IL&FS Airports Limited		
Inter corporate loan	9.00	9.00
Interest payable	0.43	0.43
IL&FS Cluster Development Initiative Limited		
Inter corporate loan	6.50	6.50
Interest payable	0.56	0.56
Baleshwar Kharagpur Expressway Limited		
Inter corporate loan	10.00	10.00
Interest receivable	0.38	0.38
Sabarmati Capital One Limited		
Inter corporate loan	10.00	10.00
Interest payable	0.86	0.86
Tierra Enviro Limited		
Inter corporate loan	54.70	54.70
Interest payable	3.57	3.57
(B) Subsidiaries		
Maytas Logiparks (Isnapur) Private Limited		
Advance given	-	-
Downtown Recreations Private Limited		
Advance given	7.28	7.28
Trade receivables	-	-
Hill County SEZ Private Limited		
Advance given	13.33	13.33
Inter corporate loan taken	10.00	10.00
Interest payable	1.50	1.50
Maytas Logiparks (Malkapur) Private Limited		
Advance given	26.56	26.56

37 Key accounting estimates and assumptions

The preparation of the company’s standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainity at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(a) Impairment of non-financial asset

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(b) Defined benefit plans and other long term benefit plan (gratuity benefits and leave encashment)

The cost and present value of the defined benefit gratuity plan and leave encashment (other long term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations and leave encashment are given in note 34.

(c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible but where this is not feasible, a degree of judgement is required in establishing fair values.

38 Commitments and Contingecies

(i) Commitments

a) Estimated amount remaining to be executed on capital account not provided for Rs. Nil (March 2025 : Rs. Nil)

b)The Company and its subsidiaries has entered into joint development agreements with owners of land(Former Promoter Group) (Raju Group) for its construction and development. Under the agreements, the Company is required to pay certain minimum payments/deposits to the owners of the land and share in profit from such developments in exchange of undivided share in land as stipulated under the agreements and in turn, the land owners (Former Promoter Group) will return loans and advances given by the Company and its Subsidiaries. In view of various issues /litigations discussed in no.43 involving the land parcels, no development /monetary transaction took place till date.

(ii) Contingent liabilities on account of pending litigations

a) The various contingent liabilities pertaining to the direct and indirect taxation is tabled below:

Sr No	Details	FY 2026 Amt (Rs crores)	FY 2025 Amt (Rs crores)
I	Indirect Taxes	-	-
I (1)	Service Tax / GST	-	-
I (1) a	Service Tax liability pertaining to FY 2008-09 to 2011-12 (refer Note 1 below)	2.63	2.63
I (1) b	Service tax liability (refer note 2 below)	1.49	1.49
I (2)	Sales Tax / State VAT		
I (2) a	Demand raised in FY 2017 based on Enforcement Action (refer Note 3 below)	-	3.52
II	Direct Taxes		
II (2)	Income Tax		
II(2) a	Assessment of merged subsidiary Companies of FY 2009-10 / 2012-13 & 2013-14 (refer Note 4 below)	-	-
II(3)	TDS Demand		
II(3) a	FY 2006-07 to FY 2016-17(refer Note 5 below)	0.33	0.33
II(3) b	Arbitration award filed by Rank Silicon	1.45	-

Note 1 : (i) Demands mainly pertain to discrepancy in classification of services/certain disallowances made by authorities & incorrect taxable turnover computation.

(ii) The Company in appeal before CESTAT. In the hearing held in Mar 2026, the CESTAT has ordered status quo on the proceedings till such time the resolution of the Company is completed.

Note 2 : The Service Tax authroities conducted audit for FY 2015-16 to FY 2017-18.

In respect of audit for FY 2015-16 to FY 2016-17

(a)The Department has issued a show cause notice (SCN) for Rs 1.48 crore.

(b) The SCN was challenged by the Company with the Additional Commissioner. The Additional Commisioner, and after a detailed review, reduced the demand in the final Order to Rs 0.18 crore, setting aside the demand of Rs 1.30 crore.)

(c) The Commissioner of Central Tax reviewed the Order and in exercise of the powers conferred on him, referred the matter to the Commissioner(Appeals) for determining whether the reduction of the amount determined in the SCN was legally correct and justifiable.

(d) The Commissioner (Appeals) has allowed the department appeal thereby the order passed by the Additional Commissioner is set aside. However, hearings on merits have not concluded.

(e) The Company preferred an appeal before CESTAT on merits with a request to waive of the pre-deposit of 10% of the disputed taxes. Hon'ble Tribunal passed the Order that the Company may comply with the pre deposit of 10% as and when the liquidity improves in the Company.

(f) Further, the realisation of the above liability would be subject to the revised SOP adopted by the IL&FS Group for interim or final distributions, which is based on the amended Insolvency & Bankruptcy Code 2026, as per the amendment made by the Insolvency & Bankruptcy (Amendment) Act, 2026 wef May 26, 2026 (Refer Note 9 on Claim Management with this).

Moreover, the realisation of the above liability would be subject to the revised SOP adopted by the IL&FS Group for interim or final distributions, which is based on the amended Insolvency & Bankruptcy Code 2026, as amended by the Insolvency & Bankruptcy (Amendment) Act, 2026 wef May 26, 2026

Note no.3 : (a)The Commercial Taxes Department of Telangana had raised certain demands aggregating to Rs 3.48 crore in FY 2017, based on the Enforcement Actions taken by the Sales Tax Department.

(b)The Company had filed a writ petition in the Hon'ble High Court of Telengana.

c)The Hon'ble High Court had conducted a detailed hearing in January 2026 and in a detailed Order, deleted the said demand of Rs 3.48 crore.

(d) In addition to the above demand, there are some old demands (cumulating to approximately Rs 4 lacs) arising due to non-submission of certain statutory forms. Since this demand has not been contested and is payable, the same is being shown as a contingent liability in both FY 2025 as well as FY 2026.

(e) Further, the realisation of the above liability would be subject to the revised SOP adopted by the IL&FS Group for interim or final distributions, which is based on the amended Insolvency & Bankruptcy Code 2026, as per the amendment made by the Insolvency & Bankruptcy (Amendment) Act, 2026 wef May 26, 2026 (Refer Note 9 on Claim Management with this).

Note no. 4 : (a) There are no tax demands existing for Hill County Properties Ltd (HCPL).

(b) However, there are certain demands raised on the land owning merged subsidiaries of HCPL for the period FY 2007-08 to 2013-14 (cumulatively amounting to Rs 14.73 cr).

(c) Even though the demand has been inadvertently raised on a non- existing Company by the Income Tax Department (since the Companies have already merged with HCPL), due to the fact that the Hon'ble High Court had while approving the mergers, specifically stated that any past or future demands on any of the merged Companies would be to the account of HCPL, the tax experts have opined that the demands cannot be questioned by the Company as they are part of HCPL effective from 1-4-2014 as per Hon'ble High Court order. The Company is therefore taking this demand as a valid demand.

(d) Further, the realisation of the demand of Rs 14.73 cr raised on the land owning merged Companies of the HCPL Group (out of which the Income Tax Department has suo motu adjusted the refund due to HCPL of Rs 8.03 cr) would be subject to the revised SOP adopted by the IL&FS Group for interim or final distributions, which is based on the amended Insolvency & Bankruptcy Code 2026, as amended by the Insolvency & Bankruptcy (Amendment) Act, 2026 wef May 26, 2026.

Note 5 : (a) The TDS department of Income Tax had issued a notice in FY 2017 for the recovery of a TDS amount of Rs 0.33 cr.

(b) The Company is in the process of reconciling with the department and hence been shown as a contingent liability.

Moreover, the above liability would be subject to the revised SOP adopted by the IL&FS Group for interim or final distributions, which is based on the amended Insolvency & Bankruptcy Code 2026, as amended by the Insolvency & Bankruptcy (Amendment) Act, 2026 wef May 26, 2026 (Refer Note 9 on Claim Management with this) .

Note 6 : Rank Silicon Filed Execution petition against the Company for recovery of Rs.1.45 crores pursuant to Arbitration Award.

Note :b) Litigation to land and others: refer note 43 & 46.

Note : c) Claims Management Process (CMA) being undertaken in respect of the IL&FS Group:

Paragraph 8(A)(iii) of the affidavit filed by the MCA with the Hon'ble NCLAT on January 25, 2019 stated that a resolution Claims Management Consultant appointed by the New Board will undertake the process of collection and verification of claims in respect of a in respect of the IL&FS Group.

Financial, operational and statutory claims and liabilities as of October 15, 2018 were invited by Consultant within the stipulated time in accordance with well settled legal principles and verify the claims submitted by each of the creditors of the relevant Sale Company and the list of creditors whether financial or operational debt, guarantees and other contingent liabilities, secured or unsecured etc., shall be made available to the creditors of that Sale Company".

The claims collection and verification process is analogous to the claims collection process under the IBC in undertaking the assignment, the Claims Management Consultant will, in each case, follow the principles and exercise similar diligence and standard of care as that applicable to a resolution professional under the IBC in the context of collection and verification of claims.

The admitted claims are considered for calling Committee of Creditors meeting and also, for distribution of monies on monetisation, interim and final distribution. Those creditors who missed out filing its claim admission under claim window may lose out in process under such mechanism even if liability is there in books of account and admitted claims will prevail and creditors appearing in books will be adjusted either periodically or at end of resolution and in any case it has no significance as resolution envisages settlement of admitted claims by CMA only.

The CMA submitted report as at September 30, 2022 based on their verification process claim admitted Rs.2,363 crores (excludes amount settled) as against the claims submitted by various claimant Rs.3,487 crores. The book balance against the amounts admitted is Rs.2,291 crores.

The adjustments if any, required to be made to carrying balances of liablities are not determinable at this stage and will be adjusted upon completion of Ressolution process.

d) Provident fund

The demand raised by the PF department towards interest and penalty for delay in payment of Provident fund contribution for the period 2005-06 to 2012-13 amounting to Rs. 0.47 crores (March 31, 2025: 0.47 crores). Aggrieved by the same the company preferred Appeal and stay was granted by the High Court of New Delhi. During the year 2017-2018, the case transferred from Delhi Tribunal to Southern Tribunal at Bangalore and thereafter the same was renumbered as CG IT Appel no.129/2018 and taken up before Central Govt Industrial Tribunal –Nampally, Hyderabad and submitted that the stay moratorium is exists as per NCLAT, New Delhi orders dated 15.10.2018 and if any claim is there, the same has to filed before Independent Claim Management Advisor (CMA) within time frame or NCLT, Mumbai where all IL&FS Group matters are heard and detailed reply has also given by the HCPL to EPFO after going through the orders as to factual developments and considering the submissions, the Hon'ble Tribunal has closed the appeal on 27.06.2023 by way of docket orders.

Aggrieved by the Tribunal order, EPFO Dept. filed an Interim Application in Comp.Appeal vide I.A.No.: 1565/2025 in C.A.No.: 346/2018 before NCLAT, New Delhi seeking to " allow the application filed by them and Direct the Applicant to intervene in the Captioned C.A.(AT)No.346/2018 as Maytas Hill County Properties Ltd. (Now Hill County Properties Limited) has to pay Rs.1,56,90,039/- as on 15.10.2018 is in arrear towards dues assessed under Section 7A, 14B & 7Q of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Hon'ble Appellate Tribunal heard on both the sides where Ld.Counsel of IL&FS submits that the claim can be filed before GT Claim Management and the Hon'ble NCLAT, New Delhi disposed the Application i.e I.A.No.1565/2025 on 30.04.2026, it is opened to the Applicant (EPFO) to file their claim before GT claim management and without expressing the merits on claim, C.A. is disposed off.

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

39 Fair Values

As at	Carrying value	
	March 31, 2026	**March 31, 2025**
Financial assets		
FVTPL		
Unquoted instruments	-	-
Trade receivables	1.35	1.35
Cash and cash equivalents	19.83	53.73
Loans	243.77	243.77
Other financial assets	52.03	6.99
Total	**316.97**	**305.84**
Financial liabilities		
Amortised cost		
Borrowings	2,151.61	1,997.58
Trade payables	1.30	1.23
Other financial liabilities	19.82	19.82
Total	**2,172.73**	**2,018.63**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

For Instruments measured at fair value through profit or loss, carrying equals to fair value. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company is not in a position to determine at this stage effect on carrying amounts that would eventually be received or settled, consequent to Ressolution process.

40 Financial Risk Management Framework

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed primarily to Credit Risk and Liquidity Risk, which may adversely impact the fair value of its financial instruments. In view of developments within IL&FS group entities, the Company at present under moratorium period and accordingly these disclosure are to be read considering the Resolution process under which all efforts are made to maximise lenders recovery and all business operations are standstill till then.

A. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, investment, other balances with banks, loans and other receivables.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is Rs.316.97 crores and Rs. 305.84 crores as of March 31, 2026 and March 31, 2025 respectively, being the total of the carrying amount of financial assets.

Trade receivables:

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Loan and other financial instruments including cash deposits

Credit risk from balances with banks, financial institutions and others is managed by the Company's in accordance with the Company's policy. Investments and loans are made only with approved counterparties and within credit limits assigned to each counterparty.

B. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Year ended March 31, 2026

Particulars	On demand	Less than3 months	3 to 12 months	1 to 5 years	>5 years	Total
Borrowings	2,151.61	-	-	-	-	**2,151.61**
Other financial liabilities	19.82	-	-	-	-	**19.82**
Trade and other payables	1.30	-	-	-	-	**1.30**

Year ended March 31, 2025

Particulars	On demand	Less than3 months	3 to 12 months	1 to 5 years	>5 years	Total
Borrowings	1,997.60	-	-	-	-	**1,997.60**
Other financial liabilities	175.10	-	-	-	-	**175.10**
Trade and other payables	1.23	-	-	-	-	**1.23**

C. Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities.

The exposure to unlisted equity securities at fair value is Rs. Nil and Rs. Nil as at March 31, 2026 and March 31, 2025 respectively.

The management has not reviewed the policies related to risks as the entire focus is on resolution of the company as part of IL&FS Group resolution.

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to maintain an optimal capital structure to maximise the shareholder value.

	As at March 31, 2026	As at March 31, 2025
Borrowings	**2,151.61**	1,997.60
Less: cash and cash equivalent	**71.86**	60.73
	2,079.75	**1,936.87**
Equity	**0.25**	0.25
Other Equity	**(1,215.75)**	(1,225.52)
	(1,215.50)	**(1,225.27)**
Gearing ratio	**(1.71)**	(1.58)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.Though all the policy/ies are in place, presently IL&FS group business and operations are standstill with a focus on resolution to achieve maximum value for its creditors.

42 Going Concern

(i) The Company has accumulated losses of Rs.1,573.74 crores as at March 31, 2026 (March 31, 2025: Rs.1,583.51 crores). During the year the Company has incurred a Profit of Rs.9.77 crores (March 31, 2025: Loss of Rs. 3.91 crores). The company's net worth has been fully eroded and its current liabilities of Rs.2,201.17 crores exceed its current assets of Rs.100.05 crores by Rs.2,101.12 crores (March 31, 2025: Rs. 2,111.03 crores). There are uncertainties on the recoveries of gross value of advances given to former promoter group (FPG) of Raju family entities and inter corporate loans given prior to March 2010. Also, such loans and advances are to be adjusted against any share to be payable on land development agreement so in effect it has contra impact with Balance sheet remaining neutral where receivables on account of loans & Advances gets adjusted to payable on account of share in land development agreement. The Operations of the company with respect to development of new projects are kept stand still and are subject to resolution plan of IL&FS Group under which the Company is proposed to be monetised. Though accounts are prepared on going concern basis, the Company has provided for assets on prudent and conservative basis

(ii) The New Board of Directors of the parent company, Infrastructure Leasing and Finacial Services Ltd Company (hereinafter, "New Board"), as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities to meet various financial and operational obligations, measures for cost optimization and protocol for making payments beyond certain limits.

The Hon'ble NCLAT had given a moratorium to IL&FS and its group entities that are covered under resoluion process and that no creditors can proceed against it except under article 226 of the Constitution.

The resolution plan seeks a fair and transparent resolution for the Company while keeping in mind larger public interest, financial stability, various stakeholders' interest, compliance with legal framework and commercial feasibility. The resolution plan and processes for various verticals are under way and options of restructuring business, as well as exits are planned. The plan of the management is to sell/exit from assets at the group entity as a going concern.

The New Board is pursuing vertical level, SPV level and asset level resolution plan. Further, the stakeholders' interests will be protected adequately since the framework and asset sale will be subject to NCLAT approval.

The New Board has been following a three- pronged strategy- Resolve, Restructure and Recover- while adopting approach of equitable distribution and balancing interest of stakeholders across the IL&FS Group under IBC and Corporate Finance principles to resolve the debt.

(iii) The Resolution Framework (including the Revised Distribution Framework in the Second Addendum) submitted by the New Board had been approved by Hon'ble NCLAT on March 12, 2020. The entities in the IL&FS group, have been classified into Indian and offshore entities. Further, the Indian IL&FS entities have been classified by an independent third party, into three categories of entities based on a 12-month cash flow based solvency test viz "Green", "Amber" and "Red", indicating their ability to repay both financial and operating creditors, only operating creditors, or only going concern respectively.

Based on this classification of "Green", "Amber" and "Red", the New Board has put in place a payment protocol for the IL&FS group during the resolution process. The classification of the entities, the payment protocol and the resolution framework has been filed with the NCLAT and the NCLAT has directed the appointment of Justice D K Jain (Retd) to supervise the resolution process for the IL&FS group.

The Company as part of IL&FS Group entities has been classified as a "Red" entity, indicating that it is not able to meet all obligations (financial and operational) including the payment obligations to senior secured financial creditors. Accordingly, the Company is permitted to make only those payments necessary to maintain and preserve the going concern status.

(iv) The Company as an IL&FS Group company has appointed Grant Thornton (GT) as claim management advisor in order to assess its liabilities and claims and to form committee of creditors. The Company is providing all information as asked for and has also filed its claims against IL&FS group companies where claim management process is going on. The information about claim admission and status is available on www.ilfsindia.com. The claims made by various creditors and the balances in books of accounts are reconciled and information and explanation are given to the claim management advisor. However, no adjustments have currently been made in this regard. The Claims Management (CM) is being continuous process and it will be finalised in due course on resolution of the Company. Further as stated earliers in notes to accounts, the admitted claims will prevail as final creditors.

(v) Resolution of Hill County Properties Limited:

The Resolution process initiated in 2019 was annulled in 2020. During FY 2023-24, a fresh bidding process has been initiated on June 14, 2023 by issuing a Request for Proposal (RFP) as Amended and Restated RFP on 18.07.2024 along with its subsidiaries in which HCPL holding its share of 99.9% even though the subsidiaries are not part of the 302 IL&FS Group companies. The Amended and Restated RFP includes particulars of all companies being owned by the company under the resolution process giving every detail of their transactions, assets and liabilities and also financials statements.

As at the date of approval of the financial statements, bidding process of M/s Hill County Properties Ltd (parent company) is completed and highest bidder is identified which is subject to obtaining the required approvals strictly as per the laid down procedure. However, considering the present realty market it was decided to call for a latest revaluation report on all the assets of the parent company and its subsidiary companies which may be useful to negotiate with the bidders for achieving a best price for the assets.

43 Risk of Substantial Adverse Outcome of Litigations :

(i) Hill County Villas Owners' Association (HCVOA) and Hill County Apartments Owners' Association (HCAOA) has addressed letters to Justice D.K.Jain,(Retd. Supreme Court Judge) regarding hand over of club house / community centre. Further HCVOA & HCAOA are claiming the ownership of the club and also filed claims of Rs.494.34 crores against the company towards amenities and other issues. The Company filed its objections and gave reply on 10-05-2019 denying the claims duly supported by the documentary evidence that the Club is not a common area but property of the Developer (HCPL) with certain in built facilities for hill county residents as per executed deeds, agreements entered; the claim made by the Association is not maintainable. After due consideration of the records and basis the Independent analysis, Claim management Advisors has not admitted the claim filed by such associations.

A Demand Notice dt.05-04-2021 was received from Hill County Apartment Owners Association (HCAOA) Advocate under the Insolvency and Bankruptcy code, 2016 (IBC) demanding for payment of outstanding maintenance charges of Rs. 8.71 crores towards 244 units which are unsold units at the time of handing over to HCAOA i.e 1.04.2016. Along with the Demand notice a compact disc were also sent containing the scan copies of summary and invoices raised by the Association from 2016 onward and appropriate reply dt.15.04.2021 is sent to them.

(ii) A suit No. O.S. No. 217/2019 has been filed by the two Associations (HCVOA & HCAOA) against the Company & IL&FS in the Hon'ble Prl. Junior Civil Judge cum XX Addl. Metropolitan Magistrate, Medchal, seeking Interim relief and permanent injunction restraining the Hill County & IL&FS, their men, servants agents etc from ever interfering with the lawful possession and enjoyment of the club house by them. The Company filed vakalat & Memo along with NCLT & NCLAT order copies. The above said suit was transferred to III Addl. Junior Civil cum XXIII Addl. Metropolitan Magistrate at Medchal - Athivelli Court Complex and the Hon'ble Court has set ex-parte of Defendant. The company filed its Written statement as well as counter affidavit and petition to set aside ex-parte orders in the matter before the Hon'ble Court, stating that stay and moratorium order passed by NCLAT on 15-10-2018 still subsist. It was informed to the court by way of a Memo and moreover cases are pending before NCLT and NCLAT with respect to IL&FS issue which includes HCPL resolution process. The Hon'ble Court allowed set aside petition filed by Defendants i.e HCPL & IL&FS on 04.07.2023 and HCPL has filed a counter in Interim Application filed by Associations and Defendant 2 (IL&FS) an adoption memo has been filed in said I.A and HCPL filed a memo stating that the stay moratorium is exists and inview of stay moratorium the Hon'ble Court adjourned the said case to 08.09.2026.

(iii) The Company filed suit bearing O.S.No. 410/2019 against two Associations (HCVOA & HCAOA) in the Hon'ble Senior Civil Judge cum Assistant Sessions Judge, Medchal, seeking Interim relief and perpetual injunction restraining the two Associations, their agents, servants or any other persons claiming through or from interfering with the peaceful possession of HCPL over the club house and in the said case a petition under section 10 of C.P.C have been filed by Association and this Hon'ble Court allowed I.A.No. 2515/2019 accordingly and the said suit is stayed till the disposal of O.S.No.217/2019 on the file of Junior Civil Judge; aggrieved by said Order HCPL filed C.R.P before High Court of Telangana and in the said case, the Hon'ble Court has recently forfeited Defendants rights to file Written Statement and later the said case is transferred to Addl. Senior Civil Judge cum Addl. Assistant Sessions Judge, Medchal from Prl. Senior Civil Judge Court, Medchal and Defendant's counsel has submitted on 15.12.2022 before the Hon'ble Court "stay of all proceedings till the disposal of O.S.No.:217/2019" and the said case is adjourned in view of posted to 15.09.2026 on stay of proceedings.

(iv) An E-mail has been received by IL&FS Team from General Secretary of HCVOA EC to clear the outstanding of Rs.49,41,296/- towards maintenance dues and corpus fund of 4 units (Independent Houses) at Hill County Township.

(v) HCPL received letter dt.20.12.2023 from the customer Mr.Simma Rajasekhar (Villa –150) request to handover Statutory Amenities at Hill County layout including Club house, commercial space etc., and later, he filed Writ Petition bearing W.P.No.: 3437/2024 before the High Court of Telangana. Again, another letter dated 20.05.2024 issued by the same customer seeking the handover of Amenities including club house etc. and the subject issue is sub-judice before the courts.

A Writ Petition bearing W.P.No.: 3437/2024 filed by Mr. Simma Rajasekhar (Villa – 150) filed against The State of Telangana and Ors. Where HCPL is one of the party to the said case and seeking to declare action of R1 to R4 in remaining silent and not taking prompt steps to stop R5 (HCPL)& 6 (IL&FS) proceeding with sale of Amenity A1(club House) situated in housing layout -File5876 Mp2/Plg/HUDA/2005 situated at Bachupally as illegal, arbitrary and unjust as violative of Article 14 and 300-A of the Constitution of India. and direct the official respondents to take action pursuant to petitioners representation dated 19.12.2023 and the Hon'ble High Court passed Interim direction ordered on 28.02.2024 - *to Respondent no.2 (HMDA) to examine the representations submitted by the petitioner dt.19.12.2023 and 11.01.2024 strictly in accordance with sanctioned layout in File No. 5876 Ap2/Plg/HUDA/2005 within 4 weeks from today. It is made clear that pending representations submitted by the petitioner, respondents are directed not to grant any permission for alienation of amenities reserved for the residents of the said layout and to appear on behalf of HCPL and IL&FS* - Legal Counsel has been appointed and the said case is pending and posted for hearing in onward list.

A Writ Petition bearing W.P.No.: 14929/2024 filed by Mr. Simma Rajashekar (Villa -150) against The State of Telangana and Ors. where HCPL (R-5) has been made a party to the said case as claiming under writ of Mandamus to declare action of the respondents 1 to4 in remaining silent and not taking prompt steps in getting the formal handover of Amenities A2,A3 & A4 from the Respondent no.5&6 Developer of the property in the group housing layout plus houses of HUDA file no. 5876/Mp2/Plg./HUDA/2005 to the 7th Respondent pursuant to the Petitioners representation dated 15.5.2024, 20.5.2024 and 30.5.2024 as illegal, arbitrary and un just. Vakalat has been filed by Mr. Narendar Naik on behalf of HCPL and IL&FS and counter has been filed in the said case and the said matter is posted for hearing in onward list.

A Writ Petition filed before High Court of Telangana seeking under writ of Mandamus declaring the action of the Respondent No 3 in granting an Occupancy Certificate vide Proceedings No 783/2013/81Pts in building permit/proceedings No 5871/P4/ /P1g/HUDA/2007 in respect of Block Shimla of Maytas Properties Limited situated in Sy Nos Part of 192 193 194 195 196 197 198 201 and 282 Bachupally Village Nizampet Road Quthbullapur Mandal R R District dated 14.08.2013 as illegal null and void. HCPL filed its counter and the Hon'ble Court after heard arguments of both the parties gave direction to HCPL "to approach concerned authority" and as directed, HCPL again applied for Occupancy Certificates of 11 towers and obtained revised OC's of all towers at Hill County. On 10.07.2024, the said case is listed where dismissed as infructuous by the Hon'ble High Court of Telangana.

HCPL has received initially a letter dated 26.07.2023 from HCVOA and HCAOA with reference to IL&FS letter dated 12.07.2023, pertaining to binding offer for the acquisition of Hill County Club House situated at Hill County; After deliberations, time extended basing on request by HCVOA, they submitted non -binding offer to acquire club house for 20 crore however, formal binding offer was awaited and March 15, 2024 was last date given to submit such offer but they didn't revert to HCPL because, few villa owners opposed transaction, one Villa owner filed a Writ Petition in the High Court of Telangana, challenging the transaction. After which HCVOA sent mail seeking response and the time given to HCVOA elapsed and finally the Company has rescinded and cancelled such transaction. The HCVOA also expressed inability in view of circumstances assuring to continue efforts once the case is decided and consensus arrived at among the community members.
HCVOA addressed a letter dated 24.04.2024 to Jus.D.K.Jain, Retd. Pertaining to one of member of HCVOA obtained Status quo order in W.P.No.:3437/2024 from High Court of Telangana – as Club House is an asset that should not be included in the list of assets of HCPL where declared in the information Memorandum that will be circulated to the prospective Resolution Applicants, in terms of IBC Protocol. Subsequent to all the correspondence, Impleadment Petition vide I.A. 3499 and I.A. 3500 (in CA 346 of 2018) are filed in NCLAT, New Delhi, by HCVOA and Mr. Rajshekhar Simma, the sanctity of the approved layout while formulating or implementing any Resolution Framework qua HCPL, in line with the directions already issued qua HCPL vide judgment dated March 12, 2020 and the said applications are disposed of on 22.11.2024 as " W.P.No.:3437 of 2024 is filed by the applicants before the High Court of Telangana and Ld. Counsel for the IL&FS submits that whatever orders are passed by the Hon'ble Telangana High Court in Writ Petition IL&FS would abide by the orders passed in the said proceedings. We record the aforesaid statement and dispose of the applications accordingly."

(vi) B. Rama Raju has filed an Interim Application bearing I.A.No.: 3845/2019 in C.P.No.: 3638/2018 before National Company Law Tribunal, Mumbai and vakalat and counter filed by HCPL and the application during hearing of several matters is dismissed by NCLT, Mumbai on 18.09.2023; in the above petition the Petitioner is seeking (a) to direct the IL&FS & HCPL to abide by the terms mentioned in MOA dated15.01.2013 which was entered between the parties, (b) to allow them to match the bid of the highest bidder for the proposed transaction subject to the protection of the terms and conditions of MOA and (c) in Alternative of prayer clause (b), to direct the proposed buyers/highest bidders of the proposed assets to abide by the terms and conditions mentioned in MOA therein;
Against such dismissal an appeal by way of Company Appeal 47 of 2024 was filed before NCLAT New Delhi., filed by B Rama Raju, the matter was listed for hearing on July 24, 2025 before the Chairperson's court of the Hon'ble NCLAT, the Advocates were briefed as to conditional submissions as to agreement to dispose the appeal in terms of 'prayer C' in the Appeal., (adherence to the MOA terms by the Bidder and subject to Orders by the NCLAT in IA 5036 of 2023) and the Bench recorded the submissions made by the parties and disposed-off the Appeal, all parties to the MOA shall adhere to the terms of MOA."

(vii) A Miscellaneous Application bearing M.A.No.:632/2022 in Company Petition i.e. C.P.No.3638/202018 filed by State Bank of India (SBI) against HCPL before National Company Law Tribunal, Mumbai seeking to reclassify their claim as a Secured Creditors from Unsecured Creditors and SBI has filed an Application claiming home loan amount with interest against 25 customers who have been defaulted and their claim is comes under Unsecured Creditors and seeking to give direction to The Resolution Professional to reclassify them as Secured Creditors from Unsecured Creditors and to pay their dues/claims in due process of law and after hearing the matter Hon'ble NCLT, Mumbai. On 24-07-2024 allowed SBI petition to be classified as secured creditor - Claim Management Advisor was directed to modify the claim of SBI and classify it as Secured creditor/ secured claim.

(viii) **Arbitration with refeerence to Land agreements :** HCPL received notices 3 Arbitration Applications bearing Arb.Appl.No.s: 91/2023, 92/2023 and 93/2023 from the High Court of Telangana with regard to 3 land parcels - BRNR Agro Pvt. Ltd. (Maissammaguda), Nallamala Agro Pvt. Ltd.(HCSEZ) and Chitta Farms Pvt. Ltd. (Gopanpally) and Cyril Amarchand Mangaldas (CAM) –Hyderabad/Bangalore is appointed in the matters and vakalats have been filed in the respective cases by the Counsel, further a memo stating that 'Stay and Moratorium' subsist in the matter and the Hon'ble Court heard arguments of both the parties and counters have been filed in the said three Arb. Applications by HCPL. Petitioners arguments is that HCSEZ is not covered under moratorium, however our counsel argued stating that Resolution of HCPL is in last leg and already moratorium is there after brief hearing again matters are listed for hearing in onward list.

A new WP is filed by the Villa Owner/Petitioner Mr.Rajasekhar Simma., Writ Petition no.18800/2025 before the High Court of Telangana., against (1) the state of telangana (2) HMDA, (3) Nizampet Municipal Corporation, (4) Additional Collector- Local bodies Integrated District Office., (5) HCPL, (6) IL&FS, (7) HCVOMACS and (8) the District Registrar., The same is related to Roads in Hill County Project., praying that Bidding shall be stopped, Trunk road shall be kept out of RFP., seeking direction to SRO to prohibit sale of trunk road land as its part of Common approach road/trunk road/periphery road in the group housing layout of Hill County. The matter is posted for hearing on 30-07-2025, HCPL engaged Varuna Law Mr.Narender Naik Advocate to represent on behalf of the company.

(ix) In past, Chennai Properties Investment Limited (a company belongs to Sivasankaran group) was given mandate to generate Rs 2500 crores cash flows from the Company's land parcels at a fee of 20% (based on IL&FS Ex Group Chairman mail to the Company Ex Chairman). Since the Sivasankaran group was not able to monetize much and therefore, it was decided that they will do bulk sale of the Company's ready inventory of villa and apartments. The Sivasankaran group vide its group company Utoo Cabs reverted with mail that they have sold 2 villa at Rs 5 Crores total (Rs 2.50 Crores each) in October 2016. The Company received the said Rs.5 Crores. The then Chairman of the company agreed to it with a note that in overall settlement the same will be addressed as this being just starting of monetization. Later, Sivasankaran group never reverted for registration of these 2 villas/bungalows no Agreement was signed with purchaser (Utoo Cabs). Post change in management at Infrastructure leasing and financial Services Ltd (IL&FS), the new Board of the Company terminated the agreement with Siva Group. Later, the Sivasankaran group reverted that they want to register the villas/bungalows and asked for pending maintenance and stamp duty information. In August 2019, UTOO Cabs (an entity belonging to Sivasankaran group) sent a legal notice demanding return of Rs.5 Crores paid by them along with interest, the Company sent a legal reply notice to Siva group.

Recently, Siva Group and IL&FS Group company namely, IL&FS Financial Services Ltd (IFIN) entered into settlement subject to various approvals under IL&FS Group resolution framework as approved by Hon'ble NCLAT vide its order dated March 12, 2020 in which Siva Green has indicated in their letter they, on receipt of final approval would be making payment of Rs.5 Cr to Utoo Cabs so that HCPL need not (1) repay/return Rs.5 Cr to or (2) deliver 2 bungalows to Utoo Cabs Limited.

Further Utoo Cabs would write to HCPL to transfer 2 bungalows to IFIN, while confirming no liabilities / dues to them from HCPL.

a) HCPL to transfer the two bungalows ((1) Bungalow No.6 - admeasuring 792 Sq.yds and (2) Bungalow No.12 - admeasuring 820 Sq.yds at Hill County, Bachupally, Hyderabad, Telangana) as is where is basis to IFIN / any third party indicated by IFIN and register those units in name as directed by IFIN. HCPL also provide their services to assist IFIN in selling these properties on "As is where is basis" and register such units at SRO in name of parties as directed by IFIN.

Utoo Cabs (Siva Group) would execute the documents as required by IFIN / HCPL, to facilitate transfer of the following two bungalows / residential properties to IFIN / any third party as indicated by IFIN by HCPL

b)Utoo Cabs to provide a confirmation that it would not seek refund of Rs.5 Cr or transfer of the above two bungalows from HCPL in its favour.

Based on above, the Company received letter from Siva Group and said 2 bungalows, necessary applications moved seeking approvals from Justice Jain and post the same, application seeking approval made to NCLT. Basis the NCLT Approval received by way of Orders dated 11-12-2025, adhering to the same, the parties entered into a Settlement Agreement Dt.29-12-2025. Accordingly, HCPL is to transfer the Two Villa units to IFIN or nominees of IFIN without incurring any expenses, charges, etc., all such expenses, charges to be borne by IFIN or its nominees, as the two units were assingned by Utoo Cabs/Siva Group to IFIN.

(x) "Suit filed by the legal heirs of the esrtwhile owners of the Bachupally land parcel – seeking for partition and separate possession of the vast extents of the immovable properties. At present, grand children of the erstwhile owner impleaded themselves as legal heirs claiming share & rights in the properties in Bachupally village where the company lands and Subsidiary Hill County SEZ Private Ltd., land development rights are part of schedule properties and earlier an interlocutory petitions were filed to restrain the company from carrying out constructions or changing the nature of land and alienating the land or the building constructed till the final decree is passed and the same is pending. HCPL filed memo stating that stay and moratorium ordered by NCLAT, New Delhi on 15-10-2018 subsists in the matter

The Company got favourable order in land ceilings case where past to past owners has not declared certain lands belong to them though Hill County land at Bachupally was declared properly. The Company was made party to the case as present owner of land. Later, one of the party to the case aggrieved by R.D.O. & Land Reforms Tribunal, Medchal- Malkajgiri Order dated 07.08.2019, approached Land Reform Appellate Tribunal – Ranga Reddy district and the Company is made as one of the respondent. The company filed vakalat and memo with regard to NCLAT stay and moratorium against IL&FS group and at present HCPL and HCSEZ filed detailed counter, counsel submitted oral arguments, as well filed written Arguments and but the Hon'ble Court didn't consider the memo filed towards stay moratorium is not acceptable and in aggrieved by the Hon'ble Court order in memo, Civil Revision Petition is filed the same is posted for hearing on 11-09-2024. CRP is filed by HCPL and the same is also pending for hearing. Appeal is pending in Land Reform Appellate Tribunal , Ranga Reddy.

(xi) Ac 13.15 land held by the company under JDA in Gopanpally and 16.27 Ac in Bachupally held by company's Subsidiary Hill County SEZ Private Ltd are under attachment with Central Bureau of Investigation (CBI). The company also have legal dispute regard to ownership to the extent of Ac 7.00 at Maisammaguda which is acquired by the State Government for Defence department firing range, however physical possession of the land is not taken by the Govt.

(xii) Writ Petition has been filed by the company before the Hon'ble High Court of Andhra Pradesh seeking to suspend proceedings in Rc.No.17/3/2015/A dated 10.12.2015 issued by Thahsildar,Visakhapatnam including auctioning of the Company land at Madhurawada Vizag, by way of WP No.8197 of 2016 and Interim suspension ordered on 14th March, 2016 by the Hon'ble High court of Telangana., and the same is pending for hearing in onward list.

(xiii) The Vijayawada land and land development rights of 18 acres were sold at Rs 72.00 crores plus interest @ 12% totalling to Rs 90.00 crores. The party Ram Krishna Housing P Limited (RHPL) after paying Rs 24.00 crores defaulted and entered MOU to pay the money on time with penal interest. However, the party defaulted after entering MOU again and also, cancelled the General Power of Attorney (GPA) given while executing Agreement for Sale (AFS). The Company had filed two Writ Petitions challenging the actions of Sub - Registrar of Pedakakani, Guntur Dist. as arbitrary, illegal and unjust in registering the cancellation of Irrevocable General Power of Attorney bearing Book No. BK IV20/2016 dt.21.06.2016 (executed in favour of the Company) and also to declare the action of the Sub-Registrar of Pedakakani, Guntur District in issuing endorsement dt. 07.08.2019 bearing Endorsement no. N/1/2019, thereby refusing to register the cancellation deed (in respect of the Agreement to sell -Vijayawada Lands) presented by the Company is illegal, arbitrary and quash the same and further order the Sub Registrar to register the cancellation deed presented by the Company; Notices were ordered to Respondents and Additional Advocate General made appearance for the State and SRO, Advocate filed vakalath for RHPL, in the two writ petitions and the same are posted for hearing in onward list. Respondents are to file their version and the said cases is posted for hearing in onward list.(Presently IRP appointed and moratorium ordered on an application filed by SREI InfraJ.C.Flowers Assets Construction Ltd.)

In this regard, additionally as per Legal advise, the Company submitted a written representation January 20, 2020 (petition) to the District Registrar, Guntur, (with a copy to Commissioner and IGR&S) seeking set aside of the unilateral cancellation of the GPA by the Sub Registrar, Peddakakani – Written Arguments also filed and order is awaited.

Earlier a paper publication issued by the Interim Resolution Professional (IRP) dated 31.10.2022 calling for the claims against the Ramakrishna Housing Private Limited from all the stakeholders.Shriram City Union Finance Limited (Shriram) filed a Section 7 Petition bearing CP (IB) No. 8/7/AMR/2020 under the Insolvency and Bankruptcy Code against Ramakrishna Housing Private Limited before the Hon'ble National Company Law Tribunal, Amaravathi Bench ("NCLT"). The Hon'ble NCLT vide its Order dated 28.10.2022 admitted the above said Petition and initiated Corporate Insolvency Resolution Process against Ramakrishna Housing Private Limited and appointed Mr.Sriram Parthasarathy as the Interim Resolution Professional (IRP), accordingly HCPL has sent reply letter dt.14.11.2022 along with documents through registered post as well as e-mail regarding cancellation of Agreement to Sell of Vijayawada land due to breach of contract and the same was received by the Insolvency Resolution Professional. HCPL has submitted to IRP, that RHPL has no rights over land under ATS dt. 21.06.2016 reg. Doc.No.: 2892/2016, and the same shall be excluded in the memo as to assets as the consideration under ATS was never paid by RHPL. Further in violation of terms agreed, RHPL went for unilateral cancellation of POA. In this regard recently "NCLT Amaravathi" has allwoed application of the RHPL and restored back the companies status as a normal status company even the IRP appointment is cancelled, powers of the board restored in view of settlement arrived between RHPL and Shriram and said C.P. no. 08/2020 is dismissed as withdrawn by NCLT, Amaravathi.

Recently, HCPL received a letter dated 02.07.2026 (10.07.2026 through speed post) from Insolvency Professional - Mr. Mallikarjuna Setty Nethi - IRP stating that M/s.Ramakrishna Housing Private Limited (RKHPL) is under Corporate Insolvency Resolution Process (CIRP) and he was appointed as the Resolution Professional by the Committee of Creditors and as per books and records of Corporate Debtor i.e RKHPL are available an amount of Rs.36,04,50,269/- is outstanding and payable by Hill County Properties Ltd. towards advance provided by the Corporate Debtor. J.C. Flowers Assets Reconstruction Pvt. Ltd. filed a Company Petition bearing C.P.No.13/2025 in NCLT Amaravathi for recovery of amount of Rs.113 crores and the said Company Petition is pending before the Tribunal.

(xiv) Visakhapatnam land parcel – a suit bearing O.S.No.:1028/2008, earlier, it was filed by Mr. Kolupuri Rama Rao against Maytas Properties Ltd. seeking for permanent injunction to an extent of Ac.2.00 cts of dry land in Sy.No.7 of Kommadi Village, Visakhapatnam. This suit has been dismissed on 17.02.2017 by the Hon'ble Court as Plaintiff abated on his death long back. Recently, the Company (Hill County Properties Ltd.) have received summons in three Interim Applications in O.S.No.:1028/2008 in the file of VII Addl. Senior Civil Judge Court, Visakhapatnam and in the same, vakalat's and a memo regarding stay moratorium filed by HCPL's counsel – Mr. Ramdas and the same are posted for hearing.

(xv) Memorandum of Agreement (MOA) was entered with Former Promoter Group (FPG) (Raju group) in 2013 with No termination clause and inter alia agreeing for release of personal guarantee for Mr Teja Raju subject to certain terms and conditions. Post registration of Development agreements (DA) which were consequence to MOA, there were number of land related issues for which FPG (Raju group) was responsible to ensure that they all get resolved, further undertaken to provide clean lands for development to HCPL. The land development has not happened as all the land parcels were having land related issues and many such issues were concealed by FPG (Raju group) at the time of MOA and later on while entering the DA also the same was not disclosed to the company and IL&FS group. The company along with FPG held discussion and informed the FPG to clear the issues and provide clean lands without resorting to delaying tactics.

HCPL has sent letter in 2018 itself highlighting to the FPG that there are various issues in relation to the Land Parcels (including but not limited to violation of agricultural land ceiling, boundary, survey, disputes with neighbouring land owners, land use classification, access to site, past documents, encroachment, litigation, attachment by authorities for reasons attributable to the FPG, misrepresentation by FPG, restricted entry to land parcels etc., The fact that Land Parcels were not having clear title were raised by HCPL with the FPG and the land-owning entities (affiliated to the FPG) during discussions as well as in correspondence, including vide letter dated November 28, 2018, HCPL requested for assistance from FPG to resolve the issues at hand however there was no cooperation and assistance as obligated under Master Agreements.

Later on post change in management at the Company, notices were received from Former Promoter Group (Raju group) and land owning companies threatening termination of Development Agreement in respect of various land parcels, they displayed notice boards stating that legal issues are pending and the company's Rights in land parcel stands terminated by them, the Company has suitably responded to them stating that the DA are irrevocable, termination notices are illegal, FPG and landowning companies cannot terminate in view of the settlement terms, MOA and agreements executed, further if it happens recovery of Rs.301 cr (along with interest) from FPG and Raju companies to the Company will arise. Also, personal guarantee of Teja Raju will get reinstated. HCPL sent a reply letter dated May 10, 2019, wherein it was highlighted that it is the FPG that is in breach of its obligations under various agreements entered into between the parties, the commercial understanding between the parties was always that the monies payable to the FPG shall be used to apply towards payments under Clause 4.8 of the MoA and after such payments have been made, FPG will not be entitled to any profit from the development of the Land Parcels; the entire economic interest of the Land Parcels vests with HCPL, the MoA read with the development agreements collectively records various undertakings of the FPG in relation to handing over of the Land Parcels and various other obligations which the FPG is in breach of; further as regards any encumbrances created are in accordance with the agreements and any such encumbrances are only on the receivables of the project and the development rights which HCPL possess. HCPL clearly stated they could not carry out development of the project due to the defective title and non-performance of certain obligations by FPG. Development cannot take place when there are defects in the title and in fact, some Land Parcels have been attached by the CBI, the defects with respect to the land were clearly specified to FPG.

The Company vide its letter dated February 03, 2020 informed FPG and Land owners to return the Rs.301 cr along with interest and damages from the date of payment till realization in case of termination of Development Agreement though there was No Termination clause and as FPG wanted to create hurdles and roadblocks in monetisation of HCPL which the new management is doing in best interest of lenders so as to maximise value for lenders. FPG and Land owners have sent a reply dated February 24, 2020 disputing and denying the contentions and demanded proof to that effect and also, stated that it was supposed to be adjusted in 8 years.

When there were hindrance/interference from FPG at the land parcels, the Company through its counsel, has served legal notices dated March 06, 2020 to the FPG and Landowners/ Landowning companies; to cease and desist from interfering with the Company's land under Development Agreement, in view of the MOA, Settlement terms entered earlier in respect of Bachupally, Maisammaguda and other lands. FPG and Landowners/ Landowning companies through their Counsel have sent reply dated 06-08-2020 to the company legal counsel, refuting the contentions and repeating and reiterating the allegations made earlier by them that the default is on the Company's side.

(xvi) "Landowners and other parties to Development Agreement in respect of various land parcels have sent in all 13 Notices dated 07.04.2021, all belonging to FPG Companies (Vindhya Bio-Tech Pvt. Ltd., Rohini Bio-Tech Pvt. Ltd. JRB Agro Farms Pvt. Ltd. BRNR Agro Pvt. Ltd., DRBR Agro Pvt. Ltd., Sravana Agro Pvt. Ltd., Chitta Farms Pvt. Ltd., Penneru Agro – Tech Pvt. Ltd., Satabisha Agro Pvt. Ltd. & Sarayu Agro Farms Pvt. Ltd., Nallamala Agro Farms Pvt. Ltd., Kanchenjunga Greenlands Pvt. Ltd. and Keelaka Agro Farms Pvt. Ltd.,) stating that they appointed Shri M.Rama Das as Arbitrator for resolution of dispute with regard to termination of Development Agreements entered with respect to Bachupally Maisammaguda Gopanpally, HCSEZ –Bachupally and Vijayawada.
The Company consulted the Legal Counsel for advice and instructions in respect of total 13 notices seeking resolution of dispute by the Arbitration. After due vetting and finalisation. the Company gave a common Reply dated 03-05-2021 to the same rejecting the demand duly stating that the pending issues in respect of land parcel which FPG has undertaken to clear and provide clean lands as per settlement terms. Further stating that the company is under resolution and the demand for appointment of Arbitrator is rejected."

(xvii) Gopanpally Land : When the Land Owning Companies (FPG) were trying to raise boundary wall, initially Legal Notice was issued, later on a civil suit bearing O.S.No.:7/2022 is filed by HCPL before XV Addl. District and Sessions Judge, Kukatpally; seeking for Interim Injunction against the illegal actions of the Land Owning Companies (Chitta Farms Pvt. Ltd., Penneru Agro-Tech Pvt. Ltd. And Satabisha Agro Pvt. Ltd.) i.e. acts of interfering with the peaceful possession of land admeasuring Acres 39.15 Guntas, situated at Gopanpally. In view of caveat filed by Land Owning Companies - Notices issued to Defendants, the same is coming for Written Statement of Defendants. The Defendants filed petition under Section 8 of Arbitration and Conciliation Act and vakalat filed by Mr. Vikram, advocate for Def. no.2 and .the . Matter is posted onward list for filing of written statement by Defendants. and vakalat filed by Mr. Vikram, advocate for Def. no.2.

In July 2025, there were attempts by individuals to fence and put columns and sheets, encroach into HCSEZ part Land in sy.no 112

(xviii) In July 2025, there were attempts by individuals to fence and put columns and sheets, encroach into HCSEZ part Land in sy no.112., stating that the same is basing on survey and demarcation as sold to them by way of sale deed., HCPL is in the process to initiate action against such illegal attempts already draft plaint is ready as to file in civil court at Miyapur.

(xix) HCPL filed a suit seeking perpetual injunction under sec.26 & O7, R1 r/wO39 R1&2 of Civil Procedure Code against Aparna Constructions and Estates Pvt. Ltd. and 2 Ors.(Bharani Agro Pvt. Ltd. and Sarayu Agro Farms Pvt. Ltd. restraining Defendant No. 1 or its agents, henchmen, employees or any other person claiming through or on behalf of Defendant from interfering with the peaceful Possession of plaintiff(HCPL) with respect to the schedule property i.e Gopanapally land admeasuring Ac.39.15 Gnts. Actually, Aparna Constructions and Estates Pvt. Ltd has purchased Ac2.00 from land owner which is adjacent to land where HCPL holds development rights. The suit is numbered as O.S.No.158/2025 directed to send notice and posted for hearing.

(xx) HCPL received a Notice No. B/818/2025 dated 23.7.2025 from M.R.O., Serilingampally for filing of an objections to an application bearing No.2500390009 filed by Mr. Kolluri Padma Rao through Bhu Bharati for NALA without PPB for Ac.2.00 Gnt in Sy.No.245/A/1 situated at Gopanpally village and the notice specifies a hearing date fixed for 30.07.2025, during which interested parties are required to file their objections, if any.

HCPL submitted a request letter dated 30.7.2025 addressed to The Dy. Collector, Serilingampally submitted to Dy. Collector and the same has acknowledged by M.R.O. office and HCPL has requested time to file objections in application filed by Kolluri Padma Rao for NALA without PPB I Sy.No.245/A/1 in Gopanpally and the hearing of application is posted to 12.08.2025 where HCPL has filed its detailed reply – objections dated 21.08.2025 along with annexures submitted on 22.08.2025 before The Deputy Collector & Tasildhar, Serilingampally – R.R.Dist. As per detailed reply –objections where clearly shown the land situated in sy.no.245/A/1 is belongs to Penneru Agro Tech Pvt. Ltd. and the same is under SEZ.

(xxi) HCPL and HCSEZ received a propsed intimation of higher tax from Nagar Panchayat, Daurla - Meerut for payment of tax demand for financial year 2025-26 towards vacant land. HCPL has given an accurate reply dated 13.03.2026 – request the authorities to revise the tax on vacant land where the Company is under resolution process and stated the present situation of the Company/ no revenue generated by the Company. As in last Financial year 2024-2025 HCPL has paid the tax towards vacant land situated in Meerut but the authorities increased the tax on vacant land was heavy site-value assessment.

(xxii) HCPL received a notice in Execution Petition i.e E.P.No.:1191/2019 filed before IV Addl.District and Sessions Judge-cum-I Addl. Family Court, Rangareddy Dist. by Rank Silicon Pvt. Ltd. Against Maytas Hill County Residence Pvt. Ltd & Maytas Properties Ltd. and in the said case HCPL filed a memo stating that the EP is liable to be returned as the EP Schedule property is not within the court's jurisdiction. The court returned the suit on 11.06.2026 and ordered as follows:
"Both the counsel are present. The learned counsel for the JDRs No.1 and 2 earlier filed a memo stating that the EP schedule property is not situated within the territorial limits of this Court, as such, this Court has no jurisdiction to entertain the EP. The learned counsel for the DHR also reported the same. Since, the property is situated outside of the territorial jurisdiction of this Court, this EP is returned to re-submit before the proper forum having jurisdiction." The matter is disposed off with these observations.

(xxiii) HCPL sent reply letter to vacant notices issued by M/s. Authum Investment and Infrastructure Limited (Reliance Capital)., in reply to their action invoking sec 14 of SARFAESI Act., involving the Customers / Home buyers i.e V Mahendra and V Manoj. HCPL informed them for the units (198 and 234) being held by HCPL under its custody, as the owner, the Customer did not take possession, balance sale consideration (about 80 lakh per each unit) is due, unpaid and outstanding from the customers to HCPL. Moreover, the "stay and moratorium" orders are subsisting in respect of HCPL company - so also its assets., which are matters of resolution before the NCLT Mumbai., as well the Claims Management Advisor appointed in that regard.

44 Inter Corporate Loans Rs.10.38 crores to Group Companies :

Based on guidelines received from time to time from the promoter IL&FS group management, during the financial year 2018-19, the company has made a provision for inter-corporate loans given to two promoter group entities aggregating to Rs.10.38 crores (including interest accrued upto October 15, 2018). The inter corporate loans were given based on group directives in the past and for which loans and advances were also received from group companies and monies of the Company has not been utilized for the same.

45.(i) On account of the events after January 2009, the construction of the Hill County Project had been suspended, and had resumed after IL&FS group took-over this Company. Consequently, there has been delay in completion of the Hill County project, as a result of which, some customers, who paid advances had initiated litigations in various forums against the Company, either for refund of the amounts paid along with interest or for damages and compensation for delayed deliveries and/or legal costs incurred by the customers. The Company had settled some litigations till previous years. However a few customers litigation are still pending for settlement. To settle the matter with customers and hand over the sold units, the Company had made an offer of compensation for the delayed period. The outstanding balance of compensation payable towards aforesaid cases is Rs. 2.78 crores (March 31, 2024: Rs. 3.68 crores)) has been still continued though claims to that effect are not filed with Claim management advisors (CMA) and as stated in notes to accounts all claims prior to cut off date (October 15, 2018) are to be settled through through claim management process and based on waterfall mechanism from monetisation value under IL&FS Group resolution framework.

(ii) In case of some customers for which National Commission had directed the Company to settle amount paid by the customers, it has been further directed that the Company to settle the housing loans taken by the customers from banks (including Equal Monthly Instalment (EMI) portion paid by the customer to the banks) for which the Company has accrued estimated compensation cost and based on the settlements till March 31, 2019. The outstanding balance of compensation payable towards aforesaid cases is Rs. 0.75 crores (March 31, 2025: Rs. 0.75 crores).

(iii) The Company has made out of court settlement with a few and amounts paid. Further, the Company has made provision for other litigations / cancelled units till March 31, 2019 based on past settlement, ongoing discussion with customers, etc. The outstanding balance of compensation payable towards aforesaid cases is Rs. 19.28 crores (March 31, 2025 Rs. 20.17 crores). The Company has not made fair value adjustments to the compensation to customers as at March 31,2026.
The Company and IL&FS Group has appointed claim management advisor (CMA) and final admission /acceptance of such customer claims depends upon the submission made to CMA and its acceptance as required under resolution process.

46 Due to the ongoing investigations and cases against the former promoters belongs to Raju family Group and their associates, the Investigative Agencies have attached certain properties, which include certain land parcels and land development rights of the company and its subsidiaries. Further investigative agencies also have attached certain land of other entities for which the Company or its subsidiaries had given advances /or have entered into development agreement towards development of projects.

47 Advance to Other Companies

(i) In the earlier years, the company (including entities merged into the company) advanced an amount aggregating to Rs.301.81 crores to former promoter of Raju family group entities (FPG entities). Gross amount outstanding as at March 31, 2020 aggregating to Rs. 286.28 crores and the amortized value of the same as at March 31, 2026 Rs. 223.15 crores (March 31, 2025 Rs.223.15 crores)

The Company entered into a common Memorandum of Agreement (MOA) dated January 15, 2013 and a common Framework Agreement (FA) dated June 21, 2014 to recover these balances.

(ii) There are number of issues arising out of land related matters (refer note. 43 (xii) & (xiii)) and settlement entered into with PE Investors and Former Promoter Group (FPG) (Raju group).

The FPG (raju group) though are land owners under development agreement but in substance, the land parcels were all part of SBI caps business plan and erstwhile CLB application and order of January 2011 which was considered for IL&FS group induction in HCPL and FPG (raju group) were having only interest of adjusting its Rs 301 crores of Advances as land owner share which HCPL and its group companies gave it to FPG (raju group).

The agreement (MOA) was certain land parcels were kept under irrevocable development agreements and any payment of share in development will be given to FPG (raju group) which in turn has to repay / adjust Rs 301 crores of advances which HCPL and its group companies gave to FPG (raju group). Thus, the economic value under land development has to come 100% to HCPL and in turn to IL&FS and only advances of FPG (raju group) gets adjusted.

FPG (Raju Group) is creating hurdles and obstacles in resolution of HCPL (Hill county Properties Ltd (Earlier Maytas Properties Ltd) which new management is doing in open, transparent manner by inviting offers for 'Resolution of HCPL' on an as is where is basis (resulting in indirect acquisition of the wholly owned subsidiaries of HCPL) through public advertisement dated 14th June, 2023 in order to get maximum value for lenders.

IL&FS group has funded HCPL throughout since its induction in 2011 to pay off liabilities and now, when Hyderabad real estate market is good, Raju group is trying to take over company by stating its rights got affected and it's in better position to develop land parcels. The Raju group wanted to be given opportunity to take over company by matching highest price offered for HCPL under public auction process which will clearly affect value discovery for lenders of HCPL which is IL&FS group and in turn public money from where IL&FS Group has borrowed.

The resolution / monetisation of HCPL will help to recover lending by IL&FS Group to HCPL.

Further, during the year, the company has not made adjustments to the amortised value of Rs. 223.15 crores as at March 31, 2025 as stated earlier, these advances are as such to be adjusted against any share to be payable to FPG under land development agreements.

48 Leases - Operating lease commitments - Company as lessor

The Company has earlier entered into an operating License agreement with 'Downtown Recreations Private Limited', on yearly basis (one year) with respect to handling the operations at the Club House property (classified under Property, Plant & Equipment) the same has expired on March 31, 2018 however, the Lessee is being allowed to continue operations on the cancellable terms of the Company. Post Covid-19 situation and disturbance created by Association's EC Members/Residents, there's drastic fall in revenue generation and there is no much income from operations of club house and what is generated is spent out. The Company being owner of clubhouse is under obligation to maintain and no income is envisaged.

49 Interest Expense

Consequent to the matters referred in note no 42 and in terms of the resolution framework process approved by NCLAT, no liabilities, including interest, default interest, indemnity claims and additional charges are to be accrued on liability existing as on the cut-off date till October 15, 2018. The Company is just following NCLAT order and accounting below will be in breach of order of March 12, 2020

50 Inter Corporate Deposits/Loans Rs. 261.70 crores:

(i) Prior to January 13, 2011, the erstwhile promoters of the Company had placed certain fixed deposits under lien with a bank against borrowing by some companies (Tier I companies). The shareholder's approval dated June 30, 2008 approving the aforesaid transaction required execution of sale cum power of attorney in respect of certain land banks owned by third parties as collateral security, which had not been executed. During the financial year 2008-09, the banker had encashed the fixed deposits towards settlement of the outstanding loans taken by the aforesaid companies aggregating to Rs. 211.14 crores . Also, the Company had also advanced Rs. 50.55 crores to companies (Tier I companies) as inter corporate loans.

The Company had established documentary evidences that erstwhile Satyam Computers Services Limited(SCSL) was the ultimate beneficiary of inter corporate loans aggregating to Rs. 261.70 crores for which various litigations have been initiated against SCSL by the tier II companies through whom these amounts disbursed were routed, for recovery of the said amount together with compensation. In the interim, SCSL had merged into Tech Mahindra Limited (TML) pursuant to a Scheme of Arrangement u/s. 391-394 of the Companies Act 1956. As provided in the Scheme and as per the Judgment of Hon'ble High Court of Andhra Pradesh on the said Scheme, the aforesaid amount in books of SCSL was transferred to TML. TML, in its Audited Financial Statements for March 31, 2018 continued to disclose as "Suspense Account (Net) Rs. 1230.40 crores" as had been disclosed by SCSL earlier. The Company based on forensic audit report by Grant Thronton Bharat(GT) dated February 2019 views that the inter corporate loans given by the Company and other group companies to SCSL are included in the aforesaid amount disclosed by TML in their Audited Financial Statements.

(ii) Further, based on internal evaluation and/or expert advice, documentary evidences available with the Company and in view of the observations of the Special Court in its verdict dated April 9, 2015 on the criminal case filed by the Central Bureau of Investigation, confirming that an amount of Rs. 1,425.00 crores was transferred to SCSL through the intermediary companies, out of which an amount of Rs. 1,230.40 crores continues to subsist with SCSL.

The company has received a report from professional agencies detailing the money trail of the above matters. As per the said report monies received from CCD holders was used as source for transfer of monies to SCSL/TML.

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

Initially a A Commercial Suit (L) 281 of 2020 wais filed by Hill County Properties Ltd., in the High Court of Judicature at Bombay (Ordinary Original Civil Jurisdiction) seeking recovery of ICD amounts along with interests and costs. HCPL filed the suit with leave to file the same in Mumbai. Veritas Legal are appearing on behalf of HCPL. Khaitan & Co appearing for Tech Mahindra. Tech Mahindra filed its Written Statement and the same is taken on record, matter was heard by the Hon'ble Court and the counsel Veritas Legal in consultation with Senior Counsel appeared, suit (No. 306 of 2024 -filed by HCPL) was listed on 21.07.2025 before regular Bench of Mumbai High Court and the Hon'ble Court directed Plaintiff to verify Affidavit of Service -Writ of Summons and the Hon'ble Court directed to re-serve the notice to Defendant no's.: 8 & 15 (Saptaswara and Ekadanta) by Plaintiff and the Hon'ble High Court of Mumbai passed orders on 06.01.2026 i.e defendant no. 15 failed to file written statement within statutory period. Today, none appeared for defendant no. 15. Hence, "suit against defendant no. 15 is transferred to the list of Undefended Suits. Suit against defendant no. 1 is already transferred to the list of Long Causes and suit against defendant nos. 2 to 14 and 16 to 30 is already transferred to the list of Undefended Suits. Remove from board." And the said case will be posted for hearing in onwards list.

listed on 9-05-2024 for circulation however due to paucity of time could not be taken up and the matter is likely to be listed in September 2024 before the High court. The counsel have detailed discussion and deliberations into the objections filed by Tech Mahindra as regard maintainability of suit as "commercial dispute", detailed arguments and submissions to demonstrate that the disputes raised in the Suits are "commercial disputes" under the Act.

Tthey opined that objecting to the same is time consuming and were of the opinion that merely seek return of the Plaint to be presented before the Regular Court of the Bombay High Court as an Ordinary Suit (which process would be completed within a weeks' time (no need of separate court fee –clarified by Veritas team) as already the pleadings are on record., already Tech Mahindra has also filed their written statement running into volumes and the matter will be a long drawn as various factors are involved, evidence is to be lead from both sides and same will take sufficient time, even the matter may go in higher courts also which will also delay the pace of litigation. Accordingly, management gave Already instructions to take steps and now the suit is Ordinary Suit with Suit No. 306 of 2024., posted for hearing in onward list.were issued to Veritas Team and the same is in process.

As a measure of prudence, the Company has made provision for such inter corporate deposits (ICD's) which in any case does not affect its legal rights and suits for recovery which has been pursued at Bombay High Court. Two separate Commercial Suits which were have been filed by HCPL and IL&FS converted into ordinary suits and the same are pending.

As a measure of prudence, the Company has made provision for such inter corporate deposits (ICD's) which in any case does not affect its legal rights and suits for recovery which has been pursued at Bombay High Court. Two separate Commercial Suits which were have been filed by HCPL and IL&FS converted into ordinary suits and the same are pending.

(iii) The Former Promoter Group (Raju Family Group), established a wholly-owned subsidiary, Maytas Properties ME FZE, in the Sharjah Airport International Free Zone (SAIF Zone). On November 22, 2007, this subsidiary entered into a reservation agreement with Falconcity of Wonders LLC for a building in Dubai Land known as the ""Grand Pyramid"" (G+35 stories).

The total purchase price was AED 261,247,487. Payments were scheduled as a 10% reservation fee, followed by a 20% payment within six months, and the remaining 70% in bi-monthly installments over one year.

After stalling its operations, the Hon'ble Company Law Board (CLB) appointed Board of MPL (Now, HCPL and Maytas Properties ME FZ achieved a huge success in getting back valuable foreign exchange through a proper legal award which otherwise was as such lost through forfeiture with further threat of legal notices and suit and no chance of recovery whatsoever. Accordingly, a national service was delivered and protection of company rights are ensured. Subsequently, with no further business objectives, the company was legally wound up in FY 2015-16, having cleared all outstanding liabilities with the SAIF Zone authority, as confirmed by the Government of Sharjah. Accordingly, a national service was delivered by bringing back valuable Foreign Exchange which was lost otherwise and protection of company rights were ensured.

The company is earliercurrently received letter as addressing ato a non-compliance issue with Axis Bank related to a missed Annual Performance Report for the year of its closure. The company all submission to authorsied dealer, Axis Bank is made and now, awaiting outcome of submission.

51 Foreign Currency transactions

(a) Earnings in Foreign currency

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Earnings in foreign currency	Nil	Nil

(b) Expenditure in Foreign currency

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Expenditure in foreign currency	Nil	Nil

52 Other Statutory Information

(i) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) The Company does not have any transactions with companies struck off any section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

(iii) There are no charges pending creation as on reporting date

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

(ix) The Company had not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks on the basis of security of current assets of the Company.

53 Key Ratios to the extent applicable to the company are given below:

Ratio	Nmuerator	Denominator	31-Mar-26	31-Mar-25	% Change	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.045	0.041	10.86	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	(1.77)	(1.63)	8.60	
Debt Service Coverage ratio	Earnings for debt service=N / Net profit after taxes+Non-cash operating Expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA	NA	NA	Refer Note 50
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	NA	NA	NA	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA	NA	NA	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA	NA	NA	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	NA	NA	NA	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	NA	NA	NA	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	NA	NA	NA	

54 Previous years figures have been regrouped / reclassified wherever necessary to correspond with the current disclosure.

As per our report of even date attached

for M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Sd/-
M V Ramana Murthy
Partner
Membership No. 206439
Place: Hyderabad
Date : September 8, 2026

For and on behalf of the Board of Directors of
Hill County Properties Limited

Sd/-
Sabina Bhavnani
Director
DIN: 06553087

Sd-
Neerav Kapasi
Director
DIN: 03500964

Sd/-
Diksha Dhillon
Director
DIN : 07210034

Sd-
Mahendra Bazar
Chief financial officer

Date : :September 8, 2026
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To The Members of
Hill County Properties Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying Consolidated Financial Statements of **Hill County Properties Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and summary of the material accounting policies and other explanatory information ("the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, except to the effects of the matters discussed in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2026, the consolidated profit including consolidated other comprehensive income , the consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified opinion

3. We draw attention to following notes to accompanying consolidated financial statements:

   a. Note 11 regarding non-current tax asset which includes Rs. 9.68 Crores, representing the amount of refund due from the Income Tax department for the earlier years which is subject to reconciliation by the Group of year wise balances due with the Assessment Orders for respective years. Pending such reconciliation, we are unable to comment on the adjustments, if any, that are required to be made against the amount reported in the condolidated financial statements.

   b. Note No. 12 regarding other assets which includes Rs.0.13Crores advance to a vendor and Note No.14 regarding trade receivables of Rs.1.35Crores which are subject to confirmation and reconciliation. Pending such confirmation and reconciliation we are unable to comment on the ultimate recoverability of the same.

   c. Note No. 24 regarding net deferred liability of Rs.3.69Crores which includes deferred tax asset of Rs.110.81Crores recognised on the business loss. Considering the status and volume of operations of the Company, in our opinion the recognition of deferred tax asset is not appropriate.

   d. Note 46 regarding various risks and uncertainties to the Group's financial condition as identified by the Management that may affect the future financial performance and the financial position of the Group. We are unable to comment on the consequential impact thereof on these consolidated financial statements.

   e. Note 50 regarding Advances to Other Companies aggregating to Rs. 223.15 Crores (March 31, 2025: Rs. 223.15 Crores) (amortised values) which represent amounts paid to certain entities pertaining to former promoter group entities. The Holding Company was in receipt of notices for cancellation /

termination of development rights of the Holding Company and certain litigations lodged with the Holding Company by those former promoter group entities, as more detailed in the said note. In view of these circumstances and in the absence of agreements or confirmation of balances as at the year end from respective entities, we are unable to comment on the recoverability of the said advances.

4. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI 's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Material uncertainty related to going concern:

5. Attention is invited to Note 45 in the consolidated financial statements regarding the financial position of the Group, significant reduction in the Group's operations, management's expectation of Group's inability to meet its obligations over the next 12 months out of its earnings and liquid assets. During the year ended March 31, 2026, the Group was unable to discharge its obligations for repayment of loans and settlement of financial liabilities. These events and conditions indicate a material uncertainty which cast a significant doubt on the Group's ability to continue as a going concern.Despite the above conditions, the Management of trhe Group Company has prepared these consolidated financial statements on going concern basis considering the status of the divestment process under the Resolution Framework.

   Our opinion is not modified in respect of this matter.

   Emphasis of matter

6. We draw attention to following notes to accompanying consolidated financial statements:

   a. Note No.41(ii)(c) regarding claims submitted by financial and operational creditors and other parties aggregating to Rs2363Crores and admitted by Claim Management Agency appointed under the Resolution Framework. As against the amounts admitted, the Group has recognized Rs2291Crores as at the year end. Pending completion of Resolution process, the Group has not recognized difference of Rs.72Crores for the reasons stated in the said note.

   b. Note 49 - regarding attachment of certain lands belonging to the Group by the investigative agencies in the ongoing investigations against the former promoters of the Group.

   c. Note 52 regarding non-recognition of interest expense, on the borrowings availed by the Company, pursuant to the Interim Order and the Judgement passed by NCLAT specifying October 15,2018 as cut-off date for initiation of resolution process.

   The adjustments, if any, arising out of the above matters to the carrying value of assets or to the amounts disclosed in consolidated financial statements, cannot be determined at this juncture for the reasons stated in respective notes.

   Our opinion is not modified in respect of the aforementioned matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Director's Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do 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.

The Board's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the 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 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 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 Directors of the Holding Company, as aforesaid.

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

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

Auditor's Responsibility for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and the other financial information of the subsidiary companies, incorporated in India, we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2A. As required by Section 143(3) of the Act, based on our audit and on the consideration of other financial information of the subsidiaries as stated in the 'Other matters' paragraph, we report, to the extent applicable that:

a) Except for the matters in the Basis for Qualified Opinion paragraph hereinabove, 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) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books , except for the matters stated in the paragraph 2B.(vi)below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) Except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the rules thereunder, as amended.

e) The matters relating to going concern described under Material Uncertainty Related to Going Concern paragraph above, and the matters stated at paragraphs 6 (a), (b) and (c) under Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

f) On the basis of the written representations received from the directors 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 subsidiary companies incorporated in India, 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.

g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”

2B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the other financial information of the subsidiaries:

i. The Group has disclosed the impact of pending litigations in its consolidated financial statements - Refer Note no 41 to consolidated financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There are no amounts required to be transferred by the Group to the Investor Education and Protection Fund, at present.

iv.

a. the respective managements of the Group have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity (“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 Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. the respective managements of the Group have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entities

("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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 audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement;

v. The Holding and subsidiary companies have not declared or paid any dividend during the year; and

vi. Based on our examination which included test checks, the Company and its subsidiaries have used an accounting software for maintaining its books of account for the financial year ended 31 March, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated for all relevant transactions recorded in the software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in the accounting software used for maintaining the books of account. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2C. With respect to the matter to be included in the Auditors' Report under section 197 (16), according to the information and explanations given to us, the Group has not paid any remuneration to its directors during the current year except sitting fee paid to the non- executive / independent directors. which is in accordance with the applicable provisions of the Companies Act, 2013.

for **M Bhaskara Rao and Co.**
Chartered Accountants
Firm Registration No. 000459S

M V Ramana Murthy
Partner
Membership No. 206439
UDIN: 26206439YQQYQL6221

Hyderabad, September 08, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph-1 under "Report on other legal and regulatory requirements" of our report of even date to the members of **Hill County Properties Limited**)

3(xxi) In our opinion and according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements except for the following:

S.No.	**Name**	**CIN**	**Holding Company/ Subsidiary/ Associate.**	**Clause number of the CARO report which is qualified or adverse.**
1	Hill County Properties Limited	CIN:U45200TG2005PLC046307	Holding Company	3(i)(c); 3(iii)(c); 3(iii)(d); 3(iii)(f); 3(ix)(a); 3(xvii) and 3(xix).
2	Downtown Recreations Private Limited	CIN:U74900TG2015PTC099301	subsidiary	3(xvii).
3	Hill County SEZ Private Limited	CIN:U45200TG2006PTC051542	Subsidiary	3(iii)(c); 3(iii)(d); 3(iii)(f); 3(ix)(a); 3(xvii)
4	Maytas Logiparks (Malkapur) Private Limited	CIN:U45200TG2007PTC052506	Subsidiary	3(iii)(c); 3(iii)(d) and 3(iii)(f)

for **M Bhaskara Rao and Co.**
Chartered Accountants
Firm Registration No. 000459S

M V Ramana Murthy
Partner
Membership No. 206439
UDIN: 26206439YQQYQL6221

Hyderabad, September 08, 2026

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 (h) of our Report of even date to the members of **Hill County Properties Limited**)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to consolidated financial statements of **Hill County Properties Limited** ('the Holding Company') and its subsidiary companies, which are companies incorporated in India, as of March 31, 2026 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to Consolidated Financial Statements

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company and its subsidiary companies, which are incorporated in India, internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and 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.

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 Consolidated 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Holding Company's and its subsidiaries internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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 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 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

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 over financial reporting 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Group's internal financial controls with reference to Consolidated Financial Statements as at March 31, 2026:

a. The Group's internal financial control system with regard to the assessment of recoverable value of loans and advances and trade receivables; and
b. Assessment of impact of various risks and uncertainties.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to Consolidated Financial Statements, such that there is a reasonable possibility that a material misstatement of the Holding Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Group has maintained, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as of March 31, 2026, based on internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group for the year ended on March 31, 2026, and these material weaknesses has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the financial statements of the Group.

for **M Bhaskara Rao and Co.**
Chartered Accountants
Firm Registration No. 000459S

M V Ramana Murthy
Partner
Membership No. 206439
UDIN: 26206439YQQYQL6221

Hyderabad, September 08, 2026

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Consolidated Balance sheet as at March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

Particulars	Note No.	As at	As at
Assets			
Non-current Assets			
Property, plant and equipment	4	41.72	42.37
Capital work-in-progress	5	-	-
Investment property	6	594.63	594.63
Other intangible assets	7	0.11	0.11
Financial assets			
Investments	8	-	-
Loans	9	223.15	223.15
Other financial assets	10	0.58	0.96
Non -Current Tax Assets (net)	11	9.72	9.58
Deferred tax asset (net)	24	-	-
Other non-current assets	12	2.84	2.55
Total non-current assets		**872.76**	**873.36**
Current assets			
Inventories	13	27.62	30.01
Financial assets			
Trade receivables	14	1.54	1.44
Cash and cash equivalents	15	19.70	57.18
Loans	9	-	-
Other financial assets	10	80.93	30.63
Current tax assets (net)	11	-	-
Other current assets	12	0.52	0.63
Total current assets		**130.31**	**119.89**
Total assets		**1,003.07**	**993.25**
Equity and liabilities			
Equity			
Equity share capital	16	0.25	0.25
Other equity	17	(1,484.67)	(1,495.71)
Total Equity		**(1,484.42)**	**(1,495.46)**
Non-current liabilities			
Financial Liabilities			
Borrowings	18	0.02	0.02
Other financial liabilities	20	-	-
Provisions	23	-	-
Deferred Tax Liability	24	3.69	3.69
Total non-current liabilities		**3.71**	**3.71**
Current liabilities			
Financial Liabilities			
Borrowings	19	2,433.71	2,267.23
Trade payables			
Total outstanding dues of micro enterprises and small	21	-	-
Total outstanding dues of creditors other than micro		1.66	1.35
Other financial liabilities	20	19.82	187.80
Other Current liabilities	22	11.82	11.85
Provisions	23	16.78	16.78
Total current liabilities		**2,483.78**	**2,485.00**
Total equity and liabilities		**1,003.07**	**993.25**

Corporate information and material accounting policies 1&2
The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date
for M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

M V Ramana Murthy
Partner
Membership No. 206439

Place: Hyderabad
Date : September 8th, 2026

For and on behalf of the Board of Directors of
Hill County Properties Limited

Sabina Bhavnani
Director
DIN: 06553087

Neerav Kapasi
Director
DIN: 03500964

Diksha Dhillon
Director
DIN : 07210034

Mahendra Bazar
Chief financial officer

Date : September 8th, 2026
Place: Mumbai

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Consolidated Statement of profit and loss for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	25,26	13.20	0.76
Other income	27	6.03	7.06
Total income (I)		**19.23**	**7.82**
Expenses			
Cost of sales on projects	28	2.38	-
Employee benefit expenses	29	1.41	1.24
Finance cost	31	0.00	0.00
Depreciation and Amortization expense	30	0.62	0.71
Other expenses	32	3.47	8.09
Total expenses (II)		**7.88**	**10.03**
Profit/(Loss) before tax (III = I-II)		**11.35**	**(2.22)**
Exceptional items (IV)	56	-	-
Profit/(Loss)before tax (V = III-IV)		**11.35**	**(2.22)**
Tax expense:			
Current tax	35	0.31	0.31
Tax relating to earlier years		(0.00)	(0.00)
Deferred tax		-	-
Tax expense (VI)		**0.31**	**0.31**
Profit/(Loss) after tax (VII = V-VI)		**11.04**	**(2.52)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plan		-	-
Income tax effect		-	-
Total other comprehensive income for the year, net of tax (VI)		**-**	**-**
Total comprehensive income for the year (V+VI)		**11.04**	**(2.52)**
Earnings per equity share [nominal value of share Rs. 100 (March 31, 2023: Rs. 100)]			
Basic and diluted (In Rs.)	34	0.000	(0.000)

Corporate information and material accounting policies 1&2
The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date
for M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Sd/-
M V Ramana Murthy
Partner
Membership No. 206439

Place: Hyderabad
Date : September 8th, 2026

For and on behalf of the Board of Directors of Hill County Properties Limited

Sd/-
Sabina Bhavnani
Director
DIN: 06553087

Sd/-
Neerav Kapasi
Director
DIN: 03500964

Sd/-
Diksha Dhillon
Director
DIN : 07210034

Sd/-
Mahendra Bazar
Chief financial officer

Date : September 8th, 2026
Place: Mumbai

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Consolidated cash flow statement for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow used in operating activities		
Profit/(Loss) before taxation	**11.35**	(2.22)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization	0.62	0.71
Provsion no longer required written back	(0.00)	-
Reversal of Provsion for Advances	-	-
Reversal of Provision for CWIP	-	-
Profit on sale of Investment		
Provsion for dobutful debts	0.07	-
invent	-	-
Reversal of Provision for Compensation to Customers	-	(0.89)
Debit balances written off	-	-
Exceptional Item	-	-
Interest income	(5.97)	(6.08)
Interest expense	-	-
Operating profit/(loss)before working capital changes	**6.07**	**(8.49)**
Adjustments for:		
Increase / (decrease) in trade payables	0.31	(0.02)
Increase / (decrease) in provision	-	(0.02)
Increase / (decrease) in other financial liabilities	(1.50)	0.08
Increase / (decrease) in other liabilities	(0.03)	0.01
Decrease in Non-Current / Current Assets	(0.17)	(0.18)
(Increase) / decrease in trade receivables	(0.16)	0.25
(Increase) / Decrease in loans	0.00	0.00
(Increase) in other financial assets	0.38	0.20
Decrease in Inventory write off	2.38	0.00
Cash (used in) /from operations	7.28	(8.15)
Direct taxes refund received / (paid) (net)	(0.45)	3.55
Net cash flow from/ (used in) operating activities (A)	**6.82**	**(4.60)**
B. Cash flow used in investing activities		
Purchase of tangible assets and capital work-in-progress	0.03	(0.03)
Interest received	5.97	6.08
Net cash flow from/(used) in investing activities (B)	**6.00**	**6.05**
C. Cash flow from financing activities		
Interest paid	-	-
(Repayment) / Proceeds from short term borrowings	-	-
Net cash (used in)/from financing activities (C)	**-**	**-**
Net increase in cash and cash equivalents (A + B + C)	12.82	1.45
Cash and cash equivalents at the beginning of the year	87.81	86.36
Cash and cash equivalents at the end of the year	**100.63**	**87.81**

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Consolidated cash flow statement for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Components of cash and cash equivalents:		
Cash on hand	-	-
With banks		
- on current accounts	1.03	0.73
- on deposit account	99.61	87.08
Total cash and cash equivalents (refer note 15)	**100.63**	**87.81**

Notes:
1. Interest accrued on intercorporate loan and term loan had been converted into funded interest term loan as per the terms of loan agreements. The said transaction is considered as a non cash transaction for the purpose of cash flow statement.

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date

for M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Sd/-
M V Ramana Murthy
Partner

Membership No. 206439

Place: Hyderabad
Date : September 8th, 2026

For and on behalf of the Board of Directors of
Hill County Properties Limited

Sd/-
Sabina Bhavnani
Director
DIN: 06553087

Sd/-
Neerav Kapasi
Director
DIN: 03500964

Sd/-
Diksha Dhillon
Director
DIN : 07210034
Date : September 8th, 2026
Place: Mumbai

Sd/-
Mahendra Bazar
Chief financial officer

Hill County Properties Limited
CIN: U45200TG2005PLC046307
Consolidated Statement of changes in the Equity for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

A. Equity Share Capital	**No. of shares**	**Amount**
Balances as at April 01, 2024	25,000	0.25
Changes in the Equity share capital during 2024-25	-	-
Balances as at March 31, 2025	25,000	0.25
Changes in the Equity share capital during 2025-26	-	-
Balances as at March 31, 2026	**25,000**	**0.25**

B. Other Equity

	Reserves and Surplus		**Items of Other Comprehensive income (OCI)**	**Total**
	Capital reserve (Bargain purchase)	**Retained earnings**	**Other items of OCI**	
Restated balance as at April 01, 2024	**357.99**	**(1,851.18)**	**-**	(1,493.19)
Profit / (Loss) for the year	-	(2.52)	-	(2.52)
Remeasurement of net defined benefit liability / assets	-	-	-	-
Consolidation adjustment				-
Balances as at March 31, 2025	**357.99**	**(1,853.70)**	**-**	**(1,495.71)**
Profit / (Loss) for the year	-	11.04	-	11.04
Remeasurement of net defined benefit liability / assets	-	-	-	-
Consolidation adjustment		-	-	-
Balances as at March 31, 2026	**357.99**	**(1,842.66)**	**-**	**(1,484.67)**

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date
for M BHASKARA RAO & Co
Chartered Accountants
Firm Registration No. 000459S

Sd/-
M V Ramana Murthy
Partner
Membership No. 206439

Place: Hyderabad
Date : September 8th, 2026

For and on behalf of the Board of Directors of
Hill County Properties Limited

Sd/-
Sabina Bhavnani
Director
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Sd/-
Diksha Dhillon
Director
DIN : 07210034
Date : September 8th, 2026
Place: Mumbai

Sd/-
Mahendra Bazar
Chief financial officer

1. Corporate information

Hill County Properties Limited ("HCPL" or "the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located Hill County, Bachupally, At the end of Nizampet Road, After Kesineni Bus Depot, Hyderabad, Telangana-500090. The Company along with its subsidiaries (collectively termed as "the Group") is primarily engaged in the business of construction, development and sale of integrated township, independent villas, bungalows and flats.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on September 08, 2026.

2. Material accounting policies

2.1 Basis of preparation

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The stand-alone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The stand-alone financial statements are presented in INR and all values are rounded to the nearest crores (INR 00,00,000), except when otherwise indicated.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or for the purpose of better presentation of financial statements. Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting policies as applicable.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries as at March 31, 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ► Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ► Exposure, or rights, to variable returns from its involvement with the investee, and
- ► The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ► The contractual arrangement with the other vote holders of the investee
- ► Rights arising from other contractual arrangements
- ► The Group's voting rights and potential voting rights
- ► The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31,2026.

Consolidation procedure:

- ► Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ► Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- ► Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transact'ions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- ► Derecognises the assets (including goodwill) and liabilities of the subsidiary
- ► Derecognises the carrying amount of any non-controlling interests
- ► Recognises the fair value of the consideration received

- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

3. Summary of material accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b. Foreign currencies

The Group's financial statements are presented in INR, which is also its functional currency.

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions.

Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at the functional currency spots rate of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss.

c. Fair value measurement

The Group measures certain financial instruments at fair value at each balance sheet date in accordance with accounting policy for financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue recognition

Revenue from sale of residential properties

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from sale of land and development rights

Revenue from sale of land and development rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from sale of land and development rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

Service Income

Revenue is recognized in relation to services provided, to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest Income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

e. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

f. Property, plant and equipment

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. All directly attributable costs related to the acquisition of PPE and, borrowing costs in case of qualifying assets are capitalised in accordance with the Company’s accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as “capital work-in-progress”.

Where cost of a part of the asset (“asset component”) is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use. PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

g. Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis using the following rates arrived at based on the useful lives estimated by the management which coincide with the lives prescribed under the schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group depreciates building component of investment property over the useful life prescribed in Schedule II to the Companies Act, 2013.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

i. Intangible assets

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its intangible assets as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life on a straight line basis in the manner prescribed in the schedule II to Companies Act, 2013 and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

j. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.
A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Operating Leases - Group as a lessee

Lease rentals are recognized as expense on a straight line basis with reference to lease terms and other considerations except where

i. Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or

ii. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating Leases - Group as a lessor

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where-

i. Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or
ii. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Finance leases as lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Finance leases as lessor

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

I. Inventories

Work-in-progress is valued at cost or Net Realisable Value (NRV) whichever is lower. Cost includes cost of land, Sub-contract cost, cost of materials, cost of borrowings to the extent it relates to specific project, services and other related project overheads.

Land other than area transferred to constructed properties at the commencement of construction is valued at lower of cost and net realisable value.

m. Impairment of non-financial assets

Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The reduction is treated as impairment and recognised in the statement of profit or loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

n. Provision and contingent liabilities

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities is identified and disclosed with respect to following:-

i. a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

ii. a present obligation that arises from past events but is not recognised because:
   - ► it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
   - ► the amount of the obligation cannot be measured with sufficient reliability.

o. Employee benefits

Short term benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Post-employment benefits and other long term employee benefits

Provident Fund:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Group has no obligation, other than the contribution payable to the provident fund.

Gratuity:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- ► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ► Net interest expense or income

Leave Encashment:

Short term compensated absences are provided for based on estimates. Since the Group does not have an unconditional right to defer its settlement for 12 months after the reporting date the Group presents the liability as current liability. Compensated absences are provided for based on actuarial valuation on projected unit credit method made at the end of each financial period.

p. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
Debt instruments at amortised cost.
Debt instruments at fair value through other comprehensive income (FVTOCI)
Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) 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 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
d) Loan commitments which are not measured as at FVTPL
e) Financial guarantee contracts which are not measured as at FVTPL
The Group follows 'simplified approach' for recognition of impairment loss allowance on:
Trade receivables or contract revenue receivables

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate. All financial liabilities are recognised

initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

q. Investment in equity instruments of subsidiaries

Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statement.

r. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

s. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

t. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to chief operating decision maker. The CODM is responsible for allocating resources and assessing performance of the operating segment of the Group.

u. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

a) In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

b) Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

c) Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

d) Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements

Hill County Properties Limited
Notes to the consolidated financial statements for the year ended March 31, 2026
(All amounts in Indian Rs. Crores, except for share data or as otherwise stated)

4. Property, plant and Equipment

	Land	Buildings	Plant and machinery	Vehicles	Furniture and fixtures	Computers	Office equipment	Electrical equipment	Total tangible assets
Cost or deemed cost									
As on April 1, 2024	**19.75**	**29.05**	**3.05**	**0.22**	**15.36**	**0.27**	**-**	**4.22**	71.96
Additions	-	-	-	-	-	-	-	-	-
Disposals/ Adjustments		-	-	-	-	-	-	-	-
As on March 31, 2025	**19.75**	**29.05**	**3.05**	**0.22**	**15.32**	**0.31**	**-**	**4.22**	**71.95**
Additions	-	-	-	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-	-	-	-
As on March 31, 2026	**19.75**	**29.05**	**3.05**	**0.22**	**15.32**	**0.31**	**-**	**4.22**	**71.92**
Depreciation /amortization									
As on April 1, 2024	**-**	**6.55**	**2.43**	**0.22**	**15.36**	**0.27**	**-**	**4.08**	**28.91**
Charge for the year		0.46	0.13	-	0.14	0.00	-	0.42	1.15
Disposals/ Adjustments				-	-	-	-	-	-
As on March 31, 2025	**-**	**7.01**	**2.55**	**0.22**	**15.33**	**0.28**	**-**	**4.19**	**29.58**
Charge for the year		0.46	0.13	-	0.00	0.01	-	0.03	0.62
Disposals/ Adjustments	-	-	-	-	-	-	-	-	-
As on March 31, 2026	**-**	**7.46**	**2.68**	**0.22**	**15.33**	**0.29**	**-**	**4.22**	**30.20**
Net Block									
As on March 31, 2025	**19.75**	**22.07**	**0.50**	**-**	**-**	**-**	**-**	**0.03**	**42.37**
As on March 31, 2026	**19.75**	**21.59**	**0.37**	**-**	**-**	**-**	**-**	**0.00**	**41.72**

a) Details of PPE pledged as security (if any) - Refer note.18.5
b) Building Net block of Rs. 3.54 comprises of incubation centres . In view of non utilisation of building for the purpose for which it was envisaged, the management has reviewed the carrying value for the purpose of impairment provision, if any, and based on such review, ahs concluded that no provision for impairment required as at the balance sheet date.

5. Capital work-in-progress

	31-Mar-26	31-Mar-25
At cost:		
Considered good	-	-
Considered impaired	15.53	15.53
	15.53	**15.53**
Provision for impairment	(15.53)	**(15.53)**
	-	**-**

5a. Capital work-in-progress consists of construction cost pertaining to club house and commercial area constructed towards Hill County phase I project which would be under ownership of the Company.

CWIP ageing schedule

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended				15.53	15.53
Provision for impairment	-	-	-	-	(15.53)
Net Amount	-	-	-	-	-

6. Investment property (Refer Note 6.1,18.5 and 50)

Particulars	Land	Total
Cost		
Opening balance at April 01, 2024	594.63	594.63
Additions during the Year	-	
Closing balance as at March 31, 2025	**594.63**	**594.63**
Opening balance at April 01, 2025	594.63	594.63
Additions during the Year	-	-
Closing balance as at March 31, 2026	**594.63**	**594.63**
Depreciation during the Year		
Opening balance at April 01, 2025	-	-
Depreciation during the Year	-	-
Closing balance as at March 31, 2026	**-**	**-**
Net Block		
As at March 31, 2025	**594.63**	**594.63**
As at March 31, 2026	**594.63**	**594.63**

Reconciliation of fair value:

	Investment properties	
	Land	Total
Opening balance as at April 01, 2024	1,418.05	1,418.05
Other fair value differences	141.90	141.90
Closing balance as at March 31, 2025	1,559.95	1,559.95
Opening balance as at April 01, 2025	1,559.95	**1,559.95**
Other fair value differences	(42.28)	**(42.28)**
Closing balance as at March 31, 2026	**1,517.67**	**1,517.67**

6.1 The fair value of land is based on guideline value July 19, 2026 as notified by government agencies.
The title deed of land amounting to Rs. 594.63 crores (March 31,2025: Rs. 594.63 crores) being the value of land acquired through amalgamation of own subsidiaries is pending transfer in the Company's name.

Hill County Properties Limited
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Notes to the consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

7. Intangible assets

Particulars	Software	Goodwill	Total
Cost or deemed cost			
As on April 01, 2024	**0.08**	**0.11**	**0.19**
Additions	-	-	-
Deletions	-	-	-
As on March 31, 2025	**0.08**	**0.11**	**0.19**
Additions	-	-	-
Deletions	-	-	-
As on March 31, 2026	**0.08**	**0.11**	**0.19**
Depreciation			
As on April 01, 2024	0.08	-	**0.08**
Charge for the year	-	-	-
Deletions	-	-	-
As on March 31, 2025	**0.08**	-	**0.08**
Charge for the year	-	-	-
Deletions	-	-	-
As on March 31, 2026	**0.08**	-	**0.08**
Net Block			
As on March 31, 2025	**0.00**	**0.11**	**0.11**
As on March 31, 2026	**0.00**	**0.11**	**0.11**

8. Non Current Investments (Refer note 8.1 and 48(v))	**As at March 31, 2026**	**As at March 31, 2025**
I. Other Investments (At fair value through profit or loss)		
1,412,500 (March 31, 2025: 1,412,500) equity shares Rs. 10 each Baypark Hotel & Resorts Private Limited (At Cost less provision for other than temporary dimunition Rs.1.41 crores (March 31, 2025 : 1.41 crores)	-	-
	-	**-**
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

8.1 None of Investments were pledged as at March 31, 2026 (March 31, 2025 : Nil)

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

9 Loans

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
A. Loans to related parties (Refer note 39)				
Unsecured, considered good (Refer Note 9.1)	-	-	-	-
Considered doubtful (Refer note 47)	36.56	36.56	-	-
	36.56	**36.56**	**-**	**-**
Less: Provision	(36.56)	(36.56)	-	-
(A)	**-**	**0.00**	**-**	**-**
B. Loans to employees				
Unsecured, considered good	-	-	-	-
Considered doubtful	0.51	0.51	-	-
	0.51	**0.51**	**-**	**-**
Less: Provision	(0.51)	(0.51)	-	-
(B)	**-**	**-**	**-**	**-**
C. Other Loans				
Unsecured, considered good				
Inter corporate loans	-	-	-	-
Loans to Other Companies	-	-	-	-
Advance to other companies(Refer note.50)	223.15	223.15	-	-
Considered doubtful				
Inter corporate loans (Refer note.53)	261.70	261.70		
Advance to other companies	26.05	26.05	-	-
	510.89	**510.90**	**-**	**-**
Less: Provision	(287.74)	(287.75)	-	-
(C)	**223.15**	**223.15**	**-**	**-**
Total (A+B+C)	**223.15**	**223.15**	**-**	**-**

9.1 Loans to related parties include

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Fagne Songadh Expressway Limited	-	-	-	-
	-	**-**	**-**	**-**

Type of Borrower	Amount of loan or advance in the	Percentage to the total Loans and
Promoters	Nil	Nil
Directors	Nil	Nil
KMPs	Nil	Nil
Related Parties	0.00	**0%**

10 Other financial assets

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
A. Interest accrued on deposits and others				
Considered good	0.58		-	0.02
Considered doubtful	1.91	2.87	0.38	0.38
B. Interest accrued on advances				
Considered doubtful	2.26	2.26	-	-
C. Maintenance charges recoverable from customers				
Considered good	-	-	-	-
Considered doubtful	0.58	0.58	1.82	1.82
D. Fixed deposits - Bank - Orginal maturity more than 12 months	-	-	80.93	30.62
	5.34	**5.71**	**83.13**	**32.84**
Less: Provision	(4.76)	(4.76)	(2.20)	(2.20)
Total	**0.58**	**0.96**	**80.93**	**30.64**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

11 Current tax asset

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Advance income tax				
Considered good	9.72	9.58	-	-
Considered doubtful	3.85	3.85	-	-
	13.57	13.43	-	-
Less: Provision	(3.85)	(3.85)	-	-
Total	**9.72**	**9.58**	**-**	**-**

12 Other assets

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
A. Balances with statutory / government authorities	2.79	2.50	0.32	0.39
B. Other advances				
Considered good	0.05	0.06	0.20	0.24
Considered doubtful	0.61	0.61	4.55	4.55
	0.66	**0.67**	**4.74**	**4.79**
Less: Provision	(0.61)	(0.61)	(4.55)	(4.55)
	0.05	**0.06**	**0.20**	**0.24**
Total	**2.84**	**2.55**	**0.52**	**0.63**

13 Inventories (valued at lower of cost and net realizable value)

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Land and land development expenses	38.83	38.83	14.94	14.92
Unsold stock	-	-	17.40	19.80
	38.83	**38.83**	**32.33**	**34.72**
Less: Provision for diminution in value of inventory	(38.83)	(38.83)	(4.71)	(4.71)
Total	**-**	**-**	**27.62**	**30.01**

14 Trade Receivables (Refer Note 14.1)

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good	-	-
Considered good, secured	-	-
Trade Receivables – credit impaired	1.75	1.66
Doubtful	0.02	0.02
	1.77	**1.67**
Total	**1.54**	**1.44**

14.1 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in note 43.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

As at March 31, 2026

	Less than -1 year	1 - 2 years	2-3 years	>3 years	Total
Undisputed Trade Receivables – considered good	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-
Disputed Trade receivables – credit impaired	0.20	-	-	1.57	1.77
Less: provision for doubtful allowances	-	-	-		(0.22)
Total	0.20	-	-	1.57	1.54

As at March 31, 2025

	< 6 Months	6 m -1 year	1 - 2 years	2-3 years	>3 years	Total
Undisputed Trade Receivables – considered good		0.10	-	-	1.58	1.67
Undisputed Trade Receivables – which have significant increase in credit risk	-	-		-	-	-
Undisputed Trade receivable – credit impaired	-	-		-	-	-
Disputed Trade receivables - considered good	-	-		-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-		-	-	-
Disputed Trade receivables – credit impaired	-	-		-	-	-
Less: provision for doubtful allowances	-	-	-			(0.23)
Total		0.10		-	1.58	1.44

15 Cash and cash equivalents

	As at March 31, 2026	As at March 31, 2025
A. Balances with banks:		
-In current accounts (Please refer note 15.1)	1.03	0.73
-'Deposits with less than three months maturity	-	-
B.Other bank balances:		
-Deposits with more than three months but less than 12 months maturity	18.67	56.46
	19.70	**57.18**

15.1 Includes amount of Rs. 0.001 crores (March 31, 2025: Rs. 0.001 crores) lying in escrow account as per High Court order dated December 5, 2012 and Rs.0.31 crores (March 31, 2025: Rs. 0.31 crores)attached by ED for which no confirmation balance availabe.

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

16. Equity share capital

	As at March 31, 2026	As at March 31, 2025
Authorised capital		
8,075,000 (March 31, 2025: 8,075,000) equity shares of Rs. 100 each	80.75	80.75
29,990 (March 31, 2025: 29,990) redeemable preference shares of Rs. 100 each	0.30	0.30
	81.05	**81.05**
Issued, subscribed and fully paid-up shares		
25,000 (March 31, 2025 : 25,000) equity shares of Rs. 100 each	0.25	0.25
4,990 (March 31, 2025 : 4,990) zero coupon redeemable preference shares of Rs. 100 each	0.05	0.05
1,500 (March 31, 2025: 1,500) 4% redeemable preference shares of Rs. 100 each	0.02	0.02
Total issued, subscribed and fully paid-up share capital	**0.31**	**0.31**
Less: Amount classified as financial liability (Refer note 18)		
4,990 (March 31, 2025 : 4,990) zero coupon redeemable preference shares of Rs. 100 each	0.05	0.05
1,500 (March 31, 2025: 1,500) 4% redeemable preference shares of Rs. 100 each	0.02	0.02
Amount considered in Equity	**0.25**	**0.25**

16.a Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares:	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	25,000	0.25	25,000	0.25
Issued during the year	-	-	-	-
Outstanding at the end of the year	**25,000**	**0.25**	**25,000**	**0.25**

Zero coupon redeemable preference shares:	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	4,990	0.05	4,990	0.05
Issued during the year	-	-	-	-
Outstanding at the end of the year	**4,990**	**0.05**	**4,990**	**0.05**

4% redeemable preference shares:	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	1,500	0.02	1,500	0.02
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,500**	**0.02**	**1,500**	**0.02**

16.b Terms/ rights attached to equity shares

The Company has only one class of the equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

16.c Terms/ rights attached to preference shares

(i) Zero coupon redeemable preference shares

The preference shares have a zero coupon and are redeemable after 10 years from the date of allotment or with an option to redeem earlier than the redemption period by providing two months notice to the concerned preference shareholders. The preference shares are redeemable at par value.

The preference shares were scheduled for redemption this year, but since the company is one of the 302 IL&FS Group entities under resolution, the entire focus is on channeling efforts to maximize creditor recovery

(ii) 4% redeemable preference shares

4% redeemable preference shares of Rs. 100 each are redeemable after 15 years from the date of allotment or with an option to redeem after 2 years from the date of allotment by providing two months' notice. Redeemable preference share carry dividend @ 4% p.a from 11th year onwards. The preference shares are redeemable at par value.

16.d Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of holding in the class	No. of shares	% of holding in the class
Equity shares of Rs. 100 each fully paid				
IL&FS Townships & Urban Assets Limited	10,000	40.00%	10,000	40.00%
IL&FS Engineering and Construction Company Limited	7,750	31.00%	7,750	31.00%
Infrastructure Leasing & Financial Services Limited	2,250	9.00%	2,250	9.00%
Maytas Estates Private Limited	4,400	17.60%	4,400	17.60%

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

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

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of holding in the class	No. of shares	% of holding in the class
Zero coupon redeemable preference shares Rs.100 each fully paid				
B Nandini Raju	1,040	20.84%	1,040	20.84%
Suryanarayana Raju	1,000	20.04%	1,000	20.04%
B Jhansi Rani	1,000	20.04%	1,000	20.04%
B Teja Raju	1,000	20.04%	1,000	20.04%
B Rama Raju	900	18.04%	900	18.04%
4% Redeemable preference shares Rs.100 each fully paid				
Suryanarayana Raju	500	33.33%	500	33.33%
N Rama Raju	500	33.33%	500	33.33%
B Rama Raju	500	33.33%	500	33.33%

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

	As at March 31, 2026		
16.e Details of promoter shareholding	**No of shares**	**% of total shares**	**% change during the year**
IL&FS Townships & Urban Assets Limited	10,000	40.00%	-
IL&FS Engineering and Construction Company Limited	7,750	31.00%	-
Infrastructure Leasing & Financial Services Limited	2,250	9.00%	-

	As at March 31, 2025		
Details of promoter shareholding	**No of shares**	**% of total shares**	**% change during the year**
IL&FS Townships & Urban Assets Limited	10,000	40.00%	-
IL&FS Engineering and Construction Company Limited	7,750	31.00%	-
Infrastructure Leasing & Financial Services Limited	2,250	9.00%	-

17. Other equity

		As at March 31, 2026	As at March 31, 2025
17.1	**Deficit in the statement of profit and loss account (retained earnings)**		
	Opening balance	(1,853.70)	(1,851.18)
	Add: Profit / (Loss) for the year	11.04	(2.52)
	Add: Remeasurement gain or loss on net defined plan	-	-
	Consolidation adjustment		-
	Net deficit in the statement of profit and loss	**(1,842.66)**	**(1,853.70)**
17.2	**Capital reserve (Bargain purchase) (Refer Note 17.1.1)**		
	Opening balance	357.99	357.99
	Movement during the year		
	Closing balance	**357.99**	**357.99**
	Total other equity	**(1,484.67)**	**(1,495.71)**

17.2.1 Capital reserve: Capital reserve represent bargain purchase on the merger of certain entities with the company in the year 2014-15 and 2015-16.

18 Borrowings

	Non-current portion		Current maturities	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
A. Redeemable preference shares (Refer note 16)				
Zero coupon redeemable preference shares	-		0.05	0.05
4% redeemable preference shares	0.02	0.02	-	-
(A)	**0.02**	**0.02**	**0.05**	**0.05**
B. Term loans				
(i) Banks - Secured (Refer Note 18.1)				
Indian rupee term loans	-	-	33.63	33.63
Indian rupee funded interest term loan	-	-	97.02	97.02
(ii) Other parties - Secured				
Indian rupee funded interest term loan	-	-	-	-
C. Loans from related parties				
(i) Secured (Refer Note 18.4)				

Inter corporate loans from related parties (Refer Note 18.5)	-	-	1,565.90	1,599.90
Funded interest term loan from related parties (Refer Note 18.2)	-	-	291.43	291.43
(ii) Unsecured				
Inter corporate loans from related parties (Refer Note 18.3)	-	-	127.31	127.31
Funded interest term loan from related parties (Refer Note 18.3)	-	-	78.14	78.14
(C)	**-**	**-**	**2,062.78**	**2,096.78**
Total (A +B+ C)	**0.02**	**0.02**	**2,193.48**	**2,227.43**

18a Terms/ rights attached to equity shares

The Company has only one class of the equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

18b (i) Zero coupon redeemable preference shares

The preference shares have a zero coupon and are redeemable after 10 years from the date of allotment or with an option to redeem earlier than the redemption period by providing two months notice to the concerned preference shareholders. The preference shares are redeemable at par value.

The preference shares were scheduled for redemption in FY 2025-26, but since the company is one of the 302 IL&FS Group entities under resolution. Hence redumtion could not made.

(ii) 4% redeemable preference shares

4% redeemable preference shares of Rs. 100 each are redeemable after 15 years from the date of allotment or with an option to redeem after 2 years from the date of allotment by providing two months' notice. Redeemable preference share carry dividend @ 4% p.a from 11th year onwards. The preference shares are redeemable at par value.

18.1 Term loans:

a. Term loans and funded interest term loan from banks are secured by :

- First charge on the entire assets including mortgage / charge on 11.07 acres of land wherein the proposed facilities/SEZ is coming up, first charge on other fixed assets and movables, both present and future ranking pare pasu with other lenders.

As per the sanction terms, in addition to the above security there were Corporate Guarantee issued by the following land owning companies viz, Mandakini Realty Pvt Ltd(formerly Mandakini Agro Tech Pvt Ltd), Chandrabhaga Homes Pvt Ltd(formerly Chandrabhaga Agro Farms Pvt Ltd), Nallamala Agro Farms and Kanchenjunga Greenlands.

b) Term loan taken from IL&FS Financial services Limited of Rs. 149 crores (March 31, 2025: Rs.149 crores) carries Interest rate of 14% p.a. payable quarterly in arrear and principal repayable in 36 months from the date of first disbursement i.e., August 2020. However, considering the direction from IL&FS Group management, interest is not being recognised on inter-company loan balances. These loans are secured by First charge on the entire assets of the Company at par with the Banks

c) During the course of its investigation into affairs of erstwhile management (Satyam / Maytas group), CBI had moved the Chief Judge, City Civil Court, Hyderabad under the “Criminal Law Amendment Ordinance, 1944” (in short ‘Ordinance’) for the attachment of Land on which the Company’s project was being constructed.and on 18-2-2013 orders for attachment ofland to an extent of Ac 16.11 Gts belonging to Chandrabhaga Homes Pvt Limited were passed, out which Ac 12-6 Gts is convered under JDA for Development of SEZ. Subseuently, the Company and HCPL filed petitions against such attachment. However the same were dismissed and orders passed earlier by CBI were made absolute on 20-08-2018. Aaccordingly, an extent of 12 ac and 6 gts (owned by Chandrabagha Homes Private Limited, which has since been merged with HCPL) which is part of JDA for development of Company’s SEZ project is under attachment and CMA .553/2019 and 554/2019 filed against such orders are pendijng before the Hon'ble High Court of Telangana.

d) However, Hill County Properties Limited, parent company is under resolution as part of IL&FS Group Resolution Framework, as detailed in Note 32 below. The Company, being subsidiary of HCPL, is also been included in RFP issued by IL&FS Group as part of HCPL monetisation process. In terms of said RFP, the prospective buyer of HCPL has a right to settle with the lenders (including related parties) of the Company. In view of this, in the opinion of the management, the actual liability may be less than the amount computed at para ‘e’ below. The Company, on its Bonafide belief and claims admitted under the claim management process at parent company, did not accrue interest, additional interest, penal charges or other similar charges, if any, on the outstanding balance of loans from banks(assumued at the Banks compromise interest rates) at the and the related parties (estimated at the original agreed rate of interest) for the year amounting to Rs31.85 crores (FY 204-25: Rs34.00 crores). The cumulative interest amount not so recognised up to 31st March 2026 aggregated to Rs. 240.77 crores (up to 31.03.2025: Rs. 208.91crores) on the loans availed from Banks.

e. Hill County SEZ P Ltd has defaulted in repayment of bank loans and loan from IFIN. The details of continuing defaults as at March 31, 2026 are as follows:

Particulars	March 31, 2026	March 31, 2025	Period of delay as of March 31, 2026	Period of delay as of March 31, 2025
Repayment of bank loans	33.63	33.63	2830 days	2465 days
Repayment of FITL&Interest	99.56	99.56	2921 days	2556 days
Repayment of IFIN loan	149.00	149.00	1921 days	1556 days
Repayment of FITL&Interest	11.40	11.40	1921 days	1556 days
Total	293.59	293.59		

f. Hill County SEZ P Ltd due to defaults made by the Copany, the lenders (particularly the banks) have entered inot a compromose settlement with the Company. Further, the banks have obtained a favourable order from Debt Recovery Tribunal (DRT) against the recovery suits. The Company has computed the outstanding liability giving effect to the compromise settlement and also the order of DRT asat the year end, as detailed below:

(i) Loan Outstanding to the Lenders as per the Hon'ble DRT order in the case of Banks

Particulars	Principal O/S	FITL and Interest accrued and due	Interest when applied as per the orders of the Hon'ble DRT Hyd upto 31st March 2025	Total Dues to the lenders including the interest upto 31st March 2025
State Bank of India	25.13	74.07	108.73	207.92
Indian Bank	8.50	25.49	37.35	71.34
Total	33.63	99.56	146.08	279.26

(ii) Loan Outstanding to the Lenders as per the Comprise settlement

Particulars	Principal O/S	FITL and Interest	Interest when applied	Total Dues to the lenders
State Bank of India	25.13	74.07	55.41	154.61
Indian Bank	8.50	25.49	19.00	53.00
Total	33.63	99.56	74.41	207.60

iii. The IL&FS Group has appointed Claim Management Advisors (CMA) and the bankers have filed claims as tabulated below. The lenders have filed claim reverting to the Original sanction terms and all past waivers/settlement given were discarded/ignored. The Company has replied to the CMA and submitted supporting communication and restructure details executed between the company and lenders. However, the final admission of claims will be determined by CMA as an independent advisors as a part of resolution process.

Name of the Lender	Amount o/s as per books	Amount claimed by lender	Amount admitted	Remarks
Indian Bank	34.00	50.87	32.75	Term Loan dues of Indian Bank are admitted by CMA considering the outstanding dues appearing in the Company's ledger as on 15th October 2018 as against the Indian Banks claim of Rs.50.87 due to non submission of relavent documents by the Bank to CMA.
SBI Group	99.19	148.24	148.24	The claim is admitted as a contingent liability by the Claim Management Team for parent, HCPL as borrowing has been made by the Company which has primary liability.

The Company has not made any adjustments to the outstanding loan balances as at the year end since the effect of ultimate settlement with the lenders cannot be determined at this stage.

18.2 Inter corporate loans and funded interest term loans from related parties (secured) of Rs. 1,891.33 crores (March 31, 2025: Rs.1,891.33 crores) represents:

18.2.1 Rs. 753.10 crores (March 31, 2025: Rs. 753.10 crores) carries interest rate of 13% p.a (calculated at monthly rest) upto March 31, 2018 and @ 16.50% p.a thereafter till March 31, 2020. The loan is repayable on March 31, 2020. Interest from the drawdown date till March 31, 2018 would be accrued and converted into FITL and thereafter to be paid on monthly basis. FITL shall carry interest @ 6% p.a. (calculated at monthly rest) and to be paid along with accrued interest on March 31, 2020. FITL balance as on March 31, 2025: Rs. 197.95 crores (March 31, 2025: Rs. 197.95 crores).

18.2.2 Rs. 2.78 crores (March 31, 2025: Rs. 2.78 crores) carries interest rate of 13.00 % p.a (calculated at monthly rest) upto March 31, 2018 and 19% p.a thereafter till March 31, 2020. The loan is repayable on March 31, 2020. Interest from the drawdown date till March 31, 2015 was accrued and converted into FITL and thereafter to be paid on monthly basis. FITL shall carry interest @ 6% p.a. (compounded on yearly basis) and to be paid along with accrued interest on March 31, 2020. FITL balance as on March 31, 2025 is Rs. 0.33 crores (March 31, 2025: Rs.0.33 crores).

18.2.3 Rs. 157.95 crores (March 31, 2025: Rs. 157.95 crores) carries interest rate of 13.00 % p.a (calculated at monthly rest) upto March 31, 2018 and 19% p.a thereafter till March 31, 2020. The loan is repayable on March 31, 2020. Interest from the drawdown date till March 31, 2016 is accrued and converted into FITL. FITL shall carry interest @ 6% p.a. (compounded on yearly basis) and to be paid along with accrued interest on March 31, 2020. FITL Balance as on March 31, 2025 - Rs. 26.74 crores (March 31, 2025: Rs. 26.74 crores).

18.2.4 Rs. 110.00 crores (March 31, 2025: Rs.110.00 crores) carries interest rate of 17% p.a (compounded on monthly basis). The loan and the interest accrued is repayable at the end of 36 months from the date of first disbursement i.e. October 29, 2018.

18.2.5 Rs.224.07 crores (March 31, 2025: Rs. 224.07 crores) carries interest rate of 13% p.a (calculated at monthly rest) upto March 31, 2018 and @ 16.50% p.a till March 31, 2020. Interest from the drawdown date till March 31, 2018 would be accrued and converted into FITL. FITL shall carry interest @ 6% p.a. (calculated at monthly rest) and to be paid along accrued interest on March 31, 2020. FITL balance as on March 31, 2026 - Rs.66.42 crores (March 31, 2025: Rs. 66.42 crores).

18.2.6 Rs. 175.00 crores (March 31, 2025: Rs.175.00 crores) carries Interest rate of 16% p.a. payable quarterly in arrear, repayable in two instalments of Rs. 100.00 crores and Rs. 75.00 crores on October 28, 2018 and November 17, 2018 respectively.

18.2.7 Rs. 38.00 crores (March 31, 2025: 38.00 crores) carries interest rate of 15.5% p.a (compounded on quarterly basis). The loan and the interest accrued is repayable at the end of 36 months from the date of first disbursement i.e. June 12, 2021.

18.2.8 Rs. 149.00 crores (March 31, 2025: 149.00 crores) carries interest rate of 14.00% p.a quarterely basis repayable and the prinicple at the end of 36 months from the date of first disbursement.

18.3 Inter corporate loans and funded interest term loans from related parties (Unsecured) of Rs. 205.45 crores (March 31, 2025: Rs. 205.45 crores) represents:

18.3.1 During the earlier year, the Company had restructured inter corporate loan of Rs. 47.87 crores received from a related party (unsecured). As per the terms of restructuring, interest accrued upto March 31, 2012 amounting to Rs. 28.94 crores had been converted into principal resulting into revised loan amount of Rs. 76.81 crores carrying interest @ 13%p.a and was repayable in 16 quarterly instalments starting from June 2015:

Year 2015-16 - 15% of the loan amount, Year 2016-17 - 20% of the loan amount,Year 2017-18 - 15% of the loan amount and Year 2018-19 - 50% of the loan amount

Interest on revised principal amount from April 1, 2012 to March 31, 2015 has been converted into FITL carrying interest @ 6% p.a. which along with FITL is payable at the end of March 2018. During the year 16-17, the Company has further restructured the loan and FITL; as per the terms of restructuring the entire loan is now payable at the end of March 2025 and carries interest @ 13% p.a. Further interest on principal amount from April 1, 2012 to March 31, 2017 is convertible into FITL carrying interest @ 5.84% p.a which along with FITL is now payable at the end of March 2023. During the year 18-19, the Company has made request for extension towards repayment of principal, converting the interest on principal to FITL carrying interest @ 5.84% p.a which along with FITLwhich is now payable at the end of March 31, 2023. Loan balance as on March 31, 2026 Rs. 76.81 crores (March 31, 2025: Rs. 76.81 crores).FITL balance as on March 31, 2026: Rs. 78.14 crores (March 31, 2025: Rs. 78.14 crores).

18.3.2 Rs.6.50 crores (March 31, 2025 - Rs. 6.50 crores) carries interest rate of 16% p.a. (payable on quarterly basis) and repayable at the end of 24 months from the date of first disbursement i.e. September 27, 2019

18.4 As per the Group Advisory and affidavit filed by IL&FS Group,the interest has not been recognised subsequent to Oct 15, 2018 as per note 45

18.5 Inter corporate loans and funded interest term loan from related parties and others are secured by:

Post induction of IL&FS Group in the Company, IL&FS Group had extended loans to the Company and the outstanding amount as on March 31, 2025 is Rs. 1,752.33 crores (as at March 31, 2025: Rs. 1,752.33 crores). Such facilities rank as priority debt and will have priority in repayment over other liabilities of the Company.

During the earlier year, the Company had entered into interse agreement with IL&FS Group wherein the Company had provided security against the aforesaid borrowings in the form of residual charge against hypothecation of certain identified receivables including inter corporate loans etc., pledge of its investments and letter of guarantees and Mortgage of title deeds of identified immovable properties of the Company and its subsidiaries.

The Company has received loans and advances from its group companies apart from parent, IL&FS Ltd and its NBFC company, IL&FS Financial Services Ltd (IFIN) and were used for the purposes of project and paying off liabilities etc. These loans might be originating from group NBFC namely, IFIN and were given through group companies for reasons known to IFIN. The IL&FS Group including that of IFIN were under obligation to pay off all liabilities of HCPL under erstwhile Company Law Board (CLB) order dated January 13, 2011.

18.6 The Company has defaulted in repayment of loans and interest. The details of continuing defaults as at March 31, 2026 and 2025 are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025	Period of delay as of March 31, 2026	Period of delay as of March 31, 2025
Repayment of principal:				
IL & FS	1,138.84	1,138.84	2192 days	1827 days
IL & FS	38.00	38.00	1753 days	1388 days
IL&FS Financial Services Ltd	439.50	439.50	2557 days	2192 days
IL&FS Financial Services Ltd	175.00	175.00	2708 days	2343 days
IL&FS Townships & Urban Assets Ltd	110.00	110.00	2708 days	2343 days
IL&FS Cluster Development Initiative Ltd	6.50	6.50	2350 days	1985 days
IECCL Ltd	154.95	154.95	2192 days	1827 days
Livia India Limited	34.00	34.00	2008 days	1643 days
Payment of Interest on Loans :				
IL&FS Financial Services Ltd	28.02	28.02	366 to 2861 days	366 to 2496 days
IL&FS Financial Services Ltd	15.19	15.19	821 to 2861 days	821 to 2466 days
IL & FS	44.83	44.83	1 to 2831 days	1 to 2496 days
IL & FS	2.04	2.04	1753 days	1388 days
Livia India Limited	1.21	1.21	821 to 2831 days	821 to 2466 days
IL&FS Cluster Development Initiative Ltd	0.56	0.56	821 to 2831 days	821 to 2466 days
IL&FS Townships & Urban Assets Ltd	67.12	67.12	2707 days	2342 days

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19. Short term borrowings

	As at March 31, 2026	As at March 31, 2025
Current maturities of long-term borrowings (Refer note 18)	2,359.96	2,359.96
Loans from related parties		
Unsecured - Inter corporate loans (refer note 19.1 and 19.2)	39.73	39.73
Loans from others parties		
Unsecured - Inter corporate loans (refer note a 19.2)	34.02	34.02
Total	**2,433.71**	**2,267.23**

Notes:

19.1 Rs. 9 crores (March 31, 2025: Rs. 9 crores) carries interest rate of 15.50% p.a. (payable on quarterly basis) and repayable at the end of 12 months from the date of first disbursement i.e June 26, 2021

19.2 Inter corporate loan from related parties (unsecured) of Rs. 30.75 crores (March 31, 2025: Rs. 30.75 crores) represents:

19.2.1 Rs.20.70 crores (March 31, 2025: Rs. 20.70 crores) carries interest rate of 15.50% p.a. (payable on quarterly basis) and repayable at the end of December 2018.

19.2.2 Rs. 3.00 crores (March 31, 2025: Rs. 3.00 crores) carries interest rate of 16.5% p.a. (payable on quarterly basis) and repayable at the end of 3 months from the date of first disbursement i.e. September 30, 2016 and which was extended to December 28, 2018.

19.2.3 Rs. 7.00 crores (March 31, 2025: Rs. 7.00 crores) carries interest rate of 15.5% p.a. (payable on quarterly basis) and repayable at the end of 12 months from the date of first disbursement i.e. August 2018.

18.3 Rs.34 crores (March 31, 2025 : Rs. 34 crores) carries intrest rate of 16.5% (payable at quaterely basis) and repayable at end of 36 months from the date disburment.

19.3 The Company has defaulted in repayment of loans and interest. The details of continuing defaults as at March 31, 2026 and 2025 are as follows:

Particulars	As At March 31, 2026	As At March 31, 2025	Period of delay as of March 31, 2026	Period of delay as of March 31, 2025
Repayment of principal:				
Sabarmathi Capital One Limited	3.00	3.00	882-2836 days	882-2471 days
Sabarmathi Capital One Limited	7.00	7.00	882-2836 days	882-2471 days
Tierra Enviro Limited	20.70	20.70	2647 days	2282 days
IL&FS Airport Limited	9.00	9.00	2470 days	2105 days
Payment of Interest				
Sabarmathi Capital One Limited	0.59	0.59	898-2831 days	898-2466 days
Sabarmathi Capital One Limited	0.27	0.27	898-2831 days	898-2466 days
Tierra Enviro Limited	3.57	3.57	898-2831 days	898-2466 days
IL&FS Airport Limited	0.43	0.43	898-2831 days	898-2466 days

20 Other financial liabilities

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Corpus fund			0.02	0.02
Amount refundable to customers, banks on cancellation / litigations	-	-	19.80	21.05
Other Liabilities	-	-	-	0.25
	-	**-**	**19.82**	**21.32**

21 Trade payables

	Current	
	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other than related parties	1.66	1.37
Total	**1.66**	**1.37**

Trade payables are non-interest bearing and are normally settled on 60-day terms
The Company's exposure to liquidity risks related to trade payables is disclosed in note 43
For MSME disclosures, Refer note 36

As at March 31, 2026

	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.61	-	0.00	1.04	1.66
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**0.61**	**-**	**0.00**	**1.04**	**1.66**

As at March 31, 2025

	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.30	0.00	0.00	1.05	1.35
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**0.30**	**0.00**	**0.00**	**1.05**	**1.35**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

22 Other current liabilities

	Current	
	As at March 31, 2026	As at March 31, 2025
Contract Liabilities		
Advance from customers	11.40	11.40
Others		
Statutory liabilities	0.27	0.29
Other liabilities	0.15	0.16
	11.82	**11.85**

23 Provisions

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits				
Provision for gratuity (Refer note 37)	-	-	-	-
Provision for leave benefits	-	-	0.16	0.16
	-	**-**	**0.16**	**0.16**
Other provisions				
Provision for compensation to customers (Refer note 23.1 and 49)	-	-	16.61	16.61
	-	**-**	**16.61**	**16.61**
Total	**-**	**-**	**16.78**	**16.78**

23.1 Reconciliation for provision for compensation to customers

	Year ended March 31, 2026	Year ended March 31, 2025
Amount at the beginning of the year	**16.61**	**17.51**
Provision / (reversal) made during the year	-	(0.89)
Amount at the end of the year	**16.61**	**16.61**

24 Deferred tax liability/ (asset) (Net)

	As at March 31, 2026	Movement during the year 2025-26	As at March 31, 2025	Movement during the year 2024-25	As at March 31, 2024
Deferred tax liability/ (asset) in relation to					
Property plant and equipment	0.56	-	0.56	-	0.56
Inventory acquired through business combination	134.70	-	134.70	-	134.70
Long term advances to other companies	(16.38)	-	(16.38)	-	(16.38)
Provision for doubtful advances	-	-	-	-	-
Provisions for customer compensation	(4.38)	-	(4.38)	-	(4.38)
Business loss	(110.81)	-	(110.81)	-	(110.81)
		-			
	3.69	-	3.69	-	3.69

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

25 Revenue from operations

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of land and real estate units		
Sale of independent units (net)	12.06	-
Sale of flats	0.46	-
Service income	0.68	0.76
	13.20	**0.76**

26 Other operating revenue

Deviation, documentation and cancellation charges	-	-
	13.20	**0.76**

Ind AS 115 disclosures

Timing of revenue recognition

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue recognition at a point of time	13.20	0.76
Total revenue from contracts with customers	13.20	0.76

Contract balances

Trade receivables from contracts under Ind AS 115 (refer note 14)	1.54	1.44
Contract liabilities (refer note 20 and 22)	31.20	32.46

Contract assets are initially recognised for revenue earned on account of contracts where revenue is recognised over the period of time as receipt of consideration is conditional on successful completion of performance obligations as per contract. Once the performance obligation is fulfilled and milestones for invoicing are achieved, contract assets are classified to trade receivables.

Contract liabilities include amount received from customers as per the installments stipulated in the buyer agreement to deliver properties once the properties are completed and control is transferred to customers.

Set-out below is the amount of revenue recognised from:

Movement of contract liability	**Amount**
Amounts included in contract liabilities at the beginning of the year	**32.46**
Amount received / adjusted against contract liability during the year	(1.25)
Amounts included in contract liabilities at the end of the year	**31.20**

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contracted price	13.20
Less: adjustments	**-**
Other adjustments (rebates etc.)	**13.20**

Performance obligation

Information about the Company's performance obligations for material contracts are summarised below:

The performance obligation of the Company in case of sale of residential plots and apartments and commercial office space is satisfied once the project is completed and control is transferred to the customers.

The customer makes the payment for contracted price as per the installment stipulated in the respective Buyer's Agreement.

27 Other income

	Year ended March 31, 2026	Year ended March 31, 2025
Liabilities no longer required written back (net)	0.00	-
Reversal of Provision for Compensation to Customers	-	0.89
Reversal of Provision for Advances	-	-
Interest Income on Bank Deposits	5.97	6.08
Miscellaneous income	0.06	0.08
	6.03	**7.06**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

28 Cost of sales on projects

Cost of sales on projects	2.38	-
Cost of sales on projects / land	2.38	-

29 Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	1.16	1.03
Contribution to provident fund	0.06	0.06
Gratuity expenses	0.07	0.03
Leave benefits	-	0.02
Staff welfare expenses	0.11	0.11
	1.41	**1.24**

For details on employee benefits, Refer note.37

30 Depreciation and amortization expense

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation expense (note 4)	0.62	0.71
	0.62	**0.71**

31 Finance costs

	Year ended March 31, 2026	Year ended March 31, 2025
Bank charges	0.00	0.00
	0.00	**0.00**

32 Other expenses

	Year ended March 31, 2026	Year ended March 31, 2025
Power, fuel and water charges	0.33	0.32
Rent	0.01	0.02
Rates and taxes	0.19	0.22
GST Input credit written off	0.02	0.25
Communication expenses	0.03	0.02
Repairs and maintenance (others)	0.07	0.42
Legal and professional charges	1.67	2.19
Travelling expenses	0.00	0.00
Office maintenance	0.40	0.26
Service charges	0.17	0.21
Printing and stationery	0.01	0.01
Auditor's fees (Refer Note 33)	0.10	0.10
Provision for doubtful TDS receivable	-	3.85
Club House Maintance	0.36	0.10
Directors sitting fees	0.03	0.02
Loans and advances written off	0.00	0.07
Provision for doubtful debtors	0.07	-
Miscellaneous expenses	0.00	0.02
	3.47	**8.09**

33 Payment to auditors

	Year ended March 31, 2026	Year ended March 31, 2025
As auditor (net of GST)		
Statutory audit fees	0.06	0.06
Audit fees for consolidated financial statements	0.04	0.04
	0.10	**0.10**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

34 Earnings per share

	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic and Diluted EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.		
Loss after tax	11.04	(2.52)
Loss after tax adjusted for dilution effect	11.04	(2.52)
Weighted average number of equity shares in calculating basic & diluted EPS	25,000	25,000
Face value per share	100	100
Earning Per Share		
Basic (Rs.)	0.00044	(0.00010)
Diluted (Rs.)	0.00044	(0.00010)

*Pursuant to the settlement with the CCD holders as detailed in note.48, the CCDs are not considered as potential dilutive equity shares for the purpose of computation of diluted earnings per share.

35 Income Tax

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2026 and March 31, 2025 are as follows:

(i) Profit or loss section

	Year ended March 31, 2026	Year ended March 31, 2025
Current tax expense		
Taxes for the year	0.31	0.31
Tax relating to earlier years	(0.00)	(0.00)
Deferred tax	-	-
Total income tax expense recognised in statement of Profit & Loss	**0.31**	**0.31**

(ii) OCI Section

Net (gain) on remeasurement of defined benefit plans	-	-
Income tax charged to OCI	**-**	**-**

(b) Reconciliation of tax expense and the accounting profit for the year

	For the year ended March 31, 2026	For the year ended March 31, 2025
Accounting profit/ (loss)before tax	11.35	(2.22)
Exceptional items	-	-
Profit/(Loss) before Tax	11.35	(2.22)
Income tax expense calculated at 25% (for 2022-23: 25.75%)	-	-
Adjustment		
Tax for prior periods	0.31	0.31
Permanent differences	-	-
Deferred tax not created on business losses and other temporary differences	-	-
Income tax expense reported in the statement of profit and loss	0.31	0.31

('c) Unabsorbed depreciation and unused tax losses	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Unused tax losses for which no deferred tax is recognised	420.13	(329.81)
Unabsorbed depreciation for which no deferred tax is recognized	(33.13)	(31.28)

36 Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The identification of micro, small and medium enterprise suppliers as defined under the provisions of "The Micro, Small and Medium Enterprises Development Act, 2006" is based on Management's knowledge of their status. As per the information available with the Management, trade payable do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act" as at March 31, 2026 and March 31, 2025.

37 Employee benefits

The Company has the following post-employment benefits plans

(a) Defined contribution plan

Provident fund - Provident fund contribution recognized as expenses in statement of profit and loss Rs. 0.06 crores (March 31, 2024: Rs. 0.06 crores).

(b) Defined benefit plan

Gratuity (Funded) - Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of 20 Lakhs at the time of separation from the company. The scheme funded with LIC

(i) Changes in the present value of the defined benefit obligation are, as follows:

	As at March 31, 2026	As at March 31, 2025
Present value of obligation at the beginning of the period	0.20	0.20
Interest cost	0.02	0.01
Current service cost	0.02	0.02
Past service cost	0.06	-
Benefits paid from the fund	-	(0.04)
Acturial (gains)/ losses on obligation - dues to change in financial assumption	(0.01)	0.01
Acturial (gains)/ losses on obligation - dues to change in experience	0.00	0.00
Present value of obligation at the end of the period	**0.29**	**0.20**

(ii) Changes in the fair value of plan assets are, as follows:	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the period	**0.20**	**0.20**
Interest income	0.01	0.01
Contribution by the employer	0.02	0.03
Benefits paid from the fund	-	(0.04)
Return on plan assets excluding interest income	(0.00)	(0.00)
Fair value of plan assets at the end of the period	**0.24**	**0.20**

(iii) Amount recognised in the balance sheet:	As at March 31, 2026	As at March 31, 2025
Present value of obligation	(0.29)	(0.20)
Fair value of plan assets	0.24	0.20
Net liability/ (asset) amount recognised in balance sheet	0.05	0.00
Amount recognised in balance sheet	**(0.05)**	**0.00**

(iv) Expense recognised in statement of profit and loss:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	0.02	0.02
Past service cost	0.06	-
Net interest cost	0.00	(0.00)
Expense recognised in the statement of profit and loss	**0.08**	**0.02**

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

(v) Expense recognised in other comprehensive income:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial (gains) / losses on obligation for the period	(0.01)	0.01
Return on plan assets excluding interest income	0.00	0.00
Change in asset ceiling	-	-
Net (Income)/ expense for the period recognised in other comprehensive income	**(0.01)**	**0.01**

(vi) The major categories of plan assets of the fair value of the total plan assets are as follows:

Investment Details	As at March 31, 2026	As at March 31, 2025
Insurance funds	0.20	0.20
	0.20	**0.20**

	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate		
1% increase	(0.02)	(0.02)
1% decrease	(0.03)	0.02
Salary escalation		
1% increase	0.03	0.02
1% decrease	(0.02)	(0.02)
Attrition rate		
1% increase	0.00	0.00
1% decrease	(0.00)	(0.00)
Salary escalation (in %)	6.50%	6.50%
Attrition rate (in %)	2.00%	2.00%

(viii) Maturity analysis of the benefit fund

	As at March 31, 2026	As at March 31, 2025
1st year	0.01	0.00
2nd year	0.01	0.00
3rd year	0.02	0.01
4th year	0.01	0.01
5th year	0.01	0.01
Sum of 6-10 year	0.14	0.10
Sum of 11 year and above	0.41	0.29

Weighted average duration of the projected benefit obligation is 11 years (March 31, 2025: 11 years)

The estimates of future salary increases, considered in acturial valution take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

38. Segment reporting

As per Ind AS 108, the Company has identified "construction and / or sale of residential properties" as the only reportable segment.

(A) Geographical Information

	As at March 31, 2026	As at March 31, 2025
Revenue from Operations		
- India	13.20	0.76
- Outside India	-	-
Non-current assets		
- India	41.83	42.48
- Outside India	-	-

* Non-current assets includes property, plant and equipment, capital work in progress and intangibles.

(B) Information about revenue from major customers which is included in revenue

There is no transactions with single external customer which amounts to 10% or more of the Company's revenue

39. Related party disclosures

(I) Names of related parties and description of relationship

(A) (i) Companies having Control

Infrastructure Leasing & Financial Services Limited
IL&FS Engineering and Construction Company Limited
IL&FS Townships & Urban Assets Limited

(ii) Companies having significant influence/other group companies

IL&FS Financial Services Limited
IL&FS Airports Limited
RIDCOR Infra Projects Limited
IL&FS Cluster Development Initiative Limited
Fagne Songadh Expressway Limited
Baleshwar Kharagpur Expressway Limited
Sabarmati Capital One Limited
Tierra Enviro Limited

(B) Key management personnel : Nil

Nominated Directors appointed by ILFS:
Sabina Bavnani - Director
Neerav Y Kapasi - Director
Diksha Dhillon - Director (*w.e.f 09.10.2023*)
Mahendra Bazar - Chief financial officer

(II) (i) Summary of transactions with aforesaid parties

	As at March 31, 2026	As at March 31, 2025
Infrastructure Leasing and Financial Services Limited		
Inter corporate loan repaid	-	-
Service charges expense #	0.17	0.21
Repayment of Service charges	(0.18)	(0.23)

\# Amount incurred by the company for the provision of service provided by Infrastructure Leasing & Financial services Limited is Rs 0.17 crores (March 31, 2025 : Rs. 0.19 crores)

	As at March 31, 2026	As at March 31, 2025
(ii) Companies having significant influence/other group companies		
IL&FS Financial Services Limited		
Advance from Customers	-	-
(iii) Nominated Directors by IL&FS:		
Sitting fees		
Dilip Bhatia	-	-
Neerav Y Kapasi	-	-
Sabina Bhavnani	0.01	0.01
Diksha Dhillon	0.01	0.01

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

(III) Balance outstanding

(A) (i) Companies having Control	**As at March 31, 2026**	**As at March 31, 2025**
Infrastructure Leasing and Financial Services Limited		
Inter corporate loan	951.83	951.83
Funded interest term loan	225.01	225.01
Interest payable	46.89	46.89
Trade payable	-	0.00
IL&FS Engineering and Constructions Company Limited		
Inter corporate loan	76.81	76.81
Funded interest term loan	78.14	78.14
Other (payable) / advance	0.17	0.17
IL&FS Townships and Urban Assets Limited		
Inter corporate loan	110.00	110.00
Interest payable	67.12	67.12
(ii) Companies having significant influence/other group companies		
IL&FS Financial Services Limited		
Inter corporate loan	548.07	548.07
Funded interest term loan	66.43	66.43
Advance from Customers	0.39	0.39
Interest payable	43.21	43.21
IL&FS Airports Limited		
Inter corporate loan	9.00	9.00
Interest payable	0.43	0.43
IL&FS Cluster Development Initiative Limited		
Inter corporate loan	6.50	6.50
Interest payable	0.56	0.56
Baleshwar Kharagpur Expressway Limited		
Inter corporate loan	10.00	10.00
Interest receivable	0.38	0.38
Sabarmati Capital One Limited		
Inter corporate loan	10.00	10.00
Interest payable	0.86	0.86
Tierra Enviro Limited		
Inter corporate loan	54.70	54.70
Interest payable	3.57	3.57

40 Key accounting estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(a) Impairment of non-financial asset

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(b) Defined benefit plans and other long term benefit plan (gratuity benefits and leave encashment)

The cost and present value of the defined benefit gratuity plan and leave encashment (other long term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.
The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations and leave encashment are given in n**ote 37**.

(c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

38 Commitments and Contingecies

(i) Commitments

a) Estimated amount remaining to be executed on capital account not provided for Rs. Nil (March 2025 : Rs. Nil)

b)The Company and its subsidiaries has entered into joint development agreements with owners of land(Former Promoter Group) (Raju Group) for its construction and development. Under the agreements, the Company is required to pay certain minimum payments/deposits to the owners of the land and share in profit from such developments in exchange of undivided share in land as stipulated under the agreements and in turn, the land owners (Former Promoter Group) will return loans and advances given by the

(ii) Contingent liabilities on account of pending litigations

a) The various contingent liabilities pertaining to the direct and indirect taxation is tabled below:

Sr No	Details	FY 2026 Amt (Rs crores)	FY 2025 Amt (Rs crores)
I	Indirect Taxes	-	-
I (1)	Service Tax / GST	-	-
I (1) a	Service Tax liability pertaining to FY 2008-09 to 2011-12 (	2.63	2.63
I (1) b	Service tax liability (refer note 2 below)	1.49	1.49
I (2)	Sales Tax / State VAT		
I (2) a	Demand raised in FY 2017 based on Enforcement Action (	-	3.52
II	Direct Taxes		
II (2)	Income Tax		
II(2) a	Assessment of merged subsidiary Companies of FY 2009-	-	-
II(3)	TDS Demand		
II(3) a	FY 2006-07 to FY 2016-17(refer Note 5 below)	0.33	0.33
II(3) b	Arbitration award filed by Rank Silicon	1.45	-

Note 1:

(i) Demands mainly pertain to discrepancy in classification of services/certain disallowances made by authorities & incorrect taxable turnover computation.

(ii) The Company in appeal before CESTAT. In the hearing held in Mar 2026, the CESTAT has ordered status quo on the proceedings till such time the resolution of the Company is completed.

Note 2:

The Service Tax authroities conducted audit for FY 2015-16 to FY 2017-18.

In respect of audit for FY 2015-16 to FY 2016-17

(a)The Department has issued a show cause notice (SCN) for Rs 1.48 crore.

(b) The SCN was challenged by the Company with the Additional Commissioner. The Additional Commisioner, and after a detailed

(c) The Commissioner of Central Tax reviewed the Order and in exercise of the powers conferred on him, referred the matter to the Commissioner(Appeals) for determining whether the reduction of the amount determined in the SCN was legally correct and justifiable.

(d) The Commissioner (Appeals) has allowed the department appeal thereby the order passed by the Additional Commissioner is set aside. However, hearings on merits have not concluded.

(e) The Company preferred an appeal before CESTAT on merits with a request to waive of the pre-deposit of 10% of the disputed taxes. Hon'ble Tribunal passed the Order that the Company may comply with the pre deposit of 10% as and when the liquidity improves in the Company.

(f) Further, the realisation of the above liability would be subject to the revised SOP adopted by the IL&FS Group for interim or final distributions, which is based on the amended Insolvency & Bankruptcy Code 2026, as per the amendment made by the Insolvency & Bankruptcy (Amendment) Act, 2026 wef May 26, 2026 (Refer Note 9 on Claim Management with this).

Moreover, the realisation of the above liability would be subject to the revised SOP adopted by the IL&FS Group for interim or final

Note 3:

(a) The Commercial Taxes Department of Telangana had raised certain demands aggregating to Rs 3.48 crore in FY 2017, based on the Enforceme Actions taken by the Sales Tax Department.

(b)The Company had filed a writ petition in the Hon'ble High Court of Telengana.

c)The Hon'ble High Court had conducted a detailed hearing in January 2026 and in a detailed Order, deleted the said demand of Rs 3.48 crore.

(d) In addition to the above demand, there are some old demands (cumulating to approximately Rs 4 lacs) arising due to non-submission of certain statutory forms. Since this demand has not been contested and is payable, the same is being shown as a contingent liability in both FY 2025 as well as FY 2026.

(e) Further, the realisation of the above liability would be subject to the revised SOP adopted by the IL&FS Group for interim or final distributions, which is based on the amended Insolvency & Bankruptcy Code 2026, as per the amendment made by the Insolvency & Bankruptcy (Amendment) Act, 2026 wef May 26, 2026 (Refer Note 9 on Claim Management with this).

Note 4:

(a) There are no tax demands existing for Hill County Properties Ltd (HCPL).

(b) However, there are certain demands raised on the land owning merged subsidiaries of HCPL for the period FY 2007-08 to 2013-14 (cumulatively amounting to Rs 14.73 cr).

(d) The total tax demands of the merged companies were factored in the financials of HCPL in the erstwhile years. Income Tax Department had released Rs. 8.03 Cr of refund during September 2022 and adjusted such refund with the demands thereby the tax demands have come down to Rs. 6.69 Cr. The Company is contesting such actions of the department as the Company is undergoing a resolution process and are before hon'ble NCLT. Further, department have filed a claim of Rs. 11.94 Cr before the Claims management authority and their claim is admitted for Rs.6 Cr. Considering the refund due for HCPL (of Rs 9.28 cr) and comparing same with a net demand outstanding of Rs 6.69 cr raised on the landowning merged Companies, there are no subsisting demands existing as of date for the HCPL, and hence no contingent liability is being shown in the books of the Company.

(c) Even though the demand has been inadvertently raised on a non- existing Company by the Income Tax Department (since the Companies have already merged with HCPL), due to the fact that the Hon'ble High Court had while approving the mergers, specifically stated that any past or future demands on any of the merged Companies would be to the account of HCPL, the tax experts have opined that the demands cannot be questioned by the Company as they are part of HCPL effective from 1-4-2014 as per Hon'ble High Court order. The Company is therefore taking this demand as a valid demand.

(d) Further, the realisation of the demand of Rs 14.73 cr raised on the land owning merged Companies of the HCPL Group (out of which the Income Tax Department has suo motu adjusted the refund due to HCPL of Rs 8.03 cr) would be subject to the revised SOP adopted by the IL&FS Group for interim or final distributions, which is based on the amended Insolvency & Bankruptcy Code 2026, as amended by the Insolvency & Bankruptcy (Amendment) Act, 2026 wef May 26, 2026.

Note : 5

(a) The TDS department of Income Tax had issued a notice in FY 2017 for the recovery of a TDS amount of Rs 0.33 cr.

(b) The Company is in the process of reconciling with the department and hence been shown as a contingent liability.

Moreover, the above liability would be subject to the revised SOP adopted by the IL&FS Group for interim or final

Note 6 : Rank Silicon Filed Execution petition against the Company for recovery of Rs.1.45 crores pursuant to Arbitration

Note :b) Litigation to land and others: refer note 43 & 46.

Note : c) Claims Management Process (CMA) being undertaken in respect of the IL&FS Group:

Paragraph 8(A)(iii) of the affidavit filed by the MCA with the Hon'ble NCLAT on January 25, 2019 stated that a resolution Claims Management Consultant appointed by the New Board will undertake the process of collection and verification of claims in respect of a in respect of the IL&FS Group.

Financial, operational and statutory claims and liabilities as of October 15, 2018 were invited by Consultant within the stipulated time in accordance with well settled legal principles and verify the claims submitted by each of the creditors of the relevant Sale Company and the list of creditors whether financial or operational debt, guarantees and other contingent liabilities, secured or unsecured etc., shall be made available to the creditors of that Sale Company".

The claims collection and verification process is analogous to the claims collection process under the IBC in undertaking the
The admitted claims are considered for calling Committee of Creditors meeting and also, for distribution of monies on monetisation, interim and final distribution. Those creditors who missed out filing its claim admission under claim window may lose out in process under such mechanism even if liability is there in books of account and admitted claims will prevail
The CMA submitted report as at September 30, 2022 based on their verification process claim admitted Rs.2,363 crores (excludes amount settled) as against the claims submitted by various claimant Rs.3,487 crores. The book balance against the amounts admitted is Rs.2,291 crores.

The adjustments if any, required to be made to carrying balances of liablities are not determinable at this stage and will be adjusted upon completion of Ressolution process.

d) Provident fund

The demand raised by the PF department towards interest and penalty for delay in payment of Provident fund contribution for the period 2005-06 to 2012-13 amounting to Rs. 0.47 crores (March 31, 2025: 0.47 crores). Aggrieved by the same the company preferred Appeal and stay was granted by the High Court of New Delhi. During the year 2017-2018, the case transferred from Delhi Tribunal to Southern Tribunal at Bangalore and thereafter the same was renumbered as CG IT Appel no.129/2018 and taken up before Central Govt Industrial Tribunal –Nampally, Hyderabad and submitted that the stay moratorium is exists as per NCLAT, New Delhi orders dated 15.10.2018 and if any claim is there, the same has to filed before Independent Claim Management Advisor (CMA) within time frame or NCLT, Mumbai where all IL&FS Group matters are heard and detailed reply has also given by the HCPL to EPFO after going through the orders as to factual developments and
Aggrieved by the Tribunal order, EPFO Dept. filed an Interim Application in Comp.Appeal vide I.A.No.: 1565/2025 in C.A.No.: 346/2018 before NCLAT, New Delhi seeking to " allow the application filed by them and Direct the Applicant to intervene in the Captioned C.A.(AT)No.346/2018 as Maytas Hill County Properties Ltd. (Now Hill County Properties Limited) has to pay Rs.1,56,90,039/- as on 15.10.2018 is in arrear towards dues assessed under Section 7A, 14B & 7Q of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Hon'ble Appellate Tribunal heard on both the sides where Ld.Counsel of IL&FS submits that the claim can be filed before GT Claim Management and the Hon'ble NCLAT, New Delhi disposed the Application i.e I.A.No.1565/2025 on 30.04.2026, it is opened to the Applicant (EPFO) to file their claim before GT claim management and without expressing the merits on claim, C.A. is disposed off.

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

42 **Fair values**

	Carrying value	
	As at March 31, 2026	As at March 31, 2025
Financial assets		
FVTPL		
Unquoted instruments	-	-
Amortised cost		
Trade receivables	1.54	1.44
Cash and cash equivalents	19.70	57.18
Other balances with bank	-	-
Loans	223.15	223.15
Other financial assets	80.93	30.63
Total	**325.32**	**312.41**
Financial liabilities		
Amortised cost		
Borrowings	2,433.71	2,267.23
Other financial liabilities	19.82	187.80
Trade payables	1.66	1.35
Total	**2,455.19**	**2,456.38**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a For Instruments measured at fair value through profit or loss, carrying equals to fair value. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company is not in a position to determine at this stage effect on carrying amounts that would eventually be received or settled, consequent to Ressolution process.

43 Financial risk management and objective policies

Financial Risk Management Framework

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed primarily to Credit Risk and Liquidity Risk, which may adversely impact the fair value of its financial instruments. In view of developments within IL&FS group entities, The Company at present under moratorium period and accordingly these disclosure are to be read considering the Resolution process under which all efforts are made to maximise lenders recovery and all business operations are standstill till then.

The following disclosures summarize the Company's exposure to financial risks and how the Company manages it.

A. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, investment, other balances with banks, loans and other receivables.

<u>Exposure to credit risk:</u>

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 325.32 crores and Rs. 312.41 crores as of March 31, 2026 and March 31, 2025 respectively, being the total of the carrying amount of financial assets.

Trade receivables:

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

<u>Loan and Other financial instruments including cash deposits</u>

Credit risk from balances with banks, financial institutions and others is managed by the Company's treasury department in accordance with the

Company's policy. Investments and loans are made only with approved counterparties and within credit limits assigned to each counterparty.

B. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Year ended March 31, 2026

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	**Total**
Borrowings	2,433.71	-	-	-	-	2,433.71
Other financial liabilities	17.78	-		2.04		19.82
Trade and other payables	1.66	-	-	-	-	1.66

Year ended March 31, 2025

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Borrowings	2,229.12	-	-	38.06	-	2,267.18
Other financial liabilities	185.67	-		2.04		187.71
Trade and other payables	1.37	-	-	-	-	1.37

C. Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities.

The exposure to unlisted equity securities at fair value is Rs. Nil and Rs. Nil as at March 31, 2026 and March 31, 2025 respectively.

The management has not reviewed the policies related to risks as the entire focus is on resolution of the company as part of IL&FS Group resolution.

44 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to maintain an optimal capital structure to maximise the shareholder value.

	As at March 31, 2026	**As at March 31, 2025**
Borrowings	2,433.71	2,267.23
Less: cash and cash equivalent	100.63	87.81
	2,333.08	**2,179.42**
Equity	0.25	0.25
Other Equity	(1,484.67)	(1,495.71)
	(1,484.42)	**(1,495.46)**
Gearing ratio	(1.57)	(1.46)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025. Though all the policy/ies are in place, presently IL&FS group business and operations are standstill with a focus on resolution to achieve maximum value for its creditors.

45 Going Concern

(i) The Company has accumulated Loss of Rs.1842.66 crores as at March 31, 2026 (March 31, 2025: Rs.1853.70 crores). The Company has incurred a Profit of Rs.11.04 crores (March 31, 2025: Loss of Rs.2.52 crores). The company's net worth has been fully eroded and its current liabilities of Rs.2,483.78 crores exceed its current assets of Rs.130.31 crores by Rs.2,353.47 crores (March 31, 2025: Rs. 2,365.12 crores). There are uncertainties on the recoveries of gross value of advances given to non promoter group of Raju family entities and intercorporate loans given prior to March 2010. The Operations of the company with respect to development of new projects are kept stand still and are subject to resolution plan under which the Company is proposed to be monetised. Though accounts are prepared on going concern basis, the Company has provided for assets on prudent and conservative basis.

(ii) The New Board of Directors of the parent company, Infrastructure Leasing and Finacial Services Ltd Company (hereinafter, "New Board"), as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities to meet various financial and operational obligations, measures for cost optimization and protocol for making payments beyond certain limits.

The Hon'ble NCLAT had given a moratorium to IL&FS and its group entities that are covered under resoluion process and that no creditors can proceed against it except under article 226 of the Constitution.

The resolution plan seeks a fair and transparent resolution for the Company while keeping in mind larger public interest, financial stability, various stakeholders' interest, compliance with legal framework and commercial feasibility. The resolution plan and processes for various verticals are under way and options of restructuring business, as well as exits are planned. The plan of the management is to sell / exit from assets at the group entity as a going concern.

The New Board is pursuing vertical level, SPV level and asset level resolution plan. Further, the stakeholders' interests will be protected adequately since the framework and asset sale will be subject to NCLAT approval.

The New Board has been following a three- pronged strategy- Resolve, Restructure and Recover- while adopting approach of equitable distribution and balancing interest of stakeholders across the IL&FS Group under IBC and Corporate Finance principles to resolve the debt.

(iii) The Resolution Framework (including the Revised Distribution Framework in the Second Addendum) submitted by the New Board had been approved by Hon'ble NCLAT on March 12, 2020. The entities in the IL&FS group, have been classified into Indian and offshore entities. Further, the Indian IL&FS entities have been classified by an independent third party, into three categories of entities based on a 12-month cash flow based solvency test viz "Green", "Amber" and "Red", indicating their ability to repay both financial and operating creditors, only operating creditors, or only going concern respectively.

Based on this classification of "Green", "Amber" and "Red", the New Board has put in place a payment protocol for the IL&FS group during the resolution process. The classification of the entities, the payment protocol and the resolution framework has been filed with the NCLAT and the NCLAT has directed the appointment of Justice D K Jain (Retd) to supervise the resolution process for the IL&FS group.

The Company as part of IL&FS Group entities has been classified as a "Red" entity, indicating that it is not able to meet all obligations (financial and operational) including the payment obligations to senior secured financial creditors. Accordingly, the Company is permitted to make only those payments necessary to maintain and preserve the going concern status.

(iv) The Company as an IL&FS Group company has appointed Grant Thornton (GT) as claim management advisor in order to assess its liabilities and claims and to form committee of creditors. The Company is providing all information as asked for and has also filed its claims against IL&FS group companies where claim management process is going on. The information about claim admission and status is available on www.ilfsindia.com. The claims made by various creditors and the balances in books of accounts are reconciled and information and explanation are given to the claim management advisor. However, no adjustments have currently been made in this regard. The Claims Management (CM) is being continuous process and it will be finalised in due course on resolution of the Company. Further as stated earliers in notes to accounts, the admitted claims will prevail as final creditors.

(v) Resolution of Hill County Properties Limited:

The Resolution process initiated in 2019 was annulled in 2020. During FY 2023-24, a fresh bidding process has been initiated on June 14, 2023 by issuing a Request for Proposal (RFP) as Amended and Restated RFP on 18.07.2024 along with its subsidiaries in which HCPL holding its share of 99.9% even though the subsidiaries are not part of the 302 IL&FS Group companies. The Amended and Restated RFP includes particulars of all companies being owned by the company under the resolution process giving every detail of their transactions, assets and liabilities and also financials statements.

As at the date of approval of the financial statements, bidding process of M / s Hill County Properties Ltd (parent company) is completed and highest bidder is identified which is subject to obtaining the required approvals strictly as per the laid down procedure. However, considering the present realty market it was decided to call for a latest revaluation report on all the assets of the parent company and its subsidiary companies which may be useful to negotiate with the bidders for achieving a best price for the assets.

46 Risk of Substantial Adverse Outcome of Litigations :

(i) Hill County Villas Owners' Association (HCVOA) and Hill County Apartments Owners' Association (HCAOA) has addressed letters to Justice D.K.Jain,(Retd. Supreme Court Judge) regarding hand over of club house/community centre. Further HCVOA & HCAOA are claiming the ownership of the club and also filed claims of Rs.494.34 crores against the company towards amenities and other issues. The Company filed its objections and gave reply on 10-05-2019 denying the claims duly supported by the documentary evidence that the Club is not a common area but property of the Developer (HCPL) with certain in built facilities for hill county residents as per executed deeds, agreements entered; the claim made by the Association is not maintainable. After due consideration of the records and basis the Independent analysis, Claim management Advisors has not admitted the claim filed by such associations.

A Demand Notice dt.05-04-2021 was received from Hill County Apartment Owners Association (HCAOA) Advocate under the Insolvency and Bankruptcy code, 2016 (IBC) demanding for payment of outstanding maintenance charges of Rs. 8.71 crores towards 244 units which are unsold units at the time of handing over to HCAOA i.e 1.04.2016. Along with the Demand notice a compact disc were also sent containing the scan copies of summary and invoices raised by the Association from 2016 onward and appropriate reply dt.15.04.2021 is sent to them.

(ii) A suit No. O.S. No. 217/2019 has been filed by the two Associations (HCVOA & HCAOA) against the Company & IL&FS in the Hon'ble Prl. Junior Civil Judge cum XX Addl. Metropolitan Magistrate, Medchal, seeking Interim relief and permanent injunction restraining the Hill County & IL&FS, their men, servants agents etc from ever interfering with the lawful possession and enjoyment of the club house by them. The Company filed vakalat & Memo along with NCLT & NCLAT order copies. The above said suit was transferred to III Addl. Junior Civil cum XXIII Addl. Metropolitan Magistrate at Medchal - Athivelli Court Complex and the Hon'ble Court has set ex-parte of Defendant. The company filed its Written statement as well as counter affidavit and petition to set aside ex-parte orders in the matter before the Hon'ble Court, stating that stay and moratorium order passed by NCLAT on 15-10-2018 still subsist. It was informed to the court by way of a Memo and moreover cases are pending before NCLT and NCLAT with respect to IL&FS issue which includes HCPL resolution process. The Hon'ble Court allowed set aside petition filed by Defendants i.e HCPL & IL&FS on 04.07.2023 and HCPL has filed a counter in Interim Application filed by Associations and Defendant 2 (IL&FS) an adoption memo has been filed in said I.A and HCPL filed a memo stating that the stay moratorium is exists and inview of stay moratorium the Hon'ble Court adjourned the said case to 08.09.2026.

(iii) The Company filed suit bearing O.S.No. 410/2019 against two Associations (HCVOA & HCAOA) in the Hon'ble Senior Civil Judge cum Assistant Sessions Judge, Medchal, seeking Interim relief and perpetual injunction restraining the two Associations, their agents, servants or any other persons claiming through or from interfering with the peaceful possession of HCPL over the club house and in the said case a petition under section 10 of C.P.C have been filed by Association and this Hon'ble Court allowed I.A.No. 2515/2019 accordingly and the said suit is stayed till the disposal of O.S.No.217/2019 on the file of Junior Civil Judge; aggrieved by said Order HCPL filed C.R.P before High Court of Telangana and in the said case, the Hon'ble Court has recently forfeited Defendants rights to file Written Statement and later the said case is transferred to Addl. Senior Civil Judge cum Addl. Assistant Sessions Judge, Medchal from Prl. Senior Civil Judge Court, Medchal and Defendant's counsel has submitted on 15.12.2022 before the Hon'ble Court "stay of all proceedings till the disposal of O.S.No.:217/2019" and the said case is adjourned in view of posted to 15.09.2026 on stay of proceedings.

(iv) An E-mail has been received by IL&FS Team from General Secretary of HCVOA EC to clear the outstanding of Rs.49,41,296/- towards maintenance dues and corpus fund of 4 units (Independent Houses) at Hill County Township.

(v) HCPL received letter dt.20.12.2023 from the customer Mr.Simma Rajasekhar (Villa –150) request to handover Statutory Amenities at Hill County layout including Club house, commercial space etc., and later, he filed Writ Petition bearing W.P.No.: 3437/2024 before the High Court of Telangana. Again, another letter dated 20.05.2024 issued by the same customer seeking the handover of Amenities including club house etc. and the subject issue is sub-judice before the courts.

A Writ Petition bearing W.P.No.: 3437/2024 filed by Mr. Simma Rajasekhar (Villa – 150) filed against The State of Telangana and Ors. Where HCPL is one of the party to the said case and seeking to declare action of R1 to R4 in remaining silent and not taking prompt steps to stop R5 (HCPL)& 6 (IL&FS) proceeding with sale of Amenity A1(club House) situated in housing layout -File5876 Mp2/Plg/HUDA/2005 situated at Bachupally as illegal, arbitrary and unjust as violative of Article 14 and 300-A of the Constitution of India. and direct the official respondents to take action pursuant to petitioners representation dated 19.12.2023 and the Hon'ble High Court passed Interim direction ordered on 28.02.2024 - *to Respondent no.2 (HMDA) to examine the representations submitted by the petitioner dt.19.12.2023 and 11.01.2024 strictly in accordance with sanctioned layout in File No. 5876 Ap2/Plg/HUDA/2005 within 4 weeks from today. It is made clear that pending representations submitted by the petitioner, respondents are directed not to grant any permission for alienation of amenities reserved for the residents of the said layout and to appear on behalf of HCPL and IL&FS* - Legal Counsel has been appointed and the said case is pending and posted for hearing in onward list.

A Writ Petition bearing W.P.No.: 14929/2024 filed by Mr. Simma Rajashekar (Villa -150) against The State of Telangana and Ors. where HCPL (R-5) has been made a party to the said case as claiming under writ of Mandamus to declare action of the respondents 1 to4 in remaining silent and not taking prompt steps in getting the formal handover of Amenities A2,A3 & A4 from the Respondent no.5&6 Developer of the property in the group housing layout plus houses of HUDA file no. 5876/Mp2/Plg./HUDA/2005 to the 7th Respondent pursuant to the Petitioners representation dated 15.5.2024, 20.5.2024 and 30.5.2024 as illegal, arbitrary and un just. Vakalat has been filed by Mr. Narendar Naik on behalf of HCPL and IL&FS and counter has been filed in the said case and the said matter is posted for hearing in onward list.

A Writ Petition filed before High Court of Telangana seeking under writ of Mandamus declaring the action of the Respondent No 3 in granting an Occupancy Certificate vide Proceedings No 783/2013/81Pts in building permit/proceedings No 5871/P4//P1g/HUDA/2007 in respect of Block Shimla of Maytas Properties Limited situated in Sy Nos Part of 192 193 194 195 196 197 198 201 and 282 Bachupally Village Nizampet Road Quthbullapur Mandal R R District dated 14.08.2013 as illegal null and void. HCPL filed its counter and the Hon'ble Court after heard arguments of both the parties gave direction to HCPL "to approach concerned authority" and as directed, HCPL again applied for Occupancy Certificates of 11 towers and obtained revised OC's of all towers at Hill County. On 10.07.2024, the said case is listed where dismissed as infructuous by the Hon'ble High Court of Telangana.

(vi) B. Rama Raju has filed an Interim Application bearing I.A.No.: 3845/2019 in C.P.No.: 3638/2018 before National Company Law Tribunal, Mumbai and vakalat and counter filed by HCPL and the application during hearing of several matters is dismissed by NCLT, Mumbai on 18.09.2023; in the above petition the Petitioner is seeking (a) to direct the IL&FS & HCPL to abide by the terms mentioned in MOA dated15.01.2013 which was entered between the parties, (b) to allow them to match the bid of the highest bidder for the proposed transaction subject to the protection of the terms and conditions of MOA and (c) in Alternative of prayer clause (b), to direct the proposed buyers/highest bidders of the proposed assets to abide by the terms and conditions mentioned in MOA therein;
Against such dismissal an appeal by way of Company Appeal 47 of 2024 was filed before NCLAT New Delhi., filed by B Rama Raju, the matter was listed for hearing on July 24, 2025 before the Chairperson's court of the Hon'ble NCLAT, the Advocates were briefed as to conditional submissions as to agreement to dispose the appeal in terms of 'prayer C' in the Appeal., (adherence to the MOA terms by the Bidder and subject to Orders by the NCLAT in IA 5036 of 2023) and the Bench recorded the submissions made by the parties and disposed-off the Appeal, all parties to the MOA shall adhere to the terms of MOA."

(vii) A Miscellaneous Application bearing M.A.No.:632/2022 in Company Petition i.e. C.P.No.3638/202018 filed by State Bank of India (SBI) against HCPL before National Company Law Tribunal, Mumbai seeking to reclassify their claim as a Secured Creditors from Unsecured Creditors and SBI has filed an Application claiming home loan amount with interest against 25 customers who have been defaulted and their claim is comes under Unsecured Creditors and seeking to give direction to The Resolution Professional to reclassify them as Secured Creditors from Unsecured Creditors and to pay their dues/claims in due process of law and after hearing the matter Hon'ble NCLT, Mumbai. On 24-07-2024 allowed SBI petition to be classified as secured creditor - Claim Management Advisor was directed to modify the claim of SBI and classify it as Secured creditor/ secured claim.

(viii) Arbitration with refeerence to Land agreements : HCPL received notices 3 Arbitration Applications bearing Arb.Appl.No.s: 91/2023, 92/2023 and 93/2023 from the High Court of Telangana with regard to 3 land parcels - BRNR Agro Pvt. Ltd. (Maissammaguda), Nallamala Agro Pvt. Ltd.(HCSEZ) and Chitta Farms Pvt. Ltd. (Gopanpally) and Cyril Amarchand Mangaldas (CAM) –Hyderabad/Bangalore is appointed in the matters and vakalats have been filed in the respective cases by the Counsel, further a memo stating that 'Stay and Moratorium' subsist in the matter and the Hon'ble Court heard arguments of both the parties and counters have been filed in the said three Arb. Applications by HCPL. Petitioners arguments is that HCSEZ is not covered under moratorium, however our counsel argued stating that Resolution of HCPL is in last leg and already moratorium is there after brief hearing again matters are listed for hearing in onward list.

A new WP is filed by the Villa Owner/Petitioner Mr.Rajasekhar Simma., Writ Petition no.18800/2025 before the High Court of Telangana., against (1) the state of telangana (2) HMDA, (3) Nizampet Municipal Corporation, (4) Additional Collector- Local bodies Integrated District Office., (5) HCPL, (6) IL&FS, (7) HCVOMACS and (8) the District Registrar., The same is related to Roads in Hill County Project., praying that Bidding shall be stopped, Trunk road shall be kept out of RFP., seeking direction to SRO to prohibit sale of trunk road land as its part of Common approach road/trunk road/periphery road in the group housing layout of Hill County. The matter is posted for hearing on 30-07-2025, HCPL engaged Varuna Law Mr.Narender Naik Advocate to represent on behalf of the company.

(ix) In past, Chennai Properties Investment Limited (a company belongs to Sivasankaran group) was given mandate to generate Rs 2500 crores cash flows from the Company's land parcels at a fee of 20% (based on IL&FS Ex Group Chairman mail to the Company Ex Chairman). Since the Sivasankaran group was not able to monetize much and therefore, it was decided that they will do bulk sale of the Company's ready inventory of villa and apartments. The Sivasankaran group vide its group company Utoo Cabs reverted with mail that they have sold 2 villa at Rs 5 Crores total (Rs 2.50 Crores each) in October 2016. The Company received the said Rs.5 Crores. The then Chairman of the company okayed it with a note that in overall settlement the same will be addressed as this being just starting of monetization. Later, Sivasankaran group never reverted for registration of these 2 villas/bungalows no Agreement was signed with purchaser (Utoo Cabs). Post change in management at Infrastructure leasing and financial Services Ltd (IL&FS), the new Board of the Company terminated the agreement with Siva Group. Later, the Sivasankaran group reverted that they want to register the villas/bungalows and asked for pending maintenance and stamp duty information. In August 2019, UTOO Cabs (an entity belonging to Sivasankaran group) sent a legal notice demanding return of Rs.5 Crores paid by them along with interest, the Company sent a legal reply notice to Siva group.

LaterRecently, Siva Group and IL&FS Group company namely, IL&FS Financial Services Ltd (IFIN) entered into settlement subject to various approvals under IL&FS Group resolution framework as approved by Hon'ble NCLAT vide its order dated March 12, 2020 in which Siva Green has indicated in their letter they, on receipt of final approval would be making payment of Rs.5 Cr to Utoo Cabs so that HCPL need not (1) repay/return Rs.5 Cr to or (2) deliver 2 bungalows to Utoo Cabs Limited.

Further Utoo Cabs would write to HCPL to transfer 2 bungalows to IFIN, while confirming no liabilities / dues to them from HCPL.

a) HCPL to transfer the two bungalows ((1) Bungalow No.6 - admeasuring 792 Sq.yds and (2) Bungalow No.12 - admeasuring 820 Sq.yds at Hill County, Bachupally, Hyderabad, Telangana) as is where is basis to IFIN / any third party indicated by IFIN and register those units in name as directed by IFIN. HCPL also provide their services to assist IFIN in selling these properties on "As is where is basis" and register such units at SRO in name of parties as directed by IFIN.

Utoo Cabs (Siva Group) would execute the documents as required by IFIN / HCPL, to facilitate transfer of the following two bungalows / residential properties to IFIN / any third party as indicated by IFIN by HCPL

b)Utoo Cabs to provide a confirmation that it would not seek refund of Rs.5 Cr or transfer of the above two bungalows from HCPL in its favour.

Based on above, the Company received letter from Siva Group and said 2 bungalows, necessary applications moved seeking approvals from Justice Jain and post the same, application seeking approval made to NCLT. Basis the NCLT Approval received by way of Orders dated 11-12-2025, adhering to the same, the parties entered into a Settlement Agreement Dt.29-12-2025. Accordingly, HCPL is to transfer the Two Villa units to IFIN or nominees of IFIN without incurring any expenses, charges, etc., all such expenses, charges to be borne by IFIN or its nominees, as the two units were assingned by Utoo Cabs/Siva Group to IFIN.

(x) "Suit filed by the legal heirs of the esrtwhile owners of the Bachupally land parcel – seeking for partition and separate possession of the vast extents of the immovable properties. At present, grand children of the erstwhile owner impleaded themselves as legal heirs claiming share & rights in the properties in Bachupally village where the company lands and Subsidiary Hill County SEZ Private Ltd., land development rights are part of schedule properties and earlier an interlocutory petitions were filed to restrain the company from carrying out constructions or changing the nature of land and alienating the land or the building constructed till the final decree is passed and the same is pending. HCPL filed memo stating that stay and moratorium ordered by NCLAT, New Delhi on 15-10-2018 subsists in the matter

The Company got favourable order in land ceilings case where past to past owners has not declared certain lands belong to them though Hill County land at Bachupally was declared properly. The Company was made party to the case as present owner of land. Later, one of the party to the case aggrieved by R.D.O. & Land Reforms Tribunal, Medchal- Malkajgiri Order dated 07.08.2019, approached Land Reform Appellate Tribunal – Ranga Reddy district and the Company is made as one of the respondent. The company filed vakalat and memo with regard to NCLAT stay and moratorium against IL&FS group and at present HCPL and HCSEZ filed detailed counter, counsel submitted oral arguments, as well filed written Arguments and but the Hon'ble Court didn't consider the memo filed towards stay moratorium is not acceptable and in aggrieved by the Hon'ble Court order in memo, Civil Revision Petition is filed the same is posted for hearing on 11-09-2024. CRP is filed by HCPL and the same is also pending for hearing. Appeal is pending in Land Reform Appellate Tribunal , Ranga Reddy.

(xi) Ac 13.15 land held by the company under JDA in Gopanpally and 16.27 Ac in Bachupally held by company's Subsidiary Hill County SEZ Private Ltd are under attachment with Central Bureau of Investigation (CBI). The company also have legal dispute regard to ownership to the extent of Ac 7.00 at Maisammaguda which is acquired by the State Government for Defence department firing range, however physical possession of the land is not taken by the Govt.

(xii) Writ Petition has been filed by the company before the Hon'ble High Court of Andhra Pradesh seeking to suspend proceedings in Rc.No.17/3/2015/A dated 10.12.2015 issued by Thahsildar,Visakhapatnam including auctioning of the Company land at Madhurawada Vizag, by way of WP No.8197 of 2016 and Interim suspension ordered on 14th March, 2016 by the Hon'ble High court of Telangana., and the same is pending for hearing in onward list.

(xiii) The Vijayawada land and land development rights of 18 acres were sold at Rs 72.00 crores plus interest @ 12% totalling to Rs 90.00 crores. The party Ram Krishna Housing P Limited (RHPL) after paying Rs 24.00 crores defaulted and entered MOU to pay the money on time with penal interest. However, the party defaulted after entering MOU again and also, cancelled the General Power of Attorney (GPA) given while executing Agreement for Sale (AFS). The Company had filed two Writ Petitions challenging the actions of Sub - Registrar of Pedakakani, Guntur Dist. as arbitrary, illegal and unjust in registering the cancellation of Irrevocable General Power of Attorney bearing Book No. BK IV20/2016 dt.21.06.2016 (executed in favour of the Company) and also to declare the action of the Sub-Registrar of Pedakakani, Guntur District in issuing endorsement dt. 07.08.2019 bearing Endorsement no. N/1/2019, thereby refusing to register the cancellation deed (in respect of the Agreement to sell -Vijayawada Lands) presented by the Company is illegal, arbitrary and quash the same and further order the Sub Registrar to register the cancellation deed presented by the Company; Notices were ordered to Respondents and Additional Advocate General made appearance for the State and SRO, Advocate filed vakalath for RHPL, in the two writ petitions and the same are posted for hearing in onward list. Respondents are to file their version and the said cases is posted for hearing in onward list.(Presently IRP appointed and moratorium ordered on an application filed by SREI InfraJ.C.Flowers Assets Construction Ltd.)

In this regard, additionally as per Legal advise, the Company submitted a written representation January 20, 2020 (petition) to the District Registrar, Guntur, (with a copy to Commissioner and IGR&S) seeking set aside of the unilateral cancellation of the GPA by the Sub Registrar, Peddakakani – Written Arguments also filed and order is awaited.

Earlier a paper publication issued by the Interim Resolution Professional (IRP) dated 31.10.2022 calling for the claims against the Ramakrishna Housing Private Limited from all the stakeholders.Shriram City Union Finance Limited (Shriram) filed a Section 7 Petition bearing CP (IB) No. 8/7/AMR/2020 under the Insolvency and Bankruptcy Code against Ramakrishna Housing Private Limited before the Hon'ble National Company Law Tribunal, Amaravathi Bench ("NCLT"). The Hon'ble NCLT vide its Order dated 28.10.2022 admitted the above said Petition and initiated Corporate Insolvency Resolution Process against Ramakrishna Housing Private Limited and appointed Mr.Sriram Parthasarathy as the Interim Resolution Professional (IRP), accordingly HCPL has sent reply letter dt.14.11.2022 along with documents through registered post as well as e-mail regarding cancellation of Agreement to Sell of Vijayawada land due to breach of contract and the same was received by the Insolvency Resolution Professional. HCPL has submitted to IRP, that RHPL has no rights over land under ATS dt. 21.06.2016 reg. Doc.No.: 2892/2016, and the same shall be excluded in the memo as to assets as the consideration under ATS was never paid by RHPL. Further in violation of terms agreed, RHPL went for unilateral cancellation of POA. In this regard recently "NCLT Amaravathi" has allwoed application of the RHPL and restored back the companies status as a normal status company even the IRP appointment is cancelled, powers of the board restored in view of settlement arrived between RHPL and Shriram and said C.P. no. 08/2020 is dismissed as withdrawn by NCLT, Amaravathi.

Recently, HCPL received a letter dated 02.07.2026 (10.07.2026 through speed post) from Insolvency Professional - Mr. Mallikarjuna Setty Nethi - IRP stating that M/s.Ramakrishna Housing Private Limited (RKHPL) is under Corporate Insolvency Resolution Process (CIRP) and he was appointed as the Resolution Professional by the Committee of Creditors and as per books and records of Corporate Debtor i.e RKHPL are available an amount of Rs.36,04,50,269/- is outstanding and payable by Hill County Properties Ltd. towards advance provided by the Corporate Debtor. J.C. Flowers Assets Reconstruction Pvt. Ltd. filed a Company Petition bearing C.P.No.13/2025 in NCLT Amaravathi for recovery of amount of Rs.113 crores and the said Company Petition is pending before the Tribunal.

(xiv) Visakhapatnam land parcel – a suit bearing O.S.No.:1028/2008, earlier, it was filed by Mr. Kolupuri Rama Rao against Maytas Properties Ltd. seeking for permanent injunction to an extent of Ac.2.00 cts of dry land in Sy.No.7 of Kommadi Village, Visakhapatnam. This suit has been dismissed on 17.02.2017 by the Hon'ble Court as Plaintiff abated on his death long back. Recently, the Company (Hill County Properties Ltd.) have received summons in three Interim Applications in O.S.No.:1028/2008 in the file of VII Addl. Senior Civil Judge Court, Visakhapatnam and in the same, vakalat's and a memo regarding stay moratorium filed by HCPL's counsel – Mr. Ramdas and the same are posted for hearing.

(xv) Memorandum of Agreement (MOA) was entered with Former Promoter Group (FPG) (Raju group) in 2013 with No termination clause and inter alia agreeing for release of personal guarantee for Mr Teja Raju subject to certain terms and conditions. Post registration of Development agreements (DA) which were consequence to MOA, there were number of land related issues for which FPG (Raju group) was responsible to ensure that they all get resolved, further undertaken to provide clean lands for development to HCPL. The land development has not happened as all the land parcels were having land related issues and many such issues were concealed by FPG (Raju group) at the time of MOA and later on while entering the DA also the same was not disclosed to the company and IL&FS group. The company along with FPG held discussion and informed the FPG to clear the issues and provide clean lands without resorting to delaying tactics.

HCPL has sent letter in 2018 itself highlighting to the FPG that there are various issues in relation to the Land Parcels (including but not limited to violation of agricultural land ceiling, boundary, survey, disputes with neighbouring land owners, land use classification, access to site, past documents, encroachment, litigation, attachment by authorities for reasons attributable to the FPG, misrepresentation by FPG, restricted entry to land parcels etc., The fact that Land Parcels were not having clear title were raised by HCPL with the FPG and the land-owning entities (affiliated to the FPG) during discussions as well as in correspondence, including vide letter dated November 28, 2018, HCPL requested for assistance from FPG to resolve the issues at hand however there was no cooperation and assistance as obligated under Master Agreements.

Later on post change in management at the Company, notices were received from Former Promoter Group (Raju group) and land owning companies threatening termination of Development Agreement in respect of various land parcels, they displayed notice boards stating that legal issues are pending and the company's Rights in land parcel stands terminated by them, the Company has suitably responded to them stating that the DA are irrevocable, termination notices are illegal, FPG and landowning companies cannot terminate in view of the settlement terms, MOA and agreements executed, further if it happens recovery of Rs.301 cr (along with interest) from FPG and Raju companies to the Company will arise. Also, personal guarantee of Teja Raju will get reinstated. HCPL sent a reply letter dated May 10, 2019, wherein it was highlighted that it is the FPG that is in breach of its obligations under various agreements entered into between the parties, the commercial understanding between the parties was always that the monies payable to the FPG shall be used to apply towards payments under Clause 4.8 of the MoA and after such payments have been made, FPG will not be entitled to any profit from the development of the Land Parcels; the entire economic interest of the Land Parcels vests with HCPL, the MoA read with the development agreements collectively records various undertakings of the FPG in relation to handing over of the Land Parcels and various other obligations which the FPG is in breach of; further as regards any encumbrances created are in accordance with the agreements and any such encumbrances are only on the receivables of the project and the development rights which HCPL possess. HCPL clearly stated they could not carry out development of the project due to the defective title and non-performance of certain obligations by FPG. Development cannot take place when there are defects in the title and in fact, some Land Parcels have been attached by the CBI, the defects with respect to the land were clearly specified to FPG.

The Company vide its letter dated February 03, 2020 informed FPG and Land owners to return the Rs.301 cr along with interest and damages from the date of payment till realization in case of termination of Development Agreement though there was No Termination clause and as FPG wanted to create hurdles and roadblocks in monetisation of HCPL which the new management is doing in best interest of lenders so as to maximise value for lenders. FPG and Land owners have sent a reply dated February 24, 2020 disputing and denying the contentions and demanded proof to that effect and also, stated that it was supposed to be adjusted in 8 years.

When there were hindrance/interference from FPG at the land parcels, the Company through its counsel, has served legal notices dated March 06, 2020 to the FPG and Landowners/ Landowning companies; to cease and desist from interfering with the Company's land under Development Agreement, in view of the MOA, Settlement terms entered earlier in respect of Bachupally, Maisammaguda and other lands. FPG and Landowners/ Landowning companies through their Counsel have sent reply dated 06-08-2020 to the company legal counsel, refuting the contentions and repeating and reiterating the allegations made earlier by them that the default is on the Company's side.

(xvi) "Landowners and other parties to Development Agreement in respect of various land parcels have sent in all 13 Notices dated 07.04.2021, all belonging to FPG Companies (Vindhya Bio-Tech Pvt. Ltd., Rohini Bio-Tech Pvt. Ltd. JRB Agro Farms Pvt. Ltd. BRNR Agro Pvt. Ltd., DRBR Agro Pvt. Ltd., Sravana Agro Pvt. Ltd., Chitta Farms Pvt. Ltd., Penneru Agro – Tech Pvt. Ltd., Satabisha Agro Pvt. Ltd. & Sarayu Agro Farms Pvt. Ltd., Nallamala Agro Farms Pvt. Ltd., Kanchenjunga Greenlands Pvt. Ltd. and Keelaka Agro Farms Pvt. Ltd.,) stating that they appointed Shri M.Rama Das as Arbitrator for resolution of dispute with regard to termination of Development Agreements entered with respect to Bachupally Maisammaguda Gopanpally, HCSEZ –Bachupally and Vijayawada.

The Company consulted the Legal Counsel for advice and instructions in respect of total 13 notices seeking resolution of dispute by the Arbitration. After due vetting and finalisation. the Company gave a common Reply dated 03-05-2021 to the same rejecting the demand duly stating that the pending issues in respect of land parcel which FPG has undertaken to clear and provide clean lands as per settlement terms. Further stating that the company is under resolution and the demand for appointment of Arbitrator is rejected."

(xvii) Gopanpally Land : When the Land Owning Companies (FPG) were trying to raise boundary wall, initially Legal Notice was issued, later on a civil suit bearing O.S.No.:7/2022 is filed by HCPL before XV Addl. District and Sessions Judge, Kukatpally; seeking for Interim Injunction against the illegal actions of the Land Owning Companies (Chitta Farms Pvt. Ltd., Penneru Agro-Tech Pvt. Ltd. And Satabisha Agro Pvt. Ltd.) i.e. acts of interfering with the peaceful possession of land admeasuring Acres 39.15 Guntas, situated at Gopanpally. In view of caveat filed by Land Owning Companies - Notices issued to Defendants, the same is coming for Written Statement of Defendants. The Defendants filed petition under Section 8 of Arbitration and Conciliation Act and vakalat filed by Mr. Vikram, advocate for Def. no.2 and .the . Matter is posted on 228.09.20265 for filing of written statement by Defendants. and vakalat filed by Mr. Vikram, advocate for Def. no.2.

(xviii In July 2025, there were attempts by individuals to fence and put columns and sheets, encroach into HCSEZ part Land in sy no.112., stating that the same is basing on survey and demarcation as sold to them by way of sale deed., HCPL is in the process to initiate action against such illegal attempts already draft plaint is ready as to file in civil court at Miyapur.

(xix) HCPL filed a suit seeking perpetual injunction under sec.26 & O7, R1 r/wO39 R1&2 of Civil Procedure Code against Aparna Constructions and Estates Pvt. Ltd. and 2 Ors.(Bharani Agro Pvt. Ltd. and Sarayu Agro Farms Pvt. Ltd. restraining Defendant No. 1 or its agents, henchmen, employees or any other person claiming through or on behalf of Defendant from interfering with the peaceful Possession of plaintiff(HCPL) with respect to the schedule property i.e Gopanapally land admeasuring Ac.39.15 Gnts. Actually, Aparna Constructions and Estates Pvt. Ltd has purchased Ac2.00 from land owner which is adjacent to land where HCPL holds development rights. The suit is numbered as O.S.No.158/2025 directed to send notice and posted for hearing.

(xx) HCPL received a Notice No. B/818/2025 dated 23.7.2025 from M.R.O., Serilingampally for filing of an objections to an application bearing No.2500390009 filed by Mr. Kolluri Padma Rao through Bhu Bharati for NALA without PPB for Ac.2.00 Gnt in Sy.No.245/A/1 situated at Gopanpally village and the notice specifies a hearing date fixed for 30.07.2025, during which interested parties are required to file their objections, if any.

HCPL submitted a request letter dated 30.7.2025 addressed to The Dy. Collector, Serilingampally submitted to Dy. Collector and the same has acknowledged by M.R.O. office and HCPL has requested time to file objections in application filed by Kolluri Padma Rao for NALA without PPB I Sy.No.245/A/1 in Gopanpally and the hearing of application is posted to 12.08.2025 where HCPL has filed its detailed reply – objections dated 21.08.2025 along with annexures submitted on 22.08.2025 before The Deputy Collector & Tasildhar, Serilingampally – R.R.Dist. As per detailed reply –objections where clearly shown the land situated in sy.no.245/A/1 is belongs to Penneru Agro Tech Pvt. Ltd. and the same is under SEZ.

(xxi) HCPL and HCSEZ received a demand notices from Nagar Panchayat, Daurla - Meerut for payment of tax demand for financial year 2025-26 towards vacant land. HCPL has given an accurate reply dated 13.03.2026 – request the authorities to revise the tax on vacant land where the Company is under resolution process and stated the present situation of the Company/ no revenue generated by the Company. As in last Financial year 2024-2025 HCPL has paid the tax towards vacant land situated in Meerut but the authorities increased the tax on vacant land was heavy site-value assessment.

(xxii) HCPL received a notice in Execution Petition i.e E.P.No.:1191/2019 filed before IV Addl.District and Sessions Judge-cum-I Addl. Family Court, Rangareddy Dist. by Rank Silicon Pvt. Ltd. Against Maytas Hill County Residence Pvt. Ltd & Maytas Properties Ltd. and in the said case HCPL filed a memo stating that the EP is liable to be returned as the EP Schedule property is not within the court's jurisdiction. The court returned the suit on 11.06.2026 and ordered as follows:
"Both the counsel are present. The learned counsel for the JDRs No.1 and 2 earlier filed a memo stating that the EP schedule property is not situated within the territorial limits of this Court, as such, this Court has no jurisdiction to entertain the EP. The learned counsel for the DHR also reported the same. Since, the property is situated outside of the territorial jurisdiction of this Court, this EP is returned to re-submit before the proper forum having jurisdiction." The matter is disposed off with these observations.

(xxiii HCPL sent reply letter to vacant notices issued by M/s. Authum Investment and Infrastructure Limited (Reliance Capital)., in reply to their action invoking sec 14 of SARFAESI Act., involving the Customers / Home buyers i.e V Mahendra and V Manoj. HCPL informed them for the units (198 and 234) being held by HCPL under its custody, as the owner, the Customer did not take possession, balance sale consideration (about 80 lakh per each unit) is due, unpaid and outstanding from the customers to HCPL. Moreover, the "stay and moratorium" orders are subsisting in respect of HCPL company - so also its assets., which are matters of resolution before the NCLT Mumbai., as well the Claims Management Advisor appointed in that regard.

47 Inter Corporate Loans Rs.10.38 crores to Group Companies :

Based on guidelines received from time to time from the promoter IL&FS group management, during the financial year 2018-19, the company has made a provision for inter-corporate loans given to two promoter group entities aggregating to Rs.10.38 crores (including interest accrued upto October 15, 2018). The inter corporate loans were given based on group directives in the past and for which loans and advances were also received from group companies and monies of the Company has not been utilized for the same.

48 (i) On account of the events after January 2009, the construction of the Hill County Project had been suspended, and had resumed after IL&FS group took-over this Company. Consequently, there has been delay in completion of the Hill County project, as a result of which, some customers, who paid advances had initiated litigations in various forums against the Company, either for refund of the amounts paid along with interest or for damages and compensation for delayed deliveries and/or legal costs incurred by the customers. The Company had settled some litigations till previous years. However a few customers litigation are still pending for settlement. To settle the matter with customers and hand over the sold units, the Company had made an offer of compensation for the delayed period. The outstanding balance of compensation payable towards aforesaid cases is Rs. 2.78 crores (March 31, 2024: Rs. 3.68 crores)) has been still continued though claims to that effect are not filed with Claim management advisors (CMA) and as stated in notes to accounts all claims prior to cut off date (October 15, 2018) are to be settled through through claim management process and based on waterfall mechanism from monetisation value under IL&FS Group resolution framework.

(ii) In case of some customers for which National Commission had directed the Company to settle amount paid by the customers, it has been further directed that the Company to settle the housing loans taken by the customers from banks (including Equal Monthly Instalment (EMI) portion paid by the customer to the banks) for which the Company has accrued estimated compensation cost and based on the settlements till March 31, 2019. The outstanding balance of compensation payable towards aforesaid cases is Rs. 0.75 crores (March 31, 2025: Rs. 0.75 crores).

(iii) The Company has made out of court settlement with a few and amounts paid. Further, the Company has made provision for other litigations / cancelled units till March 31, 2019 based on past settlement, ongoing discussion with customers, etc. The outstanding balance of compensation payable towards aforesaid cases is Rs. 19.28 crores (March 31, 2025 Rs. 20.17 crores). The Company has not made fair value adjustments to the compensation to customers as at March 31,2026.

The Company and IL&FS Group has appointed claim management advisor (CMA) and final admission /acceptance of such customer claims depends upon the submission made to CMA and its acceptance as required under resolution process.

49 Due to the ongoing investigations and cases against the former promoters belongs to Raju family Group and their associates, the Investigative Agencies have attached certain properties, which include certain land parcels and land development rights of the company and its subsidiaries. Further investigative agencies also have attached certain land of other entities for which the Company or its subsidiaries had given advances or have entered into development agreement towards development of projects.

50 Advance to Other Companies

(i) In the earlier years, the company (including entities merged into the company) advanced an amount aggregating to Rs.301.81 crores to former promoter of Raju family group entities (FPG entities). Gross amount outstanding as at March 31, 2020 aggregating to Rs. 286.28 crores and the amortized value of the same as at March 31, 2026 Rs. 223.15 crores (March 31, 2025 Rs.223.15 crores)

The Company entered into a common Memorandum of Agreement (MOA) dated January 15, 2013 and a common Framework Agreement (FA) dated June 21, 2014 to recover these balances.

(ii) There are number of issues arising out of land related matters (refer note. 43 (xii) & (xiii)) and settlement entered into with PE Investors and Former Promoter Group (FPG) (Raju group).

The FPG (raju group) though are land owners under development agreement but in substance, the land parcels were all part of SBI caps business plan and erstwhile CLB application and order of January 2011 which was considered for IL&FS group induction in HCPL and FPG (raju group) were having only interest of adjusting its Rs 301 crores of Advances as land owner share which HCPL and its group companies gave it to FPG (raju group).

The agreement (MOA) was certain land parcels were kept under irrevocable development agreements and any payment of share in development will be given to FPG (raju group) which in turn has to repay / adjust Rs 301 crores of advances which HCPL and its group companies gave to FPG (raju group). Thus, the economic value under land development has to come 100% to HCPL and in turn to IL&FS and only advances of FPG (raju group) gets adjusted.

FPG (Raju Group) is creating hurdles and obstacles in resolution of HCPL (Hill county Properties Ltd (Earlier Maytas Properties Ltd) which new management is doing in open, transparent manner by inviting offers for ‘Resolution of HCPL’ on an as is where is basis (resulting in indirect acquisition of the wholly owned subsidiaries of HCPL) through public advertisement dated 14th June, 2023 in order to get maximum value for lenders.

IL&FS group has funded HCPL throughout since its induction in 2011 to pay off liabilities and now, when Hyderabad real estate market is good, Raju group is trying to take over company by stating its rights got affected and it's in better position to develop land parcels. The Raju group wanted to be given opportunity to take over company by matching highest price offered for HCPL under public auction process which will clearly affect value discovery for lenders of HCPL which is IL&FS group and in turn public money from where IL&FS Group has borrowed.
The resolution / monetisation of HCPL will help to recover lending by IL&FS Group to HCPL.

Further, during the year, the company has not made adjustments to the amortised value of Rs. 223.15 crores as at March 31, 2025 as stated earlier, these advances are as such to be adjusted against any share to be payable to FPG under land development agreements.

51 Leases

Operating lease commitments - Company as lessor

The Company has earlier entered into an operating License agreement with 'Downtown Recreations Private Limited', on yearly basis (one year) with respect to handling the operations at the Club House property (classified under Property, Plant & Equipment) the same has expired on March 31, 2018 however, the Lessee is being allowed to continue operations on the cancellable terms of the Company. Post Covid-19 situation and disturbance created by Association's EC Members/Residents, there's drastic fall in revenue generation and there is no much income from operations of club house and what is generated is spent out. The Company being owner of clubhouse is under obligation to maintain and no income is envisaged.

52 Interest Expense

Consequent to the matters referred in note no 42 and in terms of the resolution framework process approved by NCLAT, no liabilities, including interest, default interest, indemnity claims and additional charges are to be accrued on liability existing as on the cut-off date till October 15, 2018. The Company is just following NCLAT order and accounting below will be in breach of order of March 12, 2020

53 Inter Corporate Deposits/Loans Rs. 261.70 crores:

(i) Prior to January 13, 2011, the erstwhile promoters of the Company had placed certain fixed deposits under lien with a bank against borrowing by some companies (Tier I companies). The shareholder's approval dated June 30, 2008 approving the aforesaid transaction required execution of sale cum power of attorney in respect of certain land banks owned by third parties as collateral security, which had not been executed. During the financial year 2008-09, the banker had encashed the fixed deposits towards settlement of the outstanding loans taken by the aforesaid companies aggregating to Rs. 211.14 crores . Also, the Company had also advanced Rs. 50.55 crores to companies (Tier I companies) as inter corporate loans.

The Company had established documentary evidences that erstwhile Satyam Computers Services Limited(SCSL) was the ultimate beneficiary of inter corporate loans aggregating to Rs. 261.70 crores for which various litigations have been initiated against SCSL by the tier II companies through whom these amounts disbursed were routed, for recovery of the said amount together with compensation. In the interim, SCSL had merged into Tech Mahindra Limited (TML) pursuant to a Scheme of Arrangement u/s. 391-394 of the Companies Act 1956. As provided in the Scheme and as per the Judgment of Hon'ble High Court of Andhra Pradesh on the said Scheme, the aforesaid amount in books of SCSL was transferred to TML. TML, in its Audited Financial Statements for March 31, 2018 continued to disclose as "Suspense Account (Net) Rs. 1230.40 crores" as had been disclosed by SCSL earlier. The Company based on forensic audit report by Grant Thronton Bharat(GT) dated February 2019 views that the inter corporate loans given by the Company and other group companies to SCSL are included in the aforesaid amount disclosed by TML in their Audited Financial Statements.

(ii) Further, based on internal evaluation and/or expert advice, documentary evidences available with the Company and in view of the observations of the Special Court in its verdict dated April 9, 2015 on the criminal case filed by the Central Bureau of Investigation, confirming that an amount of Rs. 1,425.00 crores was transferred to SCSL through the intermediary companies, out of which an amount of Rs. 1,230.40 crores continues to subsist with SCSL.

The company has received a report from professional agencies detailing the money trail of the above matters. As per the said report monies received from CCD holders was used as source for transfer of monies to SCSL/TML.

Initially a A Commercial Suit (L) 281 of 2020 wais filed by Hill County Properties Ltd., in the High Court of Judicature at Bombay (Ordinary Original Civil Jurisdiction) seeking recovery of ICD amounts along with interests and costs. HCPL filed the suit with leave to file the same in Mumbai. Veritas Legal are appearing on behalf of HCPL. Khaitan & Co appearing for Tech Mahindra. Tech Mahindra filed its Written Statement and the same is taken on record, matter was heard by the Hon'ble Court and the counsel Veritas Legal in consultation with Senior Counsel appeared, suit (No. 306 of 2024 -filed by HCPL) was listed on 21.07.2025 before regular Bench of Mumbai High Court and the Hon'ble Court directed Plaintiff to verify Affidavit of Service -Writ of Summons and the Hon'ble Court directed to re-serve the notice to Defendant no's.: 8 & 15 (Saptaswara and Ekadanta) by Plaintiff and the Hon'ble High Court of Mumbai passed orders on 06.01.2026 i.e defendant no. 15 failed to file written statement within statutory period. Today, none appeared for defendant no. 15. Hence, "suit against defendant no. 15 is transferred to the list of Undefended Suits. Suit against defendant no. 1 is already transferred to the list of Long Causes and suit against defendant nos. 2 to 14 and 16 to 30 is already transferred to the list of Undefended Suits. Remove from board." And the said case will be posted for hearing in onwards list. However due to paucity of time could not be taken up and the matter is likely to be listed in September 2024 before the High court. The counsel have detailed discussion and deliberations into the objections filed by Tech Mahindra as regard maintainability of suit as "commercial dispute", detailed arguments and submissions to demonstrate that the disputes raised in the Suits are "commercial disputes" under the Act.

They opined that objecting to the same is time consuming and were of the opinion that merely seek return of the Plaint to be presented before the Regular Court of the Bombay High Court as an Ordinary Suit (which process would be completed within a weeks' time (no need of separate court fee –clarified by Veritas team) as already the pleadings are on record., already Tech Mahindra has also filed their written statement running into volumes and the matter will be a long drawn as various factors are involved, evidence is to be lead from both sides and same will take sufficient time, even the matter may go in higher courts also which will also delay the pace of litigation. Accordingly, management gave Already instructions to take steps and now the suit is Ordinary Suit with Suit No. 306 of 2024., posted for hearing in onward list.were issued to Veritas Team and the same is in process.

As a measure of prudence, the Company has made provision for such inter corporate deposits (ICD's) which in any case does not affect its legal rights and suits for recovery which has been pursued at Bombay High Court. Two separate Commercial Suits which were have been filed by HCPL and IL&FS converted into ordinary suits and the same are pending.

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54 The Former Promoter Group (Raju Family Group), established a wholly-owned subsidiary, Maytas Properties ME FZE, in the Sharjah Airport International Free Zone (SAIF Zone). On November 22, 2007, this subsidiary entered into a reservation agreement with Falconcity of Wonders LLC for a building in Dubai Land known as the ""Grand Pyramid"" (G+35 stories).

The total purchase price was AED 261,247,487. Payments were scheduled as a 10% reservation fee, followed by a 20% payment within six months, and the remaining 70% in bi-monthly installments over one year.

After stalling its operations, the Hon'ble Company Law Board (CLB) appointed Board of MPL (Now, HCPL and Maytas Properties ME FZ achieved a huge success in getting back valuable foreign exchange through a proper legal award which otherwise was as such lost through forfeiture with further threat of legal notices and suit and no chance of recovery whatsoever. Accordingly, a national service was delivered and protection of company rights are ensured. Subsequently, with no further business objectives, the company was legally wound up in FY 2015-16, having cleared all outstanding liabilities with the SAIF Zone authority, as confirmed by the Government of Sharjah. Accordingly, a national service was delivered by bringing back valuable Foreign Exchange which was lost otherwise and protection of company rights were ensured.

The company is earliercurrently received letter as addressing ato a non-compliance issue with Axis Bank related to a missed Annual Performance Report for the year of its closure. The company all submission to authorsied dealer, Axis Bank is made and now, awaiting outcome of submission.

55 **(i) Note on Maytas Logiparks Malkapur Private Limited :**

Post sale of the Land admeasuring Ac. 46-09 Gts situated at Malkapur Village, Choutuppal Mandal, Rangareddy District., a notice from 'Power grid' with regard to construction of transmission line passing through to sy. nos. 235 and others of Malkapur land received, a letter from NCL Industries Limited (forwarding letter dated 18.07.2018 under Ref. No. SRTS-1: RG-PUG / HVDC issued by Power Grid Corporation of India Limited) wherein a prompt reply has given by the Company and further another letter from Indian Oil Corporation Limited as to lands being affected for their right of passage of pipe line is received and the Company has replied intimating that the land was sold earlier and no notice of whatsoever nature from Power grid or IOCL were received by the Company and there is no further developments till the Balance sheet date.

56 **Note on Downtown Town Recreations Pvt Ltd :**

(i) Hill County Properties Limited is the owner of club house and the company is managing all the operations / affairs of the club house. Spaces available in the club house are given on rent after executing a lease deed where in the lease period is ranging from one to three years. The rent to be paid to the comany on a monthly baisis with a annual increase in the rent by 5% - 10% depending upon the space given on lease. However, approvals are given to the Villa and Apartment owner's associations to use the Club House facilities / Banquet Halls without any levy on specified occassions for the benefit of all the residents and are charged commercially for all other private and personal events. Legal notices received from Hill County Villa Owners' Association (HCVOA) regarding Club House ownership and possession / occupation by the Association and in which they are claiming that the Club House is a part of Amenities and HCPL gave an accurate and appropriate legally vetted reply to HCVOA emphasising that HCPL is owner of the Club House.

Litigation led by two Associations : A suit has been filed by the two Associations (HCVOA & HCAOA) against HCPL & IL&FS in the Hon'ble Prl. Junior Civil Judge cum XX Addl. Metropolitan Magistrate, Medchal, seeking Interim relief and permanent injunction restraining the Hill County & IL&FS, their men, servants agents etc from ever interfering with the lawful possession and enjoyment of the club house by them and in said case HCPL vakalat & Memo along with NCLT & NCLAT order copies have been filed before the Hon'ble Court and the said case is posted for hearing in onward list.

(ii) . O.S.No. 410 / 2019 – FILED BY HCPL: A suit has been filed by HCPL against two Associations (HCVOA & HCAOA) in the Hon'ble Senior Civil Judge cum Assistant Sessions Judge, Medchal, seeking Interim relief and perpetual injunction restraining the two Associations, their agents, servants or any other persons claiming through or from interfering with the peaceful possession of HCPL over the club house. Earlier petition was filed by both the Associations seeking stay of proceedings before this Hon'ble Court, arguments heard in said petition and the said case was posted for orders and vide an order passed on 07-04-2021 in the said IA 'this suit is stayed till the disposal of OS.217 / 2019 on the file of Junior Civil Judge, Medchal', the case is adjourned and posted in onward list for hearing. Aggrieved by the Orders of such stay of suit, HCPL preferred Civil Revision Petition bearing C.R.P.No.174 / 2022 in the High Court of Telangana, seeking directions to vacate Interim Stay order dated 07.04.2021 in I.A.No.2515 / 2019 in O.S.No.410 / 2019 and the same is pending for admission and posted for hearing in the Onward list.

(iii) 3. Earlier for all the illegal acts and disturbance of HCAOA and HCVOA EC Members, HCPL lodged complaints in Bachupally Police Station and FIR's were registered and calendar cases C.C.No.3645 / 2020, C.C.No.3428 / 2020 and C.C.No.3645 / 2020 before II AJCJ Cum X Addl. Metropolitan Magistrate at Kukatpally, and after trial of the offences before the Hon'ble Magistrate court has closed the complaints after due process, Judgment Pronounced on 16-12-2025 in the open Court, Accused No.1 to 3 called present. In the result, Accused No.1 to 3 are found not guilty for the offences, accordingly, Accused No.1 to 3 are acquitted under section 248 (1) Cr.P.C. (Prosecution evidence is insufficient or the accused is proven not guilty).

(iv) Recently HCVOA and one Mr.Rajsekhar Simma filed petition praying for Impleadment vide I.A. 3499 and I.A. 3500 (in CA 346 of 2018) before the NCLAT, New Delhi, On 22-11-2024 same was disposed off by the NCLAT., as "W.P.No.:3437 of 2024 is filed by the applicants before the High Court of Telangana and Ld. Counsel for the IL&FS submits that whatever orders are passed by the Hon'ble Telangana High Court in Writ Petition IL&FS would abide by the orders passed in the said proceedings. We record the aforesaid statement and dispose of the applications accordingly."

(v) Based on discussions held with the IL&FS Management, the TWO Associations i.e HCVOA and HCAOA evinced interest and willingness to acquire Club House and accordingly 'Non-binding Expression of Interest for the acquisition of Hill County Club House. HCPL' received from HCVOA and HCAOA subsequently a binding offer furnished. After several meetings and consultations, deliberations, time extended basing on request by HCVOA, later on non -binding offer to acquire club house for Rs.20 crore submitted however, formal binding offer was awaited and March 15, 2024 was last date given to Association to submit such offer but they didn't revert to HCPL because, few villa owners opposed transaction, one Villa owner filed a Writ Petition in the High Court of Telangana, challenging the transaction. After which HCVOA sent mail seeking response and the time given to HCVOA elapsed and finally the proposal is cancelled. The HCVOA also expressed inability in view of circumstances assuring to continue efforts once the case is decided and consensus arrived at among the community members.

(vi)A Writ Petition bearing W.P.No.: 3437/2024 filed by Mr. Simma Rajasekhar (Villa – 150) filed against The State of Telangana and Ors. Where HCPL is one of the party to the said case and seeking to declare action of R1 to R4 in remaining silent and not taking prompt steps to stop R5 (HCPL) & R6 (IL&FS) proceeding with sale of Amenity A1(club House) situated in housing layout -File5876 Mp2/Plg/HUDA/2005 situated at Bachupally as illegal, arbitrary and unjust as violative of Article 14 and 300-A of the Constitution of India. and direct the official respondents to take action pursuant to petitioners representation dated 19.12.2023 and the Hon'ble High Court passed Interim direction ordered on 28.02.2024 - to Respondent no.2 (HMDA) to examine the representations submitted by the petitioner dt.19.12.2023 and 11.01.2024 strictly in accordance with sanctioned layout in File No. 5876 Ap2/Plg/HUDA/2005 within 4 weeks from today. It is made clear that pending representations submitted by the petitioner, respondents are directed not to grant any permission for alienation of amenities reserved for the residents of the said layout and the said case is pending and posted for hearing in onward list.

(vii) CGST Dispute and Consequent Deposit : Appeal is filed before the Joint/Additional Commissioner of Central Tax, Appeals II at Hyderabad against the orders of the Assistant Commissioner of Central Tax, Central Excise and Service Tax, order No. No.45/2023-24/GST/Medchal dated 17.08.2023 alleging that, Company is not eligible to avail transitional credit of Rs.3,111.19 thousands which is the closing balance as on 30th June 2017 of then Service tax regime , taken as eligible ITC after filing Tran-1Form. A Show Cause Notice (SCN) No.03/2023-24 dated 17.04.2023 has been issued to the appellant for recovery of the alleged irregularly availed transitional credit to the tune of Rs.3,111.19 thousands under the provisions of Section 73 of the CGST Act, 2017 along with interest under Section 50 of the CGST Act, 2017 and penalty under Section 122 (2)(a) of the CGST Act, 2017. The said SCN was later confirmed by the Asst Commissioner by raising a Tax demand which was contested by the Company preferring an appeal before the Commissioner Central Tax . Accordingly, as per the statutory provisions, the requirement of pre deposit amount of Rs. 311.12 thousands being 10% of the disputed tax demand was deposited with the department and the said appeal got numbered asAD3612230090941 dated 19th December 2023 which was dimissed by the Commissioner by confirming the orders of the Asst Commissiner. Aggravated on the orders of the Commissioner. The Company have filed an appeal before the Hon'ble GST Tribunal Hyderabad after making further 10% of deposit and the appeal is yet to be heard. GST audit for the FY 2021-22 was completed and demand to the tune of Rs. 147.80 thousands It is noted that the order needs to be rectified and accordingly a rectification u/s 161 of the CGST Act 2017 was filed for eventual rectification. Company has properly availed the input credit but the supplier has not filed the return admitting the supplies which resulted into irregular availment. Demands will be addressed once the rectification petition is disposed off by the department.

Litigation : refer note 46

57 Note on Hill County SEZ Private Limited :

a. Interest Expense :

In line with the affidavit filed by the Ministry of Corporate Affairs ("MCA") with the Hon'ble NCLAT on May 21, 2019, the cut-off date of October 15, 2018 ("Cut-Off Date") was proposed, on account of inter alia the fact that the Hon'ble NCLAT had passed the Order on October 15, 2018 and final order dated 12-03-2020, which inter alia granted certain reliefs to the IL&FS group

As detailed in note 45(ii) to (v), NCLT/NCLAT vide its Judgement dated March 12, 2020 accepted the revised resolution framework process including October 15, 2018 as date of initiation of resolution process of IL&FS Group entities (including the parent Company of HCSEZ) and crystallization of claims as of that date i.e. cut-off date with no interest, additional interest, penal charges or other similar charges to accrue after the said cut-off date.

The Company, has disclosed the interest liabilities as at 31 March 2026 on the loans availed from banks and group entities in notes to accounts by way of table (Refer note.18.1.c). The Table shows that though the banks has given loans at HC SEZ level but has filed claimed at HCPL level under corporate guarantee. The Banks has restricted its claims till October 15, 2018. Further, in Debt Recovery Tribunal (DRT), the claims are filed by Banks at 16% interest and if that is factored then interest liabilities is also depicted in table (Refer note.18.1.f.i) Lastly, if HC SEZ factors interest at rate which it was paying in 2017-18 and has asked for restructuring of loans, the at that rate of interest also, interest liabilities are factored (Refer note.18.1.f.ii).

Further, the RFP for HCPL monetisation of its subsidiaries including HC SEZ, states that the liabilities of subsidiaries to be taken up by prospective bidder and those bidders are shared with information on all liabilities. The extract of HCPL RFP is reproduced below:

"It is hereby clarified that the Subsidiary Debt or the Negotiated Subsidiary Debt, as the case may be, will stay as it is and will not be whitewashed/ written down. The Bidder will undertake to assume on and from the Closing Date all the Subsidiary Debt or the Negotiated Subsidiary Debt, as the case may be, as on the Closing Date in full or in accordance with the settlement (if any) agreed between the Bidder and the respective lenders, as the case may be.

b). Bachupally Land Case – Civil Court, Hyderabad :

A partition suit bearing O.S.No. 42 of 1962 was filed by the legal heirs of Late Mohd. Nawaz Jung claiming their shares and the said suit pertains to around 379 acres of lands at Bachupally and other 18 villages, Hyderabad. In 1970, the Court passed a preliminary decree allotting certain extents of lands and legal heirs of Nawaz Jung are impleaded themselves in the said case. Subsequently, Hill County Properties Limited and Other Land Owning Companies including Hill County SEZ Pvt. Ltd are also impleaded to the original suit, counter affidavit was filed by Hill County SEZ Pvt. Ltd stating that, Stay and Moratorium ordered by NCLAT New Delhi, on 15th Oct 2018 subsists in the matter and the said case is pending before City Civil Court, Hyderabad. and posted for hearing in onward list.

Further, HCPL has received a show cause notice from Land Reforms Tribunal under section 9-A and section 24 of the A.P. Land Reforms (Ceiling on Agricultural Holdings) Act,1973. Proceedings were initiated before the Land Reforms Tribunal (LRT) cum R.D.O, HCPL and HCSEZ have filed detailed counter affidavit opposing the proceedings and written arguments in above said case.

Hon'ble LRT cum R.D.O-Malkajgiri after hearing the arguments advanced by parties ordered that there is no scope to invoke Section 9A of Telangana(COAH) Act, 1973 in the absence of fraud, misrepresentation or suppression of facts, no collusion, no scheduled property is found as Evacuee Property, there is no loss or damage done to the State and Mr. A.Ramachandra Rao who has filed application for re-opening the case, has misled the matter by misquoting the para (93) of the Hon'ble Supreme Court judgment dated 21.03.2017 . Hence, the Hon'ble Tribunal dropped the proceedings and closed the case on 07.08.2019.

Thereafter, few petitioners aggrieved by the orders of Hon'ble Land Reform Tribunal, Medchal – Malkajgiri District., filed an appeal bearing L.R.A.No.3 /2019 (filed by Mr. B.Chinna Narsimha & Another) before the Hon'ble II Addl. District Judge- Cum- Land Reform Appellate Tribunal, Ranga Reddy District making The State of Telangana & Others as defendants., in which Hill County SEZ Pvt. Ltd is also made party. HCSEZ filed Vakalat., thereafter a Memo filed stating that 'stay of proceedings' orders of NCLAT/NCLT, the counsel made oral arguments in both I.A as well as in main case by HCSEZ and the said case is posted for filing of Written Statements by all the parties; The Hon'ble Chariman LRT cum II Addl. Dist. Judge, R.R. Court, passed an order on 05.12.2022 in memo saying that " Stay moratorium of NCLAT orders dt.15.10.2018 in C.A.No.:346/2018 is not applicable to this L.R.A.No.:3/2019" however the matter is pending and posted for hearing in onward list.

c). HCSEZ was promoted by HCPL for the development on land owned by certian land owning companies on a area of Ac 73.31 (seventy three point three one) Guntas situated in Bachupally Village & Mandal, Medchal -Malkajgir District Telangana State which is notified by Government as a special economic zone for information technology /information technology enabled services. HCSEZ has land development rights over the said land by virtue of a Development Agreement executed with the land owning companies. HCSPL is registerd and legal owner of land measuring 0.376 (zero point three seven six) Hectares or 0.929 (zero point nine to nine) Acres or 4496.9 (Four thousand four hundred and ninelty six) square yards situated in the revenue estate of Village Daurala, and registered as part of Plot /Property No.8, Ward No.6 by Daurala Municpal Corporation/Council , Tehsil Sardhana, District Meerut, Uttar Pradesh.

d). The Company which is parent company of Hill County SEZ Pvt Ltd has paid Income tax dues for the AY 2008-09 (declared in thier Return of Income) of M/s Nallamala Agro Farms Pvt Ltd and M/s Kanchenjunga Greenlands Pvt Ltd (both the Companies are part of the land providers for the SEZ project) by transfering funds to Hill County SEZ Pvt Ltd amounting to Rs 23.19 millions and Rs 7.64 millions respectively. However, since substantial time has elapsed and due to uncertainty of recovering the amount from the two Companies without prejudicial to our right of recovery , provision is made during the financial year 2021-22.

e). <u>Note on proposed denotifiation of land</u>

Hill County SEZ Pvt.ltd.is a company promoted by Hill County Properties Limited for the development of IT/ITES SEZ on its own land in an area of ac 73.85 cts land situated in Bachupally village & Mandal, Medchal-Malkajgiri District, Telangana State. (earlier in Ranga Reddy district of Combined AP State) The lands are owned by land owning companies and not allotted by the State Government.

A notification from Ministry of Commerce & Industries (MOCI), Govt. of India, vide reference no F2/500/2006-SEZ dated 13th June 2007 was issued that an area of A 73.85 cts (29.89 hectares) land is notified as SEZ for development of IT/ITES.

The company herein faced with many difficulties to develop IT/ITES in the notified SEZ due to lack of demand, and unfavourable market conditions. Having realized that there is more business viability in developing the land parcels for commercial and residential purposes, rather than development as SEZ, the company decided for partial de-notification from SEZ.

Accordingly, The company herein vide application dated 20th May 2010 sent a letter to Govt. of India for de notification of ac 21.35 cts covered by survey numbers 223 ext ac 3.08cts, sy.no 257 ext ac 13.91 cts and sy.no 258 ext ac 4.35cts.

The BOA in its meeting held on 13-07-2010 approved for de notification of above proposed ac 21.35 cts subject to contiguity of the SEZ being maintained and also DC's certificate that the company has refunded all the tax/duty benefits including service tax exemption, which might have been availed under the SEZ act/rules in respect of the land being de notified. Till date the final orders were not issued de notifying SEZ.

f) Further application dated 25th July 2011was sent by the Company and requested the Government of India for de notification of ac19.76 cts SEZ covered in (a) sy.no 199 - ext ac 2.45cts, (b) sy.no 204 ext ac 2.61 cts, (c) sy.no 200 ext 2.79 cts , (d) sy.no 258 ext ac 4.20 cts, and (e) sy.no 282 ext ac 7.70cts.

The BOA in its meeting held on 25-09-2011 approved for de notification of above proposed ac 19.76 cts(8.01 hectares) SEZ, subject to contiguity of the SEZ being maintained, and also DC's certificate that the company has refunded all the tax/duty benefits including service tax exemption, which might have been availed under the SEZ act/rules in respect of the land being de notified. But till date the final orders were not issued.

g) Subsequently another application was sent by the company vide lr dated 3rd December 2015 for de notification from SEZ covering 11.12 acres (4.50Hectares) covered by survey numbers 258 ext ac 0.09 ,Sy.no 259 ext ac 1.35 cts, Sy.no ,262 ext 0.37 cts, Sy.no ,276 ext ac 0.19,Sy.no 281 ext ac 6.77cts and sy.no 282 ext ac 2.32 cts. The Dept of Commerce, Govt. of India communicated their ref dated 13-09-2013 which indicates that the de notification proposals will be considered only if the following criteria is fulfilled.

I) All such proposals must have unambiguous No Objection certificate from the Govt.

II) State Govts may also ensure that such de notified proposals would be utilized towards creation of Infrastructure which sub would serve the objective of the SEZ, as originally envisaged.

III) Such land parcels after de notification will confirm to land use guidelines/master plan of respective Govt.

In terms of above instructions Development Commissioner, Visakhapatnam Zone, vide their reference dated 21-04-2016 requested the State Govt. for issue of No Objection certificate for proposed de notification of the above lands proposed for de notification and simultaneously the development commissioner deputed their specified officer to HCPL to verify accounts as to SEZ benefits availed have been refunded or not.

The specified officer visited HCPL and verified the accounts and reported that all availed benefits have been refunded.Further having satisfied with the request of the company, the State Govt. vide lr no 1367/IT & C/prom2/2006 date 8-06 2018 issued NOC for de notification of ac 49.78 cts (deleting ac 2.45 cts CBI attached area) as against the request of ac 52.24 cents

(All amounts are in Indian Rs. Crores, except for share data or as otherwise stated)

Out of the balance 21.61 acres of land, an application was made by the company for denotification for 11.17 acres and the State Govt. of Telangana issued NOC. Subsequently the company requested the Development Commissioner SEZ to keep it on hold the propose de notification of ac 11.17 cts as two incubation centres were constructed on such land and duty exemptions availed were to be refunded. The balance 12 acres of land is under CBI attachment. There was about Rs.65 Mn availed by the company towards duty availed while implementation of the project on the land parcels for which there is no proposal to denotify such lands. The Company is liable to refund such duty in the event of filing an application for Denotification of any part of land. It is pertinent to mention that entire notified SEZ land covering ac 73.85 are lands owned by different land holding companies and not Govt lands allotted by the Government as in the case of other notified SEZ lands.

As required by the MOC physical inspection of the land is to be done by the Dev. commr in presence of local revenue officers. Hence the DC addressed a letter to the Collector to authorise concerned Revenue officer to accompany the DC for inspection of the land. The Revenue Officers nominated by the Collector and The Dy.Dev. Commissioner jointly inspected the proposed de notified land and as well the balance SEZ land remained is contiguous or not.

Number of letters are addressed to the Ministry of Corporate Affairs and the development commissioner for issuance of de notification orders expeditiously.

h). Encroachment: The land to an extent of ac 3.03 in Survey no 223 is forming part of notified SEZ land and proposed for de notification. The final orders of de notification from Govt of India are awaited. Meanwhile local leader encroached upon the land to an extent of acres 1.50 cents land and erected structure claiming that encroached land does not fall in sy.no 223. In order to resolve the issue, the Company filed application with Asst. Director, Survey and Medchal – Malkajgiri District for conducting Govt survey, where the process is kept on hold in view of Land Reforms Appellate Tribunal (LRAT) case pendency.

i)**.** The Company has mortgaged , in its earlier years, its Development rights of 23 acres 16 guntas on July 31, 2018 to IL & FS Group (Consists of IL& FS Ltd, IL & FS Financial Services Ltd, IL & FS Townships & Urban Assets Ltd and RIDCOR Infra Projects Limited) towards security against the loan taken by Hill County Properties Ltd, the Parent Company.

The Company has hypothecated receivables on August 11, 2017 to IL & FS Group (Consists of IL& FS Ltd, IL & FS Financial Services Ltd, IL & FS Townships & Urban Assets Ltd and RIDCOR Infra Projects Limited) towards security against the loan taken by Hill County Properties Ltd, the Parent Company.

However, considering that the land has not yet been denotiifed and the Company does not have any receivables, the loans have been treated as unsecured in the financial statements.

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Name of the entity	As at March 31, 2026				As at March 31, 2025			
	Net Assets, i.e., total assets minus total liabilities		Share in profit/ (loss)		Net Assets, i.e., total assets minus total liabilities		Share in profit/ (loss)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Parent	0.85	(1,583.51)	0.89	9.77	81.89	(1,221.69)	(6.21)	(0.08)
Subsidiaries	-	-		-	-	-	-	-
Hill County SEZ P Ltd	0.16	(290.88)	(0.01)	(0.15)	19.50	(290.88)	10.15	(0.13)
Maytas Logiparks (Malkapur) P Ltd	0.01	(26.62)	(0.00)	(0.01)	1.78	(26.62)	(0.60)	(0.01)
Maytas Logiparks (Isnapur) P Ltd	(0.01)	26.32	0.14	1.56	(1.76)	26.32	117.29	1.53
Downtown Recreations P Ltd	0.00	(5.69)	(0.01)	(0.13)	0.38	(5.69)	(0.34)	-
Consolidation Adjustments	(0.01)	26.67	-	-	(1.79)	26.67	-	0.00
Total	100.00	(1,853.70)	1.00	11.03	100.00	(1,491.89)	100.00	1.30

59 Foreign Currency transactions

(a) Earnings in Foreign currency

Particulars	**Year ended March 31 , 2026**	**Year ended March 31 , 2025**
Earnings in foreign currency	Nil	Nil

(b) Expenditure in Foreign currency

Particulars	**Year ended March 31 , 2026**	**Year ended March 31 , 2025**
Expenditure in foreign currency	Nil	Nil

60 Other Statutory Information

(i) There are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) The Group does not have any transactions with companies struck off any section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

(iii) There are no charges pending creation as on reporting date

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender.

(ix) The Group had not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks on the basis of security of current assets of the Group.

61 Previous years figures have been regrouped / reclassified wherever necessary to correspond with the current year disclosure.

As per our report of even date

for M BHASKARA RAO & Co
Chartered Accountants
Firm Registration No. 000459S

For and on behalf of the Board of Directors of
Hill County Properties Limited

sd/-
Sabina Bhavnani
Director
DIN: 06553087

sd/-
Neerav Kapasi
Director
DIN: 03500964

sd/-
M V Ramana Murthy
Partner
Membership No. 206439
Place: Hyderabad
Date : September 8th, 2026

sd/-
Diksha Dhillon
Director
DIN : 07210034
Place: Mumbai

sd/-
Mahendra Bazar
Chief financial officer
Place: Hyderabad