IRCON/SECY/STEX/124 **15th September, 2026**

BSE Limited Listing Dept./ Dept. of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 **बीएसई लिमिटेड** लिस्टिंग विभाग / कॉर्पोरेट सेवा विभाग पी. जे. टावर्स, दलाल स्ट्रीट, मुंबई– 400001 Scrip code / ID: **541956 / IRCON**	**National Stock Exchange of India Limited** Listing Department Exchange Plaza, Plot no. C-1, G Block, Bandra –Kurla Complex, Bandra (East), Mumbai – 400051 **नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड** लिस्टिंग विभाग एक्सचेंज प्लाजा, प्लॉट नं सी-1, जी ब्लॉक, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई-400051 Scrip Code: **IRCON**

Sub: Annual Report along with C&AG Comments for the Financial Year 2025-26

Dear Sir/ Madam/ महोदय/महोदया,

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015} and in continuation to our letter of even no. dated 1st September, 2026, regarding Annual Report and Notice of the 50th Annual General Meeting ("AGM") of the Company, we wish to inform you that the C&AG Comments on the financial statements (standalone and consolidated) of the Company for the Financial Year 2025-26 have been received and incorporated in the Annual Report.

Accordingly, please find enclosed herewith the Annual Report along with C&AG Comments for the Financial year 2025-26. Further, the updated Annual Report for the Financial Year 2025-26 is available on the website of the Company i.e. www.ircon.org under "Investor Relations" section.

कृपया उपरोक्त जानकारी रिकार्ड पर ले।

Thankyou/धन्यवाद,
Yours faithfully/भवदीया,

PRATIBHA AGGARWAL
Digitally signed by PRATIBHA AGGARWAL
Date: 2026.09.15 20:20:31 +05'30'

(Pratibha Aggarwal)/(प्रतिभा अग्रवाल)
Company Secretary & Compliance Officer/कंपनी सचिव एवं अनुपालन अधिकारी
Membership No/सदस्यता क्र.: F8874

IRCON @ 50

ENGINEERING BHARAT'S GLOBAL FOOTPRINT

ANNUAL REPORT

2025-26




इरकॉन इंटरनेशनल लिमिटेड

IRCON INTERNATIONAL LIMITED

(A Govt. of India Undertaking)

Navratna Company

WHAT DRIVE US

VISION

To be recognized nationally and internationally as a construction organization comparable with the best in the field, covering the entire spectrum of construction activities and services in the infrastructure sector.

MISSION

Our mission is to effectively position the Company as a to be next the construction model of the changing economic scenario in India and abroad. We will be a global recognition by providing high quality products and services in time and in conformity with the best engineering practices.

VALUES

- Constructive Approach
- Teamwork
- Performance Excellence
- Proactive towards deliverables
- Being Responsible and accountable

CONTENTS

CORPORATE INFORMATION

Registered Office
C-4, District Centre, Saket, New Delhi-110017
Tel: 91-11-26530266 Fax: 91-11-26522000/26854000
Email: info@ircon.org Website: www.ircon.org
CIN: L45203DL1976GOI008171

Company Secretary & Compliance Officer
Smt. Pratibha Aggarwal

Chief Financial Officer & Chief Investor Relations Officer
Shri Alin Roy Choudhury

Statutory Auditors
M/s Ramesh C. Agrawal & Co.
Chartered Accountants

Cost Auditors
M/s Bandyopadhyaya Bhaumik & Co.
Cost Accountants

Secretarial Auditors
M/s VAP & Associates
Company Secretaries

Internal Auditors
M/s HDSG & Associates
Chartered Accountants

Bankers
State Bank of India, HDFC Bank, Axis Bank, ICICI Bank, IDBI Bank, Kotak Mahindra Bank, Indian Overseas Bank, Indian Bank, Punjab National Bank

Registrar to an issue & Share Transfer Agent
Alankit Assignments Limited
205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110055
Website: www.alankit.com
Email: rta@alankit.com
Toll free no.: 011-42541234/23541234

Shares listed at
BSE Limited (BSE)
National Stock Exchange of India Limited (NSE)

Depositories
National Securities Depository Limited (NSDL)
Central Depository Services (India) Limited (CDSL)

SCRIP CODE
BSE: 541956
NSE: IRCON

ISIN
INE962Y01021

IRCON AT A GLANCE

IRCON, a **Navratna Central Public Sector Undertaking** is a rapidly growing integrated engineering and construction company specializing in major infrastructure sectors.

AS ON MARCH 31, 2026

PROJECTS COMPLETED

DOMESTIC
408

FOREIGN
131

EXECUTED WORK

RAILWAY TRACK
5858
TKM

ROADS & HIGHWAYS
7258
KMS

TUNNELS
167
KMS

RAILWAY ELECTRIFICATION
10762
RKM

BUILDINGS
1.59
Mn Sqm.

ROBS
183

METRO
380
TKM

SIGNALING & TELECOMMUNICATION

546
STATIONS SIGNALING WORKS

1,640 KM
OFC BACKBONE NETWORK CONNECTING 2181 NETWORK ELEMENTS

158 TUNNEL KM
INTEGRATED TUNNEL COMMUNICATION NETWORK CONNECTING 6843 IP ENABLED DEVICES & 5 DATA CENTRE-GRADE TUNNEL CONTROL CENTRES

STANDARD KAVACH WORK DONE ON
220 RKM

TELECOM TOWERS FOR KAVACH
334

RANKING (2025)

235th
USA ENR CONSTRUCTION COMPANIES

242nd
FORTUNE INDIA 500

132nd
BS 1000 REVENUE (MARCH 2025)

Engineering, Procurement and Construction (EPC)

IRCON over a period of time has gained expertise of providing services from concept to commissioning for infrastructure projects. With in-house design capability - available experts in the field of Civil, Mechanical, Electrical, Signal and Telecommunication with a wide range of experience of working in domestic and international projects for various clients under different scheme of funding is better placed to take up EPC Projects. IRCON has adopted the best process and procedures in its working which is a unique strength of IRCON.

IRCON owns construction equipment and machines for taking up complex projects on its own. Projects under EPC mode are efficiently executed by IRCON through design Optimization and Value Engineering.

The centralized procurement system for major items make available competitive rates. Projects where 50 - 60 percent, procurement is carried out in-house, balance portion of the work is executed through sub-contractors appointed through a transparent system. Project is executed following sustainable practices. Due consideration with respect to the environment and community in large is ensured while executing the projects. With the robust IT enabled contract management tools project delivery is ensured with maximum efficiency and avoiding cost and item over-run.

Public Private Partnership (PPP)

We offer major services in the category of PPP projects in the railways sector through a joint venture model along with the state government and other stakeholders under the DAFOT pattern on toll, annual institute, and mixed annual institute basis. For the execution of such projects and timely completion, we have a well-placed team of experienced designers, technical personnel, and skill project management professionals along with our financial capacity.

Project Management & Consultancy (PMC)

We offer comprehensive wide-ranging PMC services from planning to commissioning in the entire spectrum of projects. These PMC are provided for construction of railway sidings, highways, railway, and road over bridges, building amongst others either by us or through our wholly owned subsidiary 'Ircon Infrastructure Services limited (IrconISL): We have a dedicated team of project management, quality management and contract management professionals to undertake PMC jobs in the infrastructure sector

Real Estate (RE)

We undertake development, construction and leasing of office realty spaces and development of commercial real estate

DIVERSIFIED GLOBAL INFRASTRUCTURE PSU

IRCON, with its expertise in executing High Quality Projects including projects at extreme locations, is actively focus and leading diversified infrastructure player, both in terms of sectoral as well as geographical coverage.

Industry Sectors Served

- **Railways** (from Concept to Commissioning)
- Highways & Expressways
- Bridges & Flyovers
- Tunnels
- Buildings (Commercial, Institutional & Residential)
- Development of Industrial Areas & Workshops
- Electrical & Mechanical works
- Signaling and Telecommunication
- Wet Leasing of Locomotives
- Runways & Aircraft Maintenance Hangars
- Metro Rail, High Speed Rail and Dedicated Freight Corridor
- Rapid Rail Transit system
- Renewable Energy

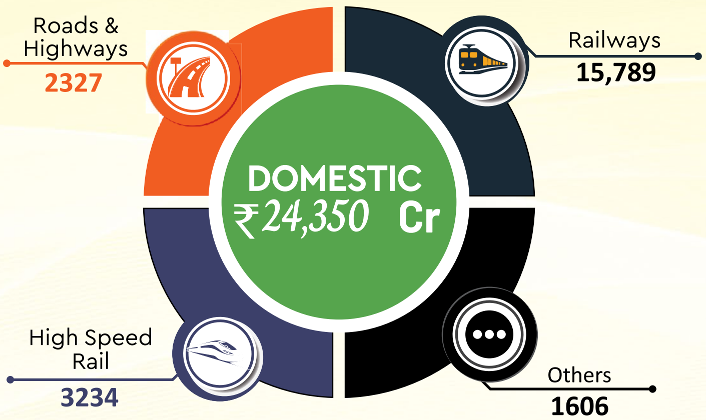
RELIABLE BUSINESS STRENGTH

As on March 31, 2026

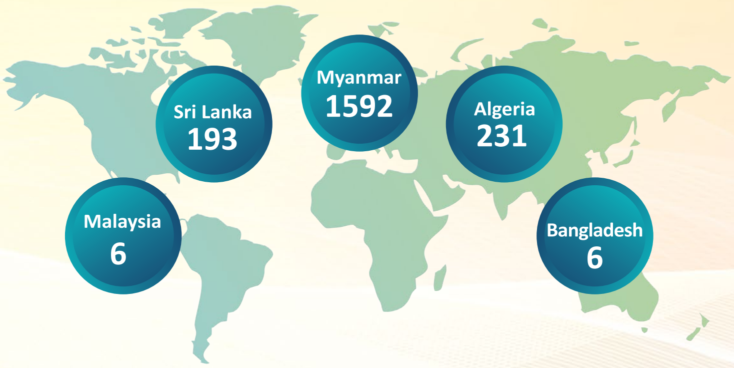
(₹in Crore)

PROJECT POSITION - ORDER BOOK (₹24,984 Cr)

DOMESTIC (₹22,956 Cr)



FOREIGN (₹2,028 Cr)



GEOGRAPHICAL FOOTPRINTS

131 Projects

25+ Countries

Iraq, Iran, Saudi Arabia, United Kingdom, Angola, Jordan, Turkey, Indonesia, Malaysia, Algeria, Bangladesh. Nepal. Afghanistan, Nigeria, Liberia, Syria, Tanzania, Zambia, Brazil, Mozambique, Ethiopia, Sri Lanka, South Africa, Bhutan, Myanmar

Chairman's Statement

Dear Shareholders,

It is a profound honour to present the 50th Annual Report of Ircon International Limited, outlining our performance during Financial Year 2025-26 alongside our future growth initiatives. This is my first address to you as the Chairman and Managing Director of your Company and I am deeply conscious of the trust this responsibility entails.

IRCON is an integrated engineering and construction company having expertise in major infrastructure sectors including railways, highways, bridges, flyovers, tunnels, metro, railway electrification, EHV sub-stations, electrical and mechanical works, commercial and residential buildings, railway production units, amongst others. The Company is executing various infrastructure projects under Project Management Consultancy (PMC), Engineering, Procurement, and Construction (EPC) and Public Private Partnership (PPP) model.

As we move ahead, we plan to build on our strategy of diversifying across industry segments through new engines of growth. We endeavour to enhance our portfolio with projects in the domestic & international markets to achieve healthy order book and profit margins. Although, we continue to focus on the railway sector, through portfolio diversification we aim to hedge against risks in specific areas or projects and guard the Company against market variations resulting from business concentration in particular industry sectors and limited geographical regions.

FINANCIAL PERFORMANCE

Despite the challenging business environment, the company has maintained the subtle financial performance for FY 2025-26 and achieved a standalone total turnover of ₹8,978.58 Crore, Profit Before Tax stood at ₹797.85 Crore; Profit After Tax (PAT) was ₹618.45 Crore and Net Worth as of March 31, 2026 was ₹6,630.39 Crore. On consolidated basis, total turnover was ₹9,501.97 Crore and Net Profit was ₹591.92 Crore.

Furthermore, the Statutory Auditors issued an unqualified audit report for FY 2025-26.

Financial results for the quarter ended 30.06.2026:

Total income for Q1FY27 stood at ₹1,926.54 Crore; Revenue from Operations stood at ₹1,800.27 Crore and Profit After Tax at ₹163.52 Crore.

ONGOING PROJECTS

In FY 2025-26, the focus of your Company has been the execution, faster deliveries and meeting stringent timelines for overall optimal contribution to the much-needed infrastructure growth. During the FY 2025-26, IRCON has successfully commissioned following domestic projects:

- Entire scope of IRCON in Udhampur-Srinagar-Baramulla Rail Link new line project successfully commissioned and it is fully operational as of 7 June 2025.
- Construction of New Railway Line from Agartala (India) – Akhaura (Bangladesh) and Project Management Consultancy (PMC) for Construction in Bangladesh Portion.
- Civil and Railway allied works in connection with the construction of Private Railway Siding for the proposed 3.0 MTPA integrated Steel Plant at Nagarnar, near Jagadalpur, Chhattisgarh on item rate basis for National Mineral Development Corporation Package No. 1.
- PMC for Operations, Management and Development of LGBI Airport, Guwahati.

Following were some of the achievements of on-going major projects in India during FY 2025-26:

1. In Katni Grade Separator Bypass Project 16 Km long Katni UP Grade Separator commissioned on 12.08.2025 which is Longest in India.
2. In Shivpur-Kathautia (SPV Coal Evacuation Project) 14.4 Km long Kathautia-Duari section commissioned on 03.03.2026.
3. In CEWRL Project, 11.5 Km long Urga-Kusmunda section commissioned on 30.09.2025, 23 Km long Pendra-Bhadi NL section commissioned on 26.03.2026 and 19 Km long Gevra-Katghra both UP & DN lines commissioned on 22.03.2026 and 30.03.2026.
4. Massive yard remodeling of Shalimar Station commissioned on 22.11.2025 in Shalimar – Development of coaching terminal by provision of essential passenger amenities Project.
5. G+5 Storey Santragachi Station building handed over to Zonal Railway (SER) in Santragachi – Development of circulating area, essential passenger amenities & road connectivity with Kona expressway Project.
6. In Rampur Dumra (RDUM)-Tal- Rajendrapul (RJO) doubling with additional Bridge project superstructure of Mokama Ganga Bridge & 6-lane ROB completed.
7. Commissioned 25.50 Km of Railway Electrification in NFR
8. Commissioned EI/Alterations in EI at 10 stations
9. Commissioned 72 RKM of Integrated Tunnel Communication Work in NFR & NR
10. Commissioned 46.64 Tkm of OHE (ROCS/FOCS) in RRTS Project inaugurated by Hon'ble Prime Minister of India in year 2026
11. In Chennai Metro Rail Project, 28 Km ballast less track between Poonamallee station to Vadapalani Station and 8 Km Ballasted track at Poonamallee yard commissioned.
12. Installed 355 Kavach Towers in Central Railway
13. 185m of Cut & Cover RCC lining completed for Tunnel Tube in Bhoj Morbe Expressway Project
14. 121.26 lane Kms of PQC (Pavement Quality Concrete) and 114.70 lane Kms laying of BC (Bituminous Concrete) completed in ongoing Highway Projects.
15. In another prestigious tunnelling project to connect Sikkim by Railway from Sivok of West Bengal, so far 12 tunnels have been completed out of 14 Tunnels by NATM in a very challenging geology.

CONTRACTS SECURED IN INDIA

During the FY 2025-26, your Company was awarded various projects on competitive bids basis, including Package-I: Construction of civil works on item rate for Tato-I Hydro Electric project, Arunachal Pradesh, Survey, design, supply, installation, testing and commissioning of KAVACH equipment and other associated works over 778 RKM of Bengaluru and Mysuru Divisions of South Western Railway, Construction of New BG Rail Bridge with Substructure of Double line Track and Superstructure of Single line track across River Ganga between Bikramshila and Katareah Stations of East Central Railway, Package- 1C in Indore-Budni section of Bhopal division West Central Railway in Madhya Pradesh state, Construction of Eklavya model Residential school at eight different locations in the state of Meghalaya, Composite Work at-NJP Next Generation Freight Maintenance Facilities in Katihar division Over Northeast Frontier Railway, Civil, structural & UG Works including piling-Part A for PDH-PP Plant with Ethane and Propane Storage and handling facilities at Dahej, Gujarat, Electrical package comprising Power Supply and Traction, E&M and Lifts and Escalator works for Line-5 (Thane to Bhiwadi) of MMRDA, Electrical package comprising Power Supply and Traction, E&M and Lifts and Escalator works for Line-6 (Swami Samarth Nagar to Vikhroli) of MMRDA, Design, manufacture, SITC of Microprocessor based EI system c/w doubling of AHO-CNA Jn. section of Ajmer division on NWR.

INTERNATIONAL PROJECTS

To date, IRCON has built a global presence spanning 25 countries (completing over 131 international projects) and has delivered more than 408 projects domestically.

The Company is actively exploring infrastructure opportunities in international markets. The company is pursuing potential projects in countries such as Algeria, Uganda and other African nations. In the South Asian region, Ircon is seeking opportunities in neighbouring countries including Sri Lanka, Bangladesh, and Nepal. The company is also evaluating prospects in Southeast Asian markets, where growing investments in connectivity and infrastructure development align with Ircon's expertise.

In FY 2025-26, the contribution of international projects to the total revenue amounted to ₹296.24 Crore (3.49% of the operating turnover). The previous year revenue stood at ₹339.10 Crore, which represented 3.33% of the operating turnover. Despite margin compression and heightened global competition, IRCON maintained ongoing operations across Algeria, Sri Lanka, Nepal and Myanmar.

ORDER BOOK POSITION

Ministry of Railways had earlier changed its policy of awarding work on nomination basis to railway PSUs, the Railway works were being awarded through bidding process among railway PSUs. Later, in October 2021, the Ministry of Railways revoked this policy of competition amongst the PSUs and open tendering has been introduced for awarding Railway works.

IRCON's order book, as on March 31, 2026, stood at ₹24,984.47 Crore with ₹19,459.35 Crore value of work in Railways sector and ₹3,918.97 Crore value of work in Highway sector.

Out of the total order book, ₹13,458.87 Crore value of work has been secured through competitive bidding and ₹11,525.60 Crore value of work secured through nomination basis. The Company has had stiff competition and margin reduction while securing new jobs. This challenge is expected to continue. However, the Company is trying its level best to enhance the order book position and maintain its margins.

DIVIDEND DISTRIBUTION

The Company has a consistent track record of paying dividends since its inception. The Board declared and disbursed an interim dividend of ₹1.20 per equity share (face value ₹2/-). In addition, a final dividend of ₹0.70 per share has been recommended, bringing total dividends for FY 2025-26 to ₹1.90 per share (approx. ₹178.70 Crore). This represents a payout ratio of 28.89% of post-tax profits and 2.70% of the Net Worth. Cumulative dividends paid to shareholders to date stand at approximately ₹3,376.12 Crore.

GROUP STRUCTURE & RATINGS

Subsidiaries & Joint Ventures

The IRCON Group consists of 11 subsidiary and 7 joint venture companies. A brief background on these subsidiary companies and joint ventures companies along with their financials and performance forms part of Board's Report.

Key Industry Rankings & Accolades

Based on the overall performance, IRCON has been rated "Very Good" under the Memorandum of Understanding signed with the Ministry of Railways for FY 2024-25. As per 2025 edition of USA's Engineering News Record (ENR), IRCON is the only Indian PSU to make it to the list of top 250 International Contractors as well as top 250 Global Contractors. IRCON is also ranked 242nd in 2025 in the list of fortune India 500.

The Company actively participates in the national events through competitions and has received a prestigious "Safety Innovation Award, 2025" and "Quality Innovation Award 2025" by The Institute of Engineers (India) for implementing Safety Management Systems and for implementing Quality Management Systems respectively. IRCON has also received a prestigious TunnelTech 2026 Award by The Tunnel Tech India for Excellence in Himalayan Tunnelling Technology. The other Key Awards received by IRCON in FY 2025-26 are ISDA Infracon National Awards (IINA) 2025 in the category of Best Construction Project (Udhampur - Srinagar - Baramulla Rail Link Project, J&K), 10th Annual ISM - INDIA Awards 2025 in category Public Sector Procurement Excellence, International Safety Award (Distinction Winner Category) by the "British Safety Council" for excellence in health, safety & well-being throughout 2025, 17th CIDC Vishwakarma Award under the "Construction Health, Safety & Environment" in HSE management.

IRCON's in-house magazine, 'Navnirman', was honoured with the 'Incentive Award' by the Nagar Rajbhasha Karyanvayan Samiti (NARAKAS) and was honoured at the International Hindi Conference organized by the Vishwa Hindi Parishad. The Official Language Department was honoured for its participation and outstanding performance in the 'Hindi Poetry Recitation Competition' organized under the aegis of NARAKAS.

CORPORATE GOVERNANCE

The Company places great emphasis on adhering to corporate governance guidelines and best practices, recognizing their significance in enhancing long-term shareholder value and upholding minority rights. A detailed Report on Corporate Governance forms part of this Annual Report.

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

At IRCON, we believe that ESG integration is not merely a compliance requirement but a strategic imperative that drives long term value creation, operational excellence and stakeholder trust. Strong governance, transparency, accountability and ethical conduct continue to guide our decision-making processes and business practices.

In FY 2025-26, IRCON spent ₹15.45 Crore towards CSR initiatives.

HUMAN RESOURCE DEVELOPMENT

Human Resources

IRCON's Human Resource Philosophy revolves around empowering and nurturing employees, allowing them to reach their full potential, encouraging innovative ideas, and providing rewards based on performance. The company's work culture is characterized by openness and dynamism, empowering employees to take initiative in their roles with full support from top management. Our workforce remains our primary strategic asset. As of March 31, 2026, IRCON's total manpower strength stood at 1,070 including 102 new appointments made during the year. We prioritize continuous talent development, modern HR methodologies, and workforce retention to drive institutional agility.

Training

IRCON puts a lot of emphasis on development and career progression of employees. Training programs are organised throughout the year. During the FY 2025-26, a total 1760 man-days training was imparted to officials of IRCON through workshops, seminars, conferences, in-house training and training in external institutes.

Ircon was shortlisted by Ministry of Corporate Affairs, Government of India for participating in the Prime Minister's Internship Scheme which aims to provide structured internships in India's top 500 companies and accordingly, for Round 1 & 2, IRCON successfully posted 50 internship seats across various project sites and administrative departments, providing candidates with direct exposure to large-scale infrastructure projects and for Round 3, continuing this initiative, IRCON has again posted 50 Opportunities on the official PMIS and the selection of the same is under process.

DIGITAL TRANSFORMATION, ERP & CYBERSECURITY

A key highlight of our digital journey is the adoption of SAP S/4HANA as our ERP backbone. This robust system streamlines our Finance, Controlling, and Human Resource Management operations, leading to company-wide information availability, increased transparency, and faster decision-making. We've further enhanced our financial reporting with SAP Business Planning & Consolidation (SAP-BPC), which is crucial for preparing the Company's financial statements. The Employee Self-Service (ESS) Portal, Finance & Controlling, HCM, Employee Performance Management System (EPMS), EnableNow for employee learning and system adoption modules have been successfully rolled out across the organization, with Project Systems currently under implementation at various locations.

In a significant move towards a paperless environment, we've fully embraced the e-Office system which aligns with the Government of India's vision. To ensure our core enterprise applications like e-Office run seamlessly, we've recently upgraded our data centre infrastructure, incorporating cutting-edge HCI (Hyper-Converged Infrastructure) systems.

Recognizing the evolving threat landscape, Cybersecurity remains a top priority. We've implemented Zero Trust Network Access (ZTNA) where users' identity is verified using RSA authentication, Software Application access is protected through secured VPN and end user devices are protected from latest virus and cyber-attacks through Extended Detection and Response (XDR). A cloud-based Web Application Firewall (WAF) system and Syslog server is deployed to secure corporate websites and web applications against potential cyber-attacks.

For enhanced efficiency and transparency in procurement, e-Procurement through the Government e-Market Place (GeM) and Central Public Procurement (CPP) Portal has been adopted across the organization. Our corporate website, https://www.ircon.org. a W3C CSS certified, uses AI tool for online real time translation for Indian languages. Dedicated AI-based collaborative tool consisting of Email, Chat Service, Video conferencing & Broadcasting facility is extensively used for daily office operations like review meetings, training sessions, promotion interviews, and contract management sessions, as well as meetings of the Board, its committees and the Annual General Meeting (AGM) of the Shareholders of the Company.

FUTURE OUTLOOK

India's macro-infrastructure ecosystem continues to benefit from strong fiscal support and policy consistency. The Union Budget 2026–27 allocated a record ₹2.78 Lakh Crore CAPEX to Indian Railways, targeting network expansion, station modernization, and signalling overhauls. The announcement of seven new high-speed rail corridors and continued investments in Dedicated Freight Corridors (DFCs) present sizeable growth opportunities.

IRCON has a long-standing reputation as one of the industry leaders in transportation infrastructure with proven expertise in railway projects.

We are confident that the company shall play a pivotal role in various infrastructure initiatives declared by the Government of India. We believe that we are well positioned to execute projects under these modes due to our strong technological capabilities and sound financial position. While, the Company has presently reduced order book position due to higher competition, however, with sound experience & expertise and solid credentials, we expect to see steady growth in our business, in the long run.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I extend my heartfelt gratitude to all the predecessors and present Board Members, our Shareholders, and all other Stakeholders for their co-operation and trust in IRCON. The Company is grateful for the valuable support received from Ministry of Railways as well as other ministries such as Road Transport and Highways, External Affairs, Finance, Commerce, Urban Development, the Department of Public Enterprises (DPE) and the Department of Investment and Public Asset Management (DIPAM). We are also grateful for the support received from the office of Comptroller & Auditor General of India, Reserve Bank of India, Bankers, Statutory, Branch, Cost, Secretarial & Internal Auditors of the Company, Indian Embassies & Missions abroad, Foreign Missions & Embassies in India, EXIM Bank, ECGC Limited, Protector of Immigration, Passport Authority and our esteemed clients both within India and overseas. Without their active support, the Company would not have achieved its milestones during the year under review.

Finally, I commend the dedication and exemplary contribution of our employees, whose passion continues to propel IRCON to newer heights.

Thank you all!!

Jai Hind

Sd/-
(Saleem Ahmad)
Chairman & Managing Director & CEO
(DIN: 10119432)

Date: August 25, 2026
Place: New Delhi

BOARD OF DIRECTORS

Shri Saleem Ahmad

Chairman & Managing Director and CEO

Shri Saleem Ahmad (DIN: 10119432), has assumed the charge of Chairman & Managing Director & CEO (additional charge) of the Company. He holds a degree in Civil Engineering from Jamia Millia Islamia University, New Delhi and brings over 35 years of extensive experience in the construction sector. His background encompasses the execution of large scale infrastructure projects, with specialized expertise in bridges, tunnels, as well as residential and commercial developments. Currently he is also CMD of Rail Vikas Nigam Limited. Earlier, he was working as Director (Project) at NBCC (India) Ltd. Prior to joining NBCC, he served as Executive Director (Civil) at Delhi Metro Rail Corporation Ltd. and previously held a position at Mumbai Port Trust. Throughout his distinguished career, he has contributed significantly to sustainable infrastructure, presenting papers at national and international forums and playing a pivotal role in designing and implementing last-mile connectivity solutions during his tenure at DMRC.

Smt. Ragini Advani
Director (Finance)

Smt. Ragini Advani (DIN: 09575213), is a Chartered Accountant and Cost Accountant by qualification with about 30 years of post-qualification experience in Finance. She is a rank holder in both Chartered Accountancy and Cost Accountancy exams.

Before joining IRCON, she has worked with Engineers India Limited (EIL), NTPC SAIL Power Company Private Limited (NSPCL) and KPMG. She has rich and varied experience in Finance including accounting matters, finance concurrence, internal audit and control, treasury management, financial closures, corporate planning and budgeting, valuations, taxation matters and financial restructuring etc. She has been on the Board of IRCON since April 19, 2022.

Shri Ajit Kumar Mishra
Director (Works)

Shri Ajit Kumar Mishra (DIN: 11108237), is an officer of the Indian Railway Service of Engineers (IRSE), he brings over twenty-five years of distinguished experience in the planning, execution, governance, and delivery of large and complex infrastructure projects across the railway and transportation sectors.

As Director (Works), he provides strategic leadership for IRCON's diverse portfolio of railway, high-speed rail, metro, bridge, tunnel, track, and allied infrastructure projects in India and overseas. He is responsible for project execution, engineering excellence, contract governance, digital project controls, stakeholder coordination, quality assurance, safety management, and timely delivery of nationally significant infrastructure programmes.

He currently oversees several strategically important projects, including the Mumbai–Ahmedabad High-Speed Rail Track Package, ballast-less track works, important bridges over river Ganga, tunnelling projects, and critical rail connectivity initiatives that support India's logistics, industrial growth, and economic development. He is also incharge of infrastructure projects executed by IRCON in Bangladesh, Malaysia and Nepal.

Prior to joining the Board of IRCON, Shri Mishra served in senior leadership positions in the Dedicated Freight Corridor Corporation of India Limited (DFCCIL), where he led the execution of major railway infrastructure projects and subsequently headed the Contract Management Department, overseeing procurement, contract administration and dispute resolution for multilateral-funded projects.

An alumnus of IIT Kanpur, Shri Mishra holds an MBA in International Business and an LL.M. in International Dispute Resolution. He is also a Fellow of the Chartered Institute of Arbitrators (FCIArb), a FIDIC President's List Adjudicator and FIDIC Certified Trainer. He actively contributes to the development of project management, contract administration and dispute avoidance through professional institutions and international forums.

He believes that successful infrastructure delivery is driven by engineering excellence, proactive risk management, effective contract governance and collaborative stakeholder engagement.

Shri Rajesh Naik
Director (Projects)

Shri Rajesh Naik (DIN: 11543707), is a prominent & diversified professional with over 34 years of experience which includes over 12 years international experience in Oman, Bangladesh, Guyana, Botswana, Paraguay, Uruguay & Philippines. Shri Naik has rich and diversified experience in Planning, Engineering, Project Management, Contract Management, Risk Management, Dispute Resolution, Business Development and Strategy for large scale infrastructure projects spanning Railways, Highways & Bridges, ROBs/ RUBs, Tunnels, Buildings & Port Connectivity PAN India and Abroad. Shri Naik holds a Bachelor's degree in Civil Engineering and a certified professional in Advanced Project Management and Contractual Dispute Resolution from AIMA. He is a Lifetime Member of Chartered Institute of Logistics and Transport (CILT) and Indian Roads Congress (IRC). Shri Naik has held leadership roles in multiple government and private sector organizations, including RITES Ltd., Indian Port Rail & Ropeway Corporation Ltd., Engineering Projects (India) Ltd., Kalpataru Power Transmission Ltd., IRCON International Ltd., and Konkan Railway Corporation Ltd.

Prior to joining the IRCON Board, Shri Naik served as Chief Strategy Officer (CSO) and Chief Operating Officer (COO), RITES EXPOCON in RITES Limited in the capacity of Executive Director (Strategy & Corporate Communication) spearheading the team in business development, execution, financing, project coordination and value creation for domestic and international assignments.

Shri Naik's vision focuses on Nation Building and Shareholder 's Value Creation with IRCON as a one-stop provider of engineering solutions by leveraging its strengths. The vision also emphasizes the integration of Artificial Intelligence along with the adoption of latest cutting-edge technologies and Global best practices.

Shri Anand Bhatia
Government Nominee
[Part-Time (Official)] Director

Shri Anand Bhatia (DIN: 10937265) belongs to Indian Railway Services of Engineers (IRSE) of 1988 batch and holds a Post Graduate Degree in Structural Engineering from IIT/Delhi. He is working as Additional Member (Civil Engg.), Railway Board since 16th January, 2025. He has over 35 years of enriched and varied experience in Railways, especially in execution and management of Railway Projects in various capacities like Senior Deputy General Manager, Divisional Railway Manager, Additional Division Railway Manager etc.

Shri Anupum Singh
Government Nominee
[Part-Time (Official)] Director

Shri Anupum Singh (DIN:10637375), holds a bachelor's degree in Civil Engineering from Motilal Nehru Regional Engg. College (MNREC), Allahabad. He is presently working as Executive Director/Planning (Civil & PSU), Railway Board, Ministry of Railways, Government of India. Before the present assignment, he has worked in various capacities as Sr.DEN, Sr.DEN/C, Dy. Chief Engineer/Construction, Chief Engineer/construction, ADRM and Executive Director/CE (Bridge & Structure II), Railway Board, Ministry of Railways, Government of India.

Shri T. Varadharajan
Independent [Part-Time
(Non-Official)] Director

Shri T. Varadharajan (DIN: 08556664), holds a Bachelor of Science (B.Sc.) and a Master of Science (M.Sc.) degree from E.G.S. Pillay Arts & Science College, affiliated with Bharathidasan University. With over two decades of experience across development, entrepreneurship, and the technology sectors, he brings a diverse and well-rounded professional background. He currently serves as a Director at the Federation of Entrepreneurs and Enterprise since September 6, 2019, where he plays a key role in fostering entrepreneurial initiatives and enterprise development. Previously, he was the Regional Manager at Computer Software College from 2001 to 2011, overseeing regional operations and capacity building in IT education. Between 2011 and 2015, he contributed his expertise as an Advisor to Yogitha Rural Development Society and as a Consultant to Viveka Arakattalai, supporting rural development and social initiatives.

Smt. Suman Bala
Independent [Part-Time
(Non-official)] Director

Smt. Suman Bala (DIN: 11894015), is a Graduate in Commerce from the University of Delhi. She has served as the Mayor of the Municipal Corporation, Faridabad, Government of Haryana, bringing extensive experience in urban local governance, public administration, public representation and institutional management.

During her distinguished tenure as a Head of Department, she provided leadership in comprehensive urban administrative functions, overseeing complex machinery, public services, and large-scale public dealing. Her expertise encompasses strategic decision-making, independent oversight, stakeholder management, and cross-functional coordination. With her robust background in civic leadership and public policy execution, she brings a strategic, practical, and well-rounded perspective to corporate governance, institutional oversight, and responsible leadership.

SENIOR EXECUTIVES

Shri Surender Singh
Executive Director/Projects

Shri Debajyoti Kumar
Executive Director/Technical

Shri Naveen Babu
Executive Director/General

Shri Vijender Singh
Executive Director/Works

Shri Vinod Kumar
Executive Director/Infrastructure

Shri P.V. Sreekanth
Executive Director/S&T

SENIOR EXECUTIVES

Shri Jayasankar V. K
Project Director/Algeria

Shri Masood Ahmad Nazar
Project Director/Vadodara Mumbai Expressway

Shri Ajay Pal Singh
Executive Director/Business Development

Shri Vimal Kishor Nagar
Executive Director/Electrical

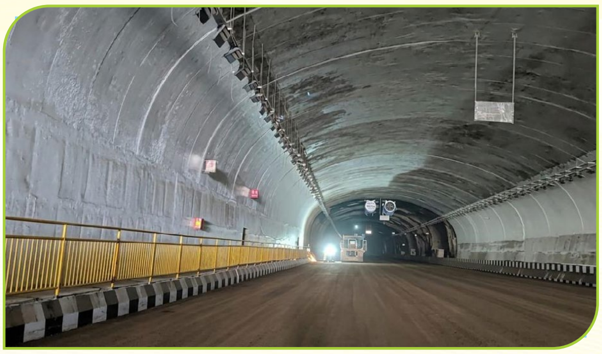
Shri M. Ravi Shankar Chowdary
Project Director/Chhattisgarh

DOMESTIC PROJECTS

25KV Teliamura TSS, RE PKG-2 Silchar Project

63m Balance Cantilever Span Ludhiana – Rupnagar Project

Backside View of Santragachi Station Building



Bhoj Morbe Expressway Project

Bishramganj SSP, Railway Electrification Pkg 2

Bridge No. 3, Sivok Rangpo New Rail Line Project

Poonamallee Depot, Chennai Metro Rail Project

Dedicated Freight Corridor Project, CTP – 12

DOMESTIC PROJECTS


Dedicated Freight Corridor Project, CTP-12


Gurgaon – Rewari Highway Project


Haridwar Bypass Project


Indore Budni Tunnel T1 Project


Jiribam Yard, Railway Electrification Pkg – 2


Katni Grade Separator Project


Katni Grade Separator Project


Kavach Towers Project of Central Railways

DOMESTIC PROJECTS

Khari Station Yard, USBRL Project, J&K

MAHSR C – 7 Project, Ahmedabad

MAHSR T – 2 Project

MAHSR T – 2 Project

Open Web Girder Over Hasdeo River, CEWRL Project

Rampur – Dumra Tal Rajendrapul Addl.
Bridge & Doubling Project

Rangpo Yard, Sivok Rangpo New Rail Line Project

ROCS Erection in Tunnel T-50, USBRL Project

DOMESTIC PROJECTS

RoR Launching Bridge 5A near Kharsia, Chhattisgarh East Rail Corridor

Scissor Cross Over with Track Centre 12 M, Chennai Metro Rail Project

Shirsad Akloli Expressway Project

Sivok Station Building, Sivok Rangpo New Rail Line Project

Tunnel T-52, D-Shape & Horse Shoe Shape, USBRL Project

Terminal-2 Canopy Refurbishment, Jaipur Airport Project

Tunnel T8 Breakthrough – Sivok Rangpo New Rail Line Project

Solar Power Project of Ircon Renewable Power Limited

FOREIGN PROJECTS

Bijalpura Station, Nepal

GSB Top Layer Laying @KM 3+400, Myanmar

Inarwa Nepal Custom Yard location

Marshalling Yard at Digraj, Khulna Mongla Port Line Project, Bangladesh

Mohammed Nagar Yard, Bangladesh

Monga Station Yard, Khulna Mongla Port Line Project, Bangladesh

Nepal Custom Yard – Jogbani Biratnagar Project

Precast Box Culvert, Myanmar Project

FOREIGN PROJECTS

Re-constructed Railway Line from Anuradhapura to Omanthai, Sri Lanka

Rehabilitation and Upgrading of Railway Track, Johar in Malaysia

Rehabilitation and Upgrading of Railway Track, Johar in Malaysia

Relizane Railway Station, Algeria

Relizane Railway Station, Algeria

ROB above the completed double track, Algeria

Rupsha Rail Bridge, Khulna Mongla Port Line Project, Bangladesh

Upgraded Railway Track between Maho-Anuradhapura, Sri Lanka

Awards & Accolades

IRCON has been awarded several prestigious awards. Some of the significant awards and accolades won during the year 2025-26 are mentioned below:

Quality Innovation Award 2025 for Implementing Innovative Quality Management Systems by The Institution of Engineers (India).

ISDA INFRACON NATIONAL AWRADS (IINA) 2025 in the category of Best Construction Project (Udhampur - Srinagar - Baramulla Rail Link Project, J&K).

Safety Innovation Award 2025 for Implementing Innovative Safety Management Systems by The Institution of Engineers (India).

17th CIDC Vishwakarma Award under the "Construction Health, Safety & Environment" in HSE management.

TunnelTech 2026 Award under the category Technology and Innovation in Tunnelling for Engineering Excellence in Himalayan Tunnelling.

- 239th rank in the list of Top 250 International Contractors published by ENR Survey 2025.
- 235th rank in the list of Top 250 Global Contractors published by ENR Survey 2025.
- International Safety Award (Distinction Winner Category) by the "British Safety Council" for excellence in health, safety & wellbeing throughout 2025.
- 10th Annual ISM - INDIA Awards 2025 in category Public Sector Procurement Excellence.
- Case Study Competition Runner-up Award in Public Sector category at Global Procurement Summit by All India Management Association (AIMA) & India Case Research Centre (ICRC)
- IRCON's in-house magazine, 'Navnirman', was honoured with the 'Incentive Award' by the Nagar Rajbhasha Karyanvayan Samiti (NARAKAS). supported by Ministry of Finance, GoI & World Bank.
- IRCON's in-house magazine was honoured at the International Hindi Conference organized by the Vishwa Hindi Parishad.
- The Official Language Department was honoured for its participation and outstanding performance in the 'Hindi Poetry Recitation Competition' organized under the aegis of NARAKAS.

CSR SPEND

(from FY14 to FY26)

TOTAL CSR SPEND

₹118.61 Cr.

₹ in Crore

01	Swachch Bharat (incl. Sanitation)	11.64
02	Art, Culture & Sports	1.99
03	Clean Ganga	5.05
04	Rural Development	2.92
05	Health & Nutrition	24.85
06	PM CARES Fund	23.34
07	Education & Skill Development	19.41
08	Research and Development Projects	15.31
09	Forest & Env.	4.54
10	Administrative/ Training Cost	1.84
11	Others	7.72

Investing in Communities

Building a better tomorrow through meaningful impact and sustainable development.

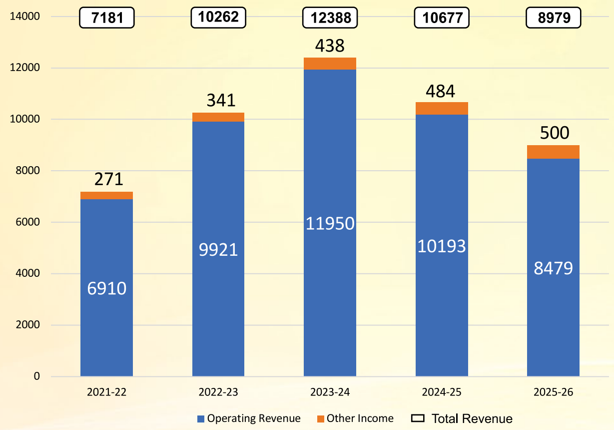
CSR Spend in FY26

₹15.45 Cr.

KEY PERFORMANCE INDICATORS (STANDALONE)

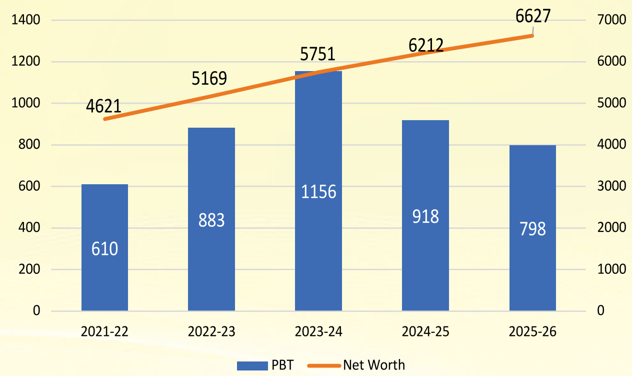
Total Revenue/Operating Revenue:

Revenue (₹ in crore)



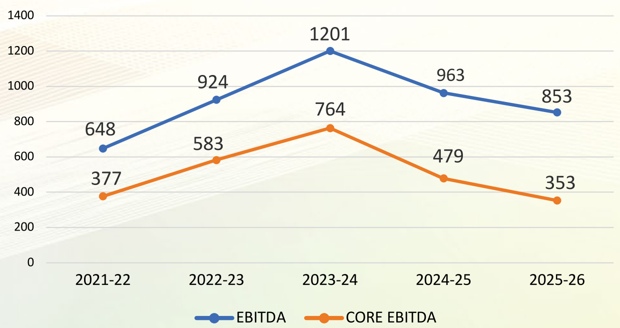
Profit Before Tax (PBT)/Net Worth:

PBT/Net Worth (₹ in crore)



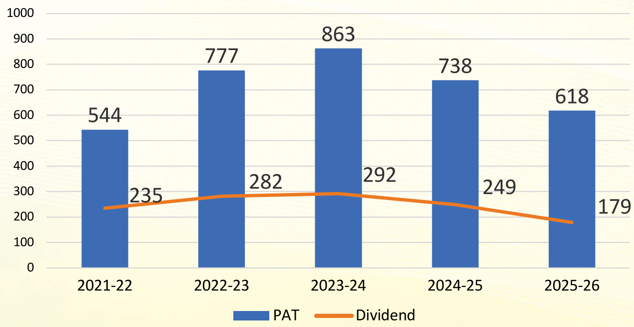
EBITDA/CORE EBITDA:

EBITDA/CORE EBIDTA (₹ in crore)



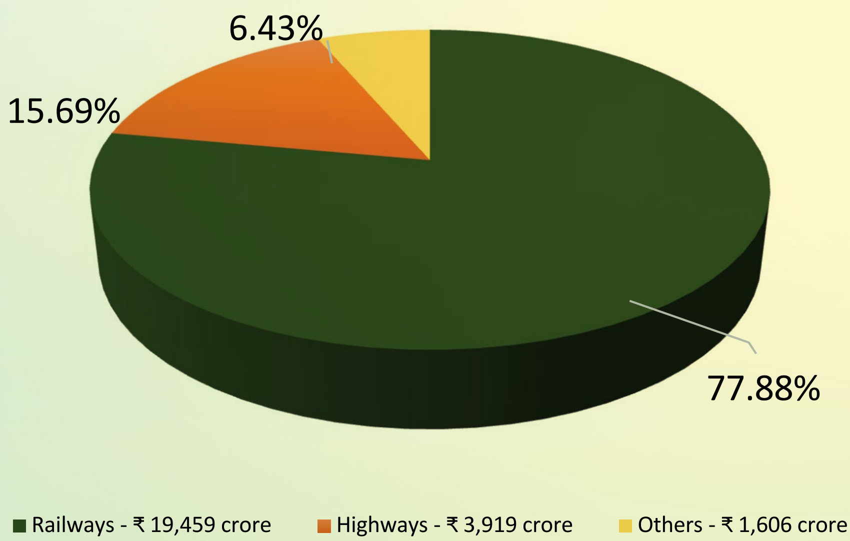
Profit after Tax (PAT)/Dividend:

PAT/Dividend (₹ in crore)



Order Book:

Order Book – ₹24,984 crore



FINANCIAL HIGHLIGHTS (STANDALONE)

(₹ in Crore)

Sl. No.	Particulars	Ind AS									
		2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
1	**Revenue from Operations**	**8,479**	**10,193**	**11,950**	**9,921**	**6,910**	**4,948**	**5,202**	**4,415**	**3,896**	**2,995**
2	Other Income	500	484	437	340	271	253	240	264	227	260
3	Total Income	8,979	10,677	12,388	10,262	7,181	5,200	5,442	4,679	4,123	3,254
4	Expenditure Before Finance Cost and Depreciation & Ammortisation	8,126	9,714	11,186	9,338	6,534	4,587	4,726	4,037	3,512	2,718
5	Finance Cost	6	7	10	3	10	15	27	16	64.53	61
6	Depreciation and Ammortisation	48	38	36	38	27	25	16	12	13	18
7	Earning Before Interest, Tax and Depreciation (EBITDA)	852	963	1,201	924	647	614	716	642	611	611
8	Earning Before Interest, Tax (EBIT)	804	925	1,165	886	620	589	700	631	598	593
9	**Profit Before Tax**	**798**	**918**	**1,156**	**883**	**610**	**574**	**673**	**615**	**533**	**532**
10	**Profit After Tax**	**618**	**738**	**863**	**777**	**544**	**405**	**490**	**445**	**391**	**369**
11	Dividend for the Year	179	249	292	282	235	221	223	203	192	192
12	Share Capital	188.10	188.10	188.10	188.10	188.10	94.05	94.05	94.05	94.05	98.980
13	Capital Employed *	6,630	6,237	5,772	5,178	4,621	4,406	6,007	6,510	6,952	3,829
14	**Net Worth**	**6,630**	**6,237**	**5,772**	**5,178**	**4,621**	**4,406**	**4,161**	**3,950**	**3,752**	**3,829**
15	PBT Margin (%) (PBT/Total Income)	8.89	8.60	9.33	8.61	8.49	11.04	12.37	13.14	12.93	16.35
16	PAT Margin (%) (PAT/Total Income)	6.89	6.91	6.97	7.57	7.58	7.78	9.00	9.51	9.48	11.34
17	Return on Net Worth (%) (PAT/Net Worth)	9.33	11.83	14.95	15.00	11.77	9.18	11.77	11.27	10.42	9.64
18	Return on Capital Employed (%) (EBIT/Capital Employed)	12.13	14.82	20.18	17.11	13.42	13.36	11.66	9.69	8.60	15.48
19	Number of Employees (No.)	1,070	1,190	1,272	1,341	1,278	1,295	1,369	1,576	1,622	1,496
20	Income per Employee (Total Income/ Number of Employee)	8.39	8.97	9.74	7.65	5.62	4.02	3.98	2.97	2.54	2.18

* During the Year 2021, the Company has offset loan from IRFC and amount recoverable from RLDA. Accordignly previous year's figures have been restated.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

Infrastructure development has emerged as one of the key pillars of India's long-term economic growth strategy, driving higher productivity, improving connectivity, enhancing logistics efficiency and creating large-scale employment opportunities. The Government's vision of building world-class infrastructure is aimed at transforming the country into a developed nation while strengthening urban centres, industrial corridors, multimodal transport networks and digital infrastructure.

The Government has implemented several measures to attract investments in infrastructure sector. Liberalisation of the Foreign Direct Investment (FDI) regime, adoption of public-private partnership (PPP) models across key sectors, and the Second Asset Monetisation Plan (2025-30), which envisages recycling approximately ₹10 lakh crore of capital into new infrastructure projects, are expected to significantly enhance private sector participation.

India's infrastructure growth story continues to inspire strong confidence among policymakers, investors and industry participants. According to CRISIL's Infrastructure Yearbook 2023, the country is expected to invest nearly ₹143 lakh crore in infrastructure through FY2030, more than double the investment made during the previous seven-year period. Such unprecedented investment, supported by a stable policy framework, increasing private participation and sustained government commitment, is expected to strengthen India's infrastructure ecosystem, improve ease of doing business, generate significant employment opportunities and provide a strong foundation for sustained economic growth over the coming decades.

GLOBAL ECONOMIC OVERVIEW

The global economy faces an increasingly challenging environment amid heightened geopolitical tensions, particularly following the outbreak of conflict in the Middle East in early 2026. The conflict has added to existing uncertainties arising from trade barriers and geopolitical fragmentation, disrupting commodity markets, fuelling inflationary pressures and tightening global financial conditions. While technology-led investments, supportive fiscal and monetary policies and accommodative financial conditions had previously cushioned the global economy, the evolving geopolitical landscape poses fresh risks to global growth, especially for commodity-importing and developing economies that remain vulnerable to higher energy prices, food inflation and currency volatility.

According to the International Monetary Fund's (IMF) World Economic Outlook Update (July 2026), global economic growth is projected at 3.0% for 2026 and 3.4% for 2027, reflecting the impact of evolving global developments.

INDIAN ECONOMY

India continues to remain one of the fastest-growing major economies, supported by strong domestic demand, sustained public investment and resilient macroeconomic fundamentals. As per the National Statistical Office (NSO), real GDP is estimated to have grown by 7.7% in FY 2025-26, while nominal GDP expanded by 8.9%. The Reserve Bank of India (RBI), in its June 2026 Monetary Policy, has projected real GDP growth of 6.6% for FY 2026-27. While global supply chain disruptions, commodity price volatility and geopolitical uncertainties pose downside risks, CPI inflation is projected at 5.1%.

Despite a marginal decline during the period, India's foreign exchange reserves remained at a comfortable USD 691.11 billion as on March 31, 2026, compared with USD 700.09 billion as on September 30, 2025, reflecting the country's strong external position and enhancing resilience against global uncertainties.

The Government continues to accord high priority to infrastructure-led growth. The Union Budget 2026-27 increased the capital outlay for infrastructure to ₹12.2 lakh crore from ₹11.21 lakh crore in the previous year. To encourage greater private participation, the proposed Infrastructure Risk Guarantee Fund will provide partial credit guarantees to lenders during the construction phase of infrastructure projects. In addition, liberalised FDI norms, public-private partnership (PPP) initiatives and continued policy support are expected to enhance domestic and foreign investment in the infrastructure sector.

India's infrastructure and logistics sectors continue to present significant long-term opportunities, supported by initiatives such as PM Gati Shakti, the National Logistics Policy, Unified Logistics Interface Platform (ULIP) and logistics parks.

Sustained government investment, increasing private sector participation and continued policy reforms are expected to further strengthen India's infrastructure ecosystem and support long-term economic growth.

INDUSTRY OVERVIEW

India's infrastructure sector continues to be one of the principal drivers of economic growth, supported by sustained public investment, increasing private sector participation and a stable policy environment. Over the past decade, the Government has placed infrastructure and construction at the centre of its development agenda through higher capital expenditure and institutional reforms. Innovative financing mechanisms such as Infrastructure Investment Trusts (InvITs), Real Estate Investment Trusts (REITs), the National Investment and Infrastructure Fund (NIIF) and the National Bank for Financing Infrastructure and Development (NaBFID) have broadened the financing ecosystem, while continued focus on Tier-II and Tier-III cities, multimodal connectivity and urban infrastructure is creating long-term opportunities across the infrastructure value chain.

The long-term outlook for India's infrastructure sector remains favourable, supported by continued Government support, rising urbanisation, increasing private investment and growing demand for modern transport infrastructure. According to the World Bank, nearly 600 million people are expected to reside in urban areas by 2036, creating substantial demand for rail, roads, urban transit and logistics infrastructure.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Railway Sector

Indian Railways continues to play a pivotal role in India's economic development by providing efficient, affordable and sustainable transportation for both passengers and freight. The sector is undergoing a structural transformation driven by record capital investments, network expansion, digitalisation, enhanced safety standards and a strong emphasis on multimodal connectivity. Government initiatives under PM Gati Shakti, the National Logistics Policy and the National Infrastructure Pipeline are strengthening rail's integration with ports, roads, waterways and logistics hubs, positioning Indian Railways as a key enabler of economic growth and supply chain efficiency.

Reflecting the Government's sustained emphasis on rail infrastructure development, the Union Budget 2026–27 earmarked a record CAPEX of ₹2.78 lakh crore for Indian Railways, to accelerate infrastructure creation, enhance operational efficiency and strengthen passenger and freight connectivity. The Budget also announced the development of seven high-speed rail corridors connecting major economic centres, while continued investments in Dedicated Freight Corridors (DFCs), capacity augmentation, station redevelopment, signalling systems and multimodal terminals are expected to significantly improve network capacity, operational efficiency and regional connectivity. The Government's emphasis on Public-Private Partnerships (PPPs) and 100% FDI under the automatic route in railway infrastructure is expected to further encourage private investment and technological advancement in the sector.

Indian Railways achieved an all-time high freight loading of 1.67 billion tonnes during FY26, marking the fourth consecutive year of record freight performance, while passenger traffic increased to 741 crore. Supported by PM Gati Shakti, Dedicated Freight Corridors, multimodal cargo terminals and the Unified Logistics Interface Platform (ULIP), rail logistics is becoming faster and more efficient. India's logistics market, is projected to creating significant opportunities for railway infrastructure, freight corridors and integrated logistics development. Modernisation of Indian Railways continues to be driven by technology, safety and sustainability.

Railway electrification has reached 99.6% of the broad-gauge network by March 2026, substantially reducing dependence on fossil fuels, lowering carbon emissions and improving operational efficiency. Indian Railways is also progressing towards its objective of becoming a Net Zero Carbon Emitter by 2030 through renewable energy adoption, energy-efficient operations, solar and wind power integration, hydrogen fuel-cell trains and battery-powered locomotives.

The indigenous KAVACH automatic train protection system is being progressively deployed across the network to prevent collisions, Signal Passing at Danger (SPAD) incidents and over-speeding. KAVACH, integrated with advanced signalling and train control technologies, are expected to significantly enhance operational safety, particularly on high-density and high-speed routes. Alongside track renewal, modern signalling systems and digital monitoring technologies, these initiatives are improving the reliability, efficiency and resilience of railway operations.

Urban rail transit is also witnessing rapid expansion to address increasing urbanisation and mobility requirements. India currently operates the fifth-largest metro rail network globally, with 810 km operational across 20 cities, while nearly 980 km of metro and Regional Rapid Transit System (RRTS) corridors are under construction in 27 cities. Continued investments in metro rail projects, are expected to improve urban mobility, reduce congestion and create significant opportunities across metro rail infrastructure, systems and allied construction activities.

The long-term outlook for the railway sector remains highly positive, supported by sustained Government investment, increasing freight demand, expanding urban transit systems, greater private participation and continued policy reforms. With growing emphasis on integrated transport infrastructure, green mobility, digitalisation and multimodal logistics, Indian Railways is well positioned to improve its modal share in freight and passenger transportation while creating substantial opportunities for infrastructure development.

Road Sector

India has world's largest road networks, spanning over 6.61 million kilometres, with National Highways serving as the country's primary arterial network for the movement of freight and passengers. The sector plays a critical role in promoting economic growth, enhancing regional connectivity, facilitating trade and improving market access. Over the past decade, the Government has significantly accelerated highway development through sustained investments, policy reforms and technology-driven project execution, positioning the roads sector as a key pillar of India's infrastructure-led development strategy.

The Government continues to prioritise road infrastructure through higher public investment and integrated infrastructure planning. In Union Budget 2026–27, the CAPEX allocation for the Ministry of Road Transport and Highways (MoRTH) has been increased to ₹2.94 lakh crore, representing an increase of around 8% over the revised estimate for FY 2025–26. The PM Gati Shakti National Master Plan is driving multimodal infrastructure development through integrated planning across transport modes, while enhanced access to geospatial data is expected to improve project planning, execution efficiency and logistics connectivity.

India's highway network continues to witness rapid expansion through flagship programmes such as Bharatmala Pariyojana and Pradhan Mantri Gram Sadak Yojana (PMGSY-IV). The National Highways network expanded to 1,46,342 km in FY25, with 10,660 km constructed during the year. Under Bharatmala Pariyojana Phase-I, more than 22,200 km of highways have already been completed, while the remaining stretches are targeted for completion during FY 2026–27. In addition, the Government has announced an ambitious programme

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

to develop 17,000 km of access-controlled expressways by 2033, significantly improving logistics efficiency and economic connectivity across the country.

The Government is also focusing on strengthening the country's logistics ecosystem through the development of 35 Multi-Modal Logistics Parks (MMLPs) under Bharatmala Pariyojana, supported by an estimated investment of about ₹46,000 crore. These logistics hubs, together with initiatives such as the National Logistics Policy, Unified Logistics Interface Platform (ULIP) and PM Gati Shakti, are expected to improve cargo handling, reduce logistics costs and enhance supply chain efficiency. Such initiatives are expected to facilitate seamless integration between roads, railways, ports and waterways, supporting India's growing manufacturing and export sectors.

Recognising the strategic importance of balanced regional development, the Government continues to invest in road connectivity across the North-Eastern region and other geographically challenging areas. Improved highway infrastructure is enhancing connectivity to remote regions, facilitating socio-economic development, strengthening border infrastructure and promoting trade and tourism. The continued emphasis on sustainable infrastructure development, higher public investment, increasing private participation and integrated transport planning is expected to create significant opportunities across the roads and highways sector.

COMPANY OVERVIEW

Ircon International Limited (IRCON), an integrated engineering and construction company having expertise in major infrastructure sectors including railways, highways, bridges, flyovers, tunnels, metro, railway electrification, EHV sub-stations, electrical and mechanical works, commercial and residential buildings, railway production units, amongst others. It offers Engineering Procurement and Construction (EPC) services on a lumpsum turnkey, EPC and item- rate basis for various infrastructure projects. To boost coal evacuation from states like Odisha, Jharkhand & Chhattisgarh, IRCON is executing coal connectivity projects in joint venture with other CPSEs under the Ministry of Coal. In addition to this, IRCON executes road projects on Build, Operate and Transfer (BOT) mode and Hybrid Annuity Mode (HAM) by leveraging the financial strength of the Company to build long term wealth.

IRCON, a prominent public sector construction company in the Country, has established itself as a leader in Transportation Infrastructure, particularly in the execution of Railway Projects. The Company is renowned for its high-quality solutions, unwavering commitment, and consistent performance.

Over the past 50 years, IRCON has successfully completed numerous significant construction projects, both domestically and internationally. IRCON's achievements are spread in the following manner–

(1) IRCON is executing various infrastructure projects under Project Management Consultancy (PMC), Engineering, Procurement, and Construction (EPC) and Public Private Partnership (PPP) model;

(2) IRCON is also expanding its presence both domestically and internationally;

(3) IRCON is diversifying its portfolio across various infrastructure segments such as Railways, Highways, Renewables, etc.

The Company has consistently paid dividends to the government, highlighting its financial stability and success and is amongst the few construction companies in the public sector to have earned substantial foreign exchange for the country.

Over the years, IRCON has expanded its business footprints in different geographies such as Algeria, Afghanistan, Bangladesh, Bhutan, Brazil, Indonesia, Iran, Iraq, Liberia, Malaysia, Mozambique, Myanmar, Nepal, Nigeria, Saudi Arabia, South Africa, Sri Lanka, Turkey, UK and Zambia. So far, the Company has completed over 131 projects in 25 countries across the globe, and more than 408 projects in India. In the domestic market, it specializes in working in difficult terrains and disturbed regions. Furthermore, it is an active participant in prestigious nation-building projects.

BUSINESS UNITS / DIVISIONS

Major business units / divisions of IRCON are as follows:

1. Civil Engineering Department

IRCON has established itself as a prominent construction organization in the country, with the Civil Engineering Department serving as the backbone of the Company and generating a significant portion of its revenue. It plays a pivotal role and provides leadership in the successful execution of large-scale composite projects. The department's insight and leadership are essential for the smooth implementation of the numerous projects awarded to IRCON. This department is led by a highly experienced senior management team, consisting of professionals from renowned Engineering and Business Schools. They are supported by a large group of motivated and skilled Civil Engineers who have graduated from prestigious institutes like IITs and NITs. As on March 31, 2026, there are 541 Civil Engineers in the department, accounting for approx. 50.56% of the total staff strength.

IRCON is committed to incorporate the latest technology in project execution to ensure timely and cost-effective delivery. With its highly qualified and experienced workforce, the Company has significantly enhanced its competitiveness in the construction industry. It has an impressive track record of growth and expansion in various construction domains, including Railways, Highways, Bridges, Flyovers, Airports, Commercial & Industrial Buildings, Tunnels, Water treatment Plants, Residential Quarters, Multifunctional Complex (MFC) and more. IRCON's Civil Engineers are adept at working in remote areas, both in India and abroad, utilizing advanced Project Management Tools such as Primavera, TILOS, and MS Project. They are also trained in the latest surveying techniques, including GPS Surveying, Aerial LIDAR Surveying with Drones, and Total Station Surveying.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The department has developed expertise in tunnelling in the Himalayas, utilizing advanced technologies such as NATM. It takes great pride in having more than 200 trained tunnel Engineers and successfully completing over 100 km of tunnel mining in the challenging geology of the Himalayas. Another significant tunnel, the 12.75 km long tunnel on USBRL Project, is completed, which is the longest transportation tunnel in the country.

The department has successfully completed numerous mega projects, demonstrating its competency in:

- Samawa High Speed Railway Line Project in Iraq;
- Construction of 2nd Bhairab Railway Bridge with approach Rail lines in Bangladesh;
- Construction of Double track project between Seremban & Gemas in Malaysia;
- Upgradation of Railway Lines in the Northern Province of Sri Lanka;
- Completion of the Qazigund – Baramulla New BG Railway Line in J&K, and the completion of the 11.2 km Pir Panjal Tunnel, the longest transportation tunnel in India, in J&K;
- Longest Rail cum Road Bridge (at the time of commissioning, in India) at Patna;
- IRCON is the only public sector undertaking (PSU) to connect the rail network in the J&K State's valley region;
- IRCON has also commissioned a new line works from Khulna-Mongla (65 Km) route and track length (91 Km) on 31st March, 2024 and also done preventive maintenance of 92 Track Km in this section for one year from April'24 to March'25 under DLP without any accident or unusuals. It was first of its kind commissioned by any Indian Company in Bangladesh out of LOC fund by GoI;
- Track linking of 186 km route double line for DFCCIL under CTP- 12 projects have also been completed during year 2023-24;
- Project commissioned for traffic operations 38.262 Km New BG line in Udhampur – Srinagar-Banihal Section during year 2023-24.

Also, Achievements during the FY 2025-26 are as follows:

- IRCON has commissioned the Katni upgrade separator – 15.85 Route Km 29th August 2025 & now the section is operating the trains removing the bottleneck at Katni specially for freight trains;
- Kusmunda bypass line of 11 TKM commissioned for opening of freight traffic in September 2025 enabling more efficient evacuation coal;
- In another prestigious tunnelling project to connect Sikkim by Railway from Sivok of West Bengal, so far 12 tunnels have been made through out of 14 Tunnels by NATM in a very challenging geology;
- IRCON successfully completed Shalimar yard remodelling of South Eastern Railway (SER) which involved laying of 68 turnouts, 15 derailing switches, dismantling of 24 turnouts of 1in 8.5/ 1in 12, 1 derailing switch, 2 sets of Diamond turnouts and 1 set of scissor turnout, electronics interlocking system of 246 routes. After yard remodelling, it will have five passenger platforms with provision of handling 24 LHB coach train and 31 lines for different purposes with simultaneous receipt / dispatch between Shalimar and Santragachi section of SER;
- Kathautia-Duari Section for 14.4 km (out of 49 km) and Kathautia Yard of Coal Rail Connectivity Project, Jharkhand commissioned.

It takes great pride in having more than 200 trained tunnel Engineers and successfully completing over 100 km of tunnel mining in the challenging geology of the Himalayas. With its extensive pool of experienced Civil Engineers and its accomplishments in tunnelling through the challenging geology of the lower Himalayas (such as the USBRL in J&K State and Sivok Rangpo in West Bengal & Sikkim), IRCON has emerged as a pioneer in the field of Tunnelling.

2. Design and Development Cell

IRCON's Design and Development Cell (D.D. Cell) is dedicated to develop in-house civil designs & review designs submitted by consultants as per relevant codal provisions, value engineering/Optimisation of design, estimation of quantities for bidding of various big-ticket national & international infra projects and other civil engineering solutions to most of IRCON's projects. Sophisticated design softwares such as Bentley Open Rail/Open Roads, Civil 3D (for Track/Road Alignment Design), STAAD Pro & MiDas (For Structural design and Bridge Design), IITPAVE & KGPBACK (Road Pavement & Overlay Design), SLIDE, MIDAS GTS NX, RS2 etc. (For GT Analysis & Tunnel Design solutions) are being used for developing designs and corresponding drawings with the help of efficient CAD Engineers.

The in-house design team has extensive experience in Track Alignment Design, Bridge Design, RCC/Steel Structures Design, Buildings Design, Highway Pavement Design, Geo Technical Solutions and Hydrological Studies etc.

Design & Development Cell has been significantly strengthened in this year, with a clear focus on separate Vertical for Tunnel Design/Underground Structures.

The in-house design team has specialized group consisting of experienced Civil Engineers, graduated from top ranking Engineering Colleges of India such as IITs, NITs and other reputed colleges.

Through D.D.Cell, IRCON is member in the following code/standard committees and shares the knowledge and contributes in developing/modifying codes:

- IS Codal Committee CED54: concrete reinforcement sectional committee: Standardization in the field of reinforcement for concrete including pre-stressing steel.
- Standardization of Bridge Girders: Designing Long Span Steel based road bridges, convened by Ministry of Steel, Government of India.

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IRCON Design Team has been extensively involved in finalizing designs of various domestic projects as well as international projects viz. CERL-2 Urga-Dharamjaigarh Section, ROBs/Ramps at Shalimar & Santragachi project, Sivok-Rangpo Rail line project, Safdarjung Station building Project, Mokama Viaduct Project, MCRL Project, Shivpur-Kathautia Rail line project (JCRL), Agartala-Akhaura (India Portion) Viaduct Project, CEWRL Gevra-Pendra Section, DFCCIL CTP-12,Maho-Omanthai railway line project in Sri Lanka, Gurgaon-Rewari Highway Project, DFCCIL CTP-12, CERL Dharamjaigarh-Kharsia section including spur line and feeder line etc. Some of the noteworthy projects done earlier wherein D.D Cell has been involved in providing design solutions are: 2-tier Road cum Railway Bridge across River Ganges in Bihar at Digha Ghat, Bikaner-Phaloudi Road Project, Buildings of RAPDRP, Jammu; Railway link in Northern province of Sri Lanka, Railway Bridges of Jaynagar – Bardibas Railway Project (India and Nepal), Seremban- Gemas Electrified double track Railway Project (SGEDT) in Malaysia, Beira Rail Project in Mozambique including Dona Ana Bridge across the mighty River Zambezi etc.

The team is involved in quantity estimation for bidding for projects viz. Important bridge across river Ganga between Bikramshila-Katareah section, Kottavalasa-Koraput Tunnel project & Aizwal bypass tunnel project-which have been secured by the company through bidding lately.

The team has been also involved (quantity estimation) in bidding of various other major rail / road projects viz Doubling of Bhojo-Selenghat link, Bundi Airport Project, Indian Railway EPC Projects, 4-Laning of NH in districts of Darjeeling & Jalpaiguri, Sudhmahadev – Dranga Tunnel of approx. length 4.5 Km and its approach roads on Chenani – Sudhmahadev – Goha road portion, Vailoo Tunnel of approx. length 10.00 Km under Sinthan Pass and its approach roads on Goha – Khellani – Khanabal road portion, HRIDC C-4,C-5, C6& C23 Project, High-Speed Rail Project C4, C5, C6 & C7 Packages, Gurgaon-Rewari Highway Project, DFCCIL CTP 1, 2, 3, 3A, 11, 12 Packages, Vadodara-Kim Expressway Pkg-II, Devangiri-Haveri in Karanataka, Shivpuri-Guna Highway Project, Etihad Rail in UAE, various projects in Bangladesh, Maldives, Iran, Ethiopia, Oman etc. of late a new vertical for Tunnel Design has been established for further enhancing capacity-building.

3. Electrical Department

As leading turnkey project execution Company in Railways Sector, Electrical department wing provided end-to-end solution for Electrical projects. The Electrical Department provides expertise in 25 kV Railway Electrification Works, HT Grid & Traction Sub- station of voltage classes up to 400 kV, Extra High Tension Transmission lines, Extra High Voltage (EHV) cabling works, Renewable Energy sector / Industrial Electrification of mega industrial plants / Loco Sheds, Power supply distribution network for Cities / Metro Railways (AC & DC Systems) / Airports, Tunnel Power Supply, Ventilation and Electrification including Power Supply sub-stations for Metro Railways.

IRCON undertook its first major Railway Electrification Project of the Delhi – Ring – Railway in 1980 and offered environment-friendly electric traction services to passengers during the Asian Games organized in 1982. Thereafter, in its journey of 4 decades, the company has executed more than 11,567 TKM of Railway Electrification works in India & abroad and established itself as the leader in the market.

IRCON is executing a 500 MW Grid Connected Solar Power Plant Project under the Central Public Sector Undertaking (CPSU) Scheme of MNRE through latest technology Solar Modules, state-of-the-art tracker technology & waterless Robotic Cleaning System which are being implemented for the first time in the country in such large-scale solar project to enhance the efficiency of the solar plant. During the FY 2025–2026, a total capacity of 250 MW Solar Power (i.e. in 3 phases of 75+75+100 MW) was successfully commissioned and synchronized the Southern Grid for sale of power to South Western Railway. With this the cumulative commissioned Solar Power capacity stands at 400 MW out of the 500 MW targeted capacity. The balance capacity is targeted to be connected shortly. Upon full commissioning of 500 MW, approximately 1,076 million units shall be supplied annually which will help Railways in achieving net zero carbon emission targets.

IRCON has also executed many H.T. sub-station works up to 400 kV in India and abroad. Majority of sub-station works in all three phases of DMRC are executed by IRCON. IRCON has also acquired capability to execute Gas Insulated Sub-station (GIS) and Transmission Line projects up to 220 kV.

IRCON has extensive experience for execution of Tunnel Ventilation, Safety & Electro Mechanical works. The Electro Mechanical works of 65 km Railway Tunnels (T-43, T-44, T-49, T-50/51,T-52,T-53,T-54,T-55 & T-80) including 13 km longest Rail Tunnel, stretch from Banihal to Sawlakote under USBRL Project, has also been completed. This network provides all weather Rail connectivity to Kashmir Valley. Complete turnkey E&M work comprises of design, planning, project management, testing, commissioning, operation, and maintenance facility for Electrical Works (complete HT and LT works), Tunnel Ventilation System (TVS), Fire Fighting Systems, Operational Management and Control System (SCADA). This prestigious project was inaugurated by the Hon'ble Prime Minister in June 2025 and moreover the Defect Liability Period for IRCON has also been completed in Feb-2026.

IRCON also has the experience of executing railway electrification work at high altitude (1650 m above msl), which was implemented for the first time in Indian Railways between Baramulla to Banihal (J&K) – 200 TKM including tunnel T-80 with Flexible Overhead Catenary System (FOCS). IRCON has also executed about ~39 RKM / 41 TKM of Rigid Overhead Catenary System (ROCS) works in Banihal to Dharam (J&K) section, which has also been implemented for the first time in Indian Railways. The Electrical train operations in the aforesaid Dharam – Banihal – Srinagar Section were also inaugurated by the Hon'ble Prime Minister in June 2025.

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Further, the execution works of ~38.6 km of Electro Mechanical (E&M) works in Railway tunnels T-1 to T-14 of Sivok-Rangpo Rail Project connecting Sikkim state to India are also under full swing. The Rigid Overhead Catenary System (ROCS) works in Railway tunnels T-1 to T-14 connecting Sikkim state to India are also under execution stage.

IRCON has executed Traction & Power Supply works of India's first Semi-High Speed Regional Rapid Transit System in Delhi-Meerut Section (82 km) for National Capital Region Transport Corporation (NCRTC). The work involves Extra High Voltage 220 kV Power Cabling, 05 Nos. Receiving Sub- Stations (RSS), 09 Nos. of Auxiliary Sub-Stations (ASS) & Overhead Equipment (OHE) with a design speed of 180 kmph. The section from Sarai Kale Khan to Modipuram including Duhai Depot, has already been commissioned. The Inauguration of Stage-1 (Sahibabad to Duhai), Stage-2 (Duhai to Meerut South) & Stage-3A (Sahibabad to New Ashok Nagar) was done by Hon'ble Prime Minister in the previous year. Further the Hon'ble Prime Minister inaugurated the full 82-km Delhi-Ghaziabad-Meerut Namo Bharat (RRTS) corridor on 22nd February, 2026.

For the prestigious 'Mission 100% Railway Electrification' of the Ministry of Railways (Government of India), IRCON is executing more than 2700 RKM of Railway Electrification works & 29 Traction sub-station works in various Railway Electrification projects, out of which more than 2693 RKM and 22 Nos. Traction Sub-Stations (TSS) have already been commissioned along with ~200 kms. of 132 kV Transmission Lines. Further, IRCON has also back-charged 04 Nos. Traction Sub-Stations (TSS).

Recently, Mumbai Metropolitan Region Development Authority (MMRDA) has awarded two contracts to IRCON, which includes traction & power supply system, SCADA and E&M works for line-5 (~13 km long) and Line – 6 (~15.6 km long), for which the design, procurement and execution works are under full swing. Moreover, the design & installation works of 220 KV D/C Line from 400/220 kV Koradi -II to Mankapur s/s (O/H + U/G Line) under Nagpur Zone which was awarded by the Maharashtra State Electricity Transmission Company Ltd. (MSETCL) are also under execution stage.

4. Mechanical Engineering Department

The Mechanical Engineering Department comprises a proficient mix of seasoned experts and young, dynamic professionals. With expertise in the design, installation, and commissioning of new rolling stock production units, workshops, and diesel sheds, the department is also adept at re-engineering existing facilities. Its primary objective is to enhance output and efficiency through optimal resource utilization, aligning deliverables with the needs of both domestic and international clients. The team is equally skilled in the operation and maintenance of rolling assets.

We consistently deliver projects on schedule, even under accelerated timelines, using advanced project management tools such as MS Project, Six Sigma, and Primavera, while effectively mobilizing global physical resources.

One of our recent achievements is securing the prestigious MAHSR-T2 High Speed Rail project from NHSRCL, a Government of India initiative, implemented with technical guidance from Japanese Shinkansen experts. The Japanese consultants mandated the use of Japan-origin machinery or equipment based on Japanese engineering for track construction. Under the Make-in-India initiative, IRCON's Mechanical team developed these critical machines domestically by guiding Indian manufacturers on intricate technical and functional design requirements. As a result, we not only matched Japanese design standards but also significantly reduced costs by manufacturing locally. Some of the machines developed include Track Slab Car, Rail Feeder-cum-Drawer Cars, Track Motor Cars, Construction Motor Car, Trolleys/Wagons, and Flash Butt Welding Machines—all built to meet stringent Japanese specifications.

The department has successfully established state-of-the-art Stainless Steel Coach Manufacturing Units at Raebareli in record time, exceeding targets. It also upgraded diesel sheds to accommodate both diesel and electric locomotives.

The Raebareli production facility stands as an engineering marvel. It is a fully integrated plant capable of transforming raw materials, like rolled steel sheets, into finished coaches. Key features include a Coach/ Shell Fabrication Line, robotic welding-enabled Bogie Shop, Finishing Shop, Wheel Shop, cutting-edge Paint Shop, and high-tech systems such as Automated Material Storage and Retrieval, a Power Substation, and a 3 MW Solar Park. The campus is self-sustaining, with a residential colony for employees and management, a 100-bed hospital, a cricket stadium, athletic track, FIH- certified hockey stadium, and an 18-hole golf course.

The department also excels in the export, leasing, and maintenance of locomotives, freight wagons, passenger coaches, and track machines. It brings end-to-end expertise across all aspects of rolling stock asset management—from infrastructure development and asset upkeep to business process re-engineering. These capabilities have been proven in successful executions across India and internationally for various governments, multilateral agencies, and organizations.

Additional notable projects include:

- Procurement of Plant and Machineries to various technical centres of Ministry of Micro Small and Medium Enterprises (MSME)
- Detachment-free rake examination facility at Bondamunda Exchange Yard (SER)
- Wheel Shop setup at Rail Coach Factory, Kapurthala
- Diesel Loco Shed augmentation at Visakhapatnam
- Supply of 10 YDM4 (Meter Gauge) locomotives to Royal Railways, Cambodia
- Supply of 6 2300HP AC/DC (Broad Gauge) locomotives with Co-Co bogies to Sri Lankan Railways

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- Leasing and maintenance of diesel locomotives for KTMB, Malaysia, achieving over 85% asset availability over two decades—a testament to IRCON's excellence in rolling stock maintenance

5. Signal & Telecom Department

Since its inception in 1976, IRCON has been providing turnkey Signal & Telecom (S&T) solutions for Railways in India and abroad; IRCON has been executing Signaling & Telecom (S&T) projects in various countries as per their local codes, manuals and standards, with in-house design, construction and project management capabilities, on agreed timelines.

IRCON has been executing number of state of the art S&T projects viz., Electronic Interlocking (EI), Automatic Block Signalling, Automatic Train Protection (ATP), Centralized Traffic Control (CTC) systems, Station Kavach (TCAS), Telecom Towers for TCAS, Remote Diagnostics & Predictive Maintenance System (RDPMS) for Signalling Gear, Integrated Passenger Information Systems, Integrated Tunnel Communication System etc.

In the year 2025-26, IRCON carried out erection of 350 Towers in Central Railway for Kavach roll-out and facilitated successful Kavach 4.0 trials in the block sections; IRCON successfully commissioned 72 Tunnel km of Integrated Tunnel Communication System, out of which 18 km are in J&K and 54 km in Manipur for the new line projects. IRCON commissioned New EI/Alterations in EI at 15 Stations of Indian Railways, which included the works at major yards of Shalimar in SER, Jhalwara (SECR) - Katangikhurd (WCR) chord-line works, enhancing operational efficiency in the concerned Zonal Railways.

New Business Development Vertical of S&T bagged total orders of S&T works worth ₹900 Crore approx., which include New Technology Verticals in S&T viz. Station Kavach Works, Telecom Towers for Kavach, EI with Auto Signaling, Predictive Maintenance of Sigg Gear, Integrated Tunnel Communication. A pilot project of S&T Maintenance Support through trained and outsourced manpower, under supervision of experienced S&T Managers of IRCON has been taken up in Lumding Division of NFR.

Thus, IRCON S&T continues it's stride in the forefront of Modern Technology in S&T Works and a fulfilling role in support of Indian Railways.

6. Business Development Department

IRCON's Business Development Department plays a crucial role in navigating a competitive landscape, especially with the shift away from nomination-based awards. Competing through tenders alongside private infrastructure firms require sharp bidding strategies and deep industry insights.

In the year 2025-26, the Business Development Department of IRCON has secured following 15 (fifteen) projects:

- Design, manufacture, SITC of Microprocessor based EI system c/w doubling of AHO-CNA Jn. section of Ajmer division on NWR- ₹127.80 Crore
- Construction of Dedicated Rural Industrial Park in Thiruvananthapuram District- ₹187.08 Crore
- Package-I: Construction of civil works on item rate for Tato-I Hydro Electric project, Arunachal Pradesh, comprising of headworks & allied works, head race channel, head race pipe, intake, headrace tunnel, surge shaft, pressure shaft, valve house, power house & allied works and infrastructure works- ₹388.25 Crore
- Survey, design, supply, installation, testing and commissioning of KAVACH equipment and other associated works over 778 RKM of Bengaluru and Mysuru Divisions of South Western Railway- ₹214.88 Crore
- Provision of Remote Diagnostic & Predictive Maintenance System in RE-MD of JP, MD-PNU of AII, RE-BTI of BKN and MTD-LUNI of JU Division over North Western Railway- ₹51.61 Crore
- Construction of New BG Rail Bridge (1×32.086m Open Web Steel Girder + 33×122.0 m Open Web Steel Girder + 1×32.086m Open Web Steel Girder) with Substructure of Double line Track and Superstructure of Single line track across River Ganga between Bikramshila and Katareah Stations on New Railway Line Project of East Central Railway- ₹1068.35 Crore
- Package- 1C: Construction of roadbed, minor bridges, buildings, installation of track (excluding supply of rails, sleeper & thick web switches), and other civil engineering and general electrical works in connection with new bg railway line between Pipaliya Nankar (excl.) – Budni (incl.) stations (chainages 129.000 – 198.000 km) in Indore-Budni section of Bhopal division West Central Railway in Madhya Pradesh state, India- ₹448.35 Crore
- Design, Supply, Installation, Integration, Testing And Commissioning of 220 kV receiving Substation Including 220 kV, 33kV & 25kV Cabling Work, Complete 25kV Overhead Catenary System along with switching station, 33kV Auxiliary Power Distribution System Including 33/0.415 kV Auxiliary Sub-Station (ASS) And Complete SCADA System, Electrical and Mechanical works, Lift & Escalator Works for part of Main Line, Stations & Kasheli Depot of Mumbai Metro Rail Line 5 Project of MMRDA Including 5 Years of Comprehensive Maintenance after 2 Years of Defect Liability and Maintenance Period – ₹421.59 Crore
- Design, Manufacture, Supply, Installation, Integration, Testing and Commissioning of Power Supply and Traction, E & M, Lifts & Escalators including 5 Years of Comprehensive Maintenance after 2 Years of Defect Liability Maintenance Period of Line 6 [Swami Samarth Nagar to Vikhroli (EEH)] of Mumbai Metro Rail Project of MMRDA- ₹566.22 Crore
- Construction of Eklavya model Residential school at eight different locations in the state of Meghalaya on Design, Engineering, Procurement and Construction (EPC) basis (Package-II)- ₹432.60 Crore
- Composite Work (Civil, Electrical, Mechanical and Signal & Telecom) involving construction (A) At-NJP Upgradation/Development of maintenance

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infrastructure for energy efficient Vande Bharat Express at Coaching Complex/NJP. (B) At SGUJ- Infrastructure construction of GE Loco shed for homing of 250 Nos GE locos (WDG4G/WDG6G). (C) New jalpaiguri At-NJP Next Generation Freight Maintenance Facilities in Katihar division Over Northeast Frontier railway- ₹190.25 Crore

- Civil, structural & UG Works including piling-Part A for PDH-PP Plant with Ethane and Propane Storage and handling facilities at Dahej, Gujarat (Bidding Document No. JP/B862-000-CI-T-8003/1019)- ₹360.28 Crore
- Construction of 220 KV D/C Line from 400/220 KV Koradi -II to Mankapur s/s. (O/H + U/G) Line) under Nagpur Zone Maharashtra- ₹85.88 Crore
- Strengthening of S&T maintenance activities by assisting in maintenance and execution of non- safety critical activities by deployment of technical teams along with supply of required materials for S&T deptt of Lumding Division for 02 years- ₹25.58 Crore
- Restoration of Railway Line in Northern Srilanka- ₹44.21 Crore

Diversification is key to staying competitive and ensuring long-term sustainability. The Department is also engaged in the process of formation of strategic MOUs and alliances enabling the Company to tap into new markets and industries with strong growth potential.

The department is actively exploring infrastructure opportunities in international markets. The company is pursuing potential projects in countries such as Algeria, Uganda and other African nations. In the South Asian region, Ircon is seeking opportunities in neighbouring countries including Sri Lanka, Bangladesh, and Nepal. The company is also evaluating prospects in Southeast Asian markets, where growing investments in connectivity and infrastructure development align with Ircon's expertise.

7. Estate Management Department

Over the years, from diversification into entire spectrum of infrastructure the Company's nature of business has also changed from a construction company to a project development and operation company including, real estate and commercial operations among other activities.

With the objective of growth in the Real Estate Business in medium and long terms viz., development of the plots, construction of buildings, leasing and / or sell out of the immovable properties, IRCON has set up the Estate Management Department.

Among real estate projects, IRCON has constructed many commercial buildings, institutional buildings, railway stations and townships etc. in India such as multi-storied commercial complexes for CIDCO in Navi Mumbai, 500 bedded Hospital in Bhopal, Museum in Bhopal, Veterinary Science Animal Husbandry college campus in Aizwal, three major residential townships at Jhansi, Bhopal and Allahabad for Ministry of Defense, projects connected to Pusa University, Banaras Hindu University, CIFE, Mumbai, Vashi Railway Station, Multi-Functional Complexes (MFCs), Rail Coach Factory at Kapurthala, Modern Coach Factory at Raebareli etc. IRCON has developed its own corporate office which is a modern and smart office featuring all elements of Green Building.

FINANCIAL PERFORMANCE (STANDALONE)

During FY 2025-26, total income of the Company stood at ₹8,978,58 Crore as compared to ₹10,677.45 Crore in the previous financial year. Operating Turnover stood at ₹8,478.86 Crore (₹10,193.14 Crore in FY 2024-25) including ₹296.24 Crore from international projects.

The Profit Before Tax (PBT) and Profit After Tax (PAT) stood at ₹797.85 Crore (₹917.81 Crore in FY 2024-25) and ₹618.45 Crore (₹737.59 Crore in FY 2024-25) respectively reflecting the impact of reduced turnover and provisioning in ongoing projects.

The details of interim dividend declared & paid as well as the proposed final dividend for FY 2025-26 for consideration and declaration by the shareholders, over and above the interim dividend at the forthcoming AGM are disclosed in the Directors' Report under 'Financial Highlights'. Further, the details of significant changes (that is, change of 25% or more as compared to FY 2024-25 in the key financial ratios) along with detailed explanations, forms part of the Financial Statement.

Key Financial Ratios

The details of significant changes (that is change of 25% or more as compared to FY 2024-25 in the key financial ratios) along with detailed explanations thereto is placed below:

S. N.	Name of Ratio	Formula	Unit	FY 2025-26	FY 2024-25	% Change	Reason for change more than 25%
1.	Debtors Turnover Ratio	Net Credit Sales/ Average Trade Receivable	In times	5.11	7.85	-34.90%	The rise in the trade receivables compared to the previous year is primarily due to the transition in the order book from nomination-based projects to competitive bidding, along with changes in client payment terms.

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S. N.	Name of Ratio	Formula	Unit	FY 2025-26	FY 2024-25	% Change	Reason for change more than 25%
2.	Inventory turnover Ratio	Cost of Goods Sold/ Average Inventory	In times	152.58	141.12	8.12%	-
3.	Current Ratio	Current Assets / Current Liabilities	In Times	1.61	1.59	1.26%	-
4.	Debt- Equity Ratio	Debt / Total Shareholders' Equity	Percentage	0.01601	0.00054	2864.81%	Change was primarily on account of working capital demand loan availed during the year
5.	Operating Profit Margin	(PBIT-Other Income) / Turnover	Percentage	3.59%	4.33%	-17.09%	-
6.	Net Profit Margin	Net Profit / Total Income	Percentage	6.89%	6.91%	-0.29%	-
7.	Return on Net Worth	Net Profit / Average Net Worth	Percentage	9.61	12.28	-21.74%	-
8.	Interest Coverage Ratio	Profit before Tax and Interest (on Loan)/ Interest on Loan	In times	1079.18	-	-	Interest expenses incurred on the working capital loan availed during the current financial year.

During FY 2025-26, the Company has complied with the guidelines prescribed by the Accounting Standards while preparing the financial statements (standalone and consolidated), and no deviation has been made in the reporting of the financial information.

OPERATIONAL PERFORMANCE

SECTORAL PERFORMANCE

During FY 2025-26, around 82.5% of the revenue earned by IRCON is contributed by the Railway sector. The main focus business area for IRCON is Railways, however, the Company is also concentrating on Highways business, which generates approximately 14.22% of the revenue and remaining from other areas such as electrical and building works.

SECTOR WISE PERFORMANCE:

(₹ in Crore)

	FY2026		FY2025		FY2024	
Sectors	Operating Income	%	Operating |Income	%	Operating Income	%
Railways	6,994.74	82.50	8,252.97	80.97	10,018.45	83.83
Highways	1,205.35	14.22	1,871.31	18.36	1,888.57	15.80
Others	278.77	3.28	68.86	0.67	43.37	0.37
Total	**8,478.86**	**100.00**	**10,193.14**	**100.00**	**11,950.39**	**100.00**

SEGMENT WISE PERFORMANCE:

(₹ in Crore)

	FY2026		FY2025		FY2024	
Sectors	Total Operating Income	%	Total Operating Income	%	Total Operating Income	%
Foreign	296.24	3.49	339.10	3.33	574.82	4.81
Domestic	8,182.62	96.51	9,854.04	96.67	11,375.58	95.19
Total	**8,478.86**	**100.00**	**10,193.14**	**100.00**	**11,950.40**	**100.00**

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ORDER BOOK POSITION

Ministry of Railways had earlier changed its policy of awarding work on nomination basis to railway PSUs, the Railway works were being awarded through bidding process among railway PSUs. Later, in October 2021, the Ministry of Railways has revoked this policy of competition amongst the PSUs and open tendering has been introduced for awarding Railway works.

IRCON's order book, as on March 31, 2026, stood at ₹24,984.47 Crore with ₹19,459.35 Crore value of work in Railways sector and ₹3,918.97 Crore value of work in Highway sector.

Out of the total order book, ₹13,458.87 Crore value of work has been secured through competitive bidding and ₹11,525.60 Crore value of work secured through nomination basis. The Company is trying to enhance its order book position and maintain its margins.

SWOT ANALYSIS STRENGTHS:

Strengths

- **Extensive Industry Experience:** Over 50 years of experience in successfully executing large and complex infrastructure projects across India and overseas, with proven expertise in delivering projects in challenging terrains such as the Jammu & Kashmir, Northeast India, and other difficult geographies.
- **Strong Technical & Execution Capabilities:** Possesses proven end-to-end project execution capabilities from Concept to Commissioning (C2C), supported by strong engineering expertise in delivering complex infrastructure projects, including railways, tunnelling, electrification, bridges, highways, station redevelopment, metro systems, and other EPC works.
- **Experienced Leadership & Skilled Workforce:** Backed by a highly skilled technical workforce and an experienced leadership team that combines the domain expertise of Indian Railways with seasoned infrastructure professionals, enabling efficient project execution and delivery.
- **Diversified Business Portfolio:** Maintains a well-diversified business portfolio across railways, highways, buildings, metro rail, renewable energy, and other infrastructure sectors, with operations in both domestic and international markets, reducing dependence on any single segment and enhancing business resilience.
- **Established Domestic & International Presence:** Executed 408 domestic projects and 131 international projects across the 25 countries. Strong execution footprint across 23 Indian states and presence in international markets, including Algeria, Sri Lanka, Myanmar, Nepal, and Bangladesh, demonstrating the capability to deliver projects in diverse regulatory and operating environments.
- **Healthy Financial Position:** Despite the challenging business environment, the company has maintained steady financial performance, reflected in consistent turnover and profitability. This is supported by a debt-free standalone balance sheet, strong liquidity, and a cash and bank balance. The company also has a consistent track record of rewarding shareholders through regular dividend payouts.
- **Asset-Light Operating Model:** Adopts an asset-light business model by leveraging strategic outsourcing and subcontracting, enabling efficient capital utilization, operational flexibility, and improved return on capital.

Weaknesses

- **Operational constraints of being a PSU:** Being a PSU, IRCON is required to comply with statutory regulations, public procurement norms, and administrative procedures that are more rigorous than those applicable to private sector companies. While these ensure transparency and accountability, they may limit operational flexibility and slow decision-making. The Company continuously streamlines internal processes, strengthens project governance, and leverages digital systems to improve operational efficiency while ensuring full regulatory compliance.
- **Thin Operating Margins:** The EPC business is characterized by intense competition and competitive bidding, particularly in government infrastructure projects, resulting in relatively low operating margins. Limited pricing flexibility and exposure to cost escalations further constrain profitability and leave a narrow cushion against execution risks. The Company focuses on selective bidding, cost optimization, efficient project execution, and effective contract management to sustain.
- **Working Capital Intensive Business:** The infrastructure EPC business requires significant working capital due to long project execution cycles and milestone-based payment structures. Delays in work certification, client approvals, milestone payments, and receivable collections can adversely impact cash conversion, operating cash flows, and overall capital efficiency. The Company strengthens working capital management through close monitoring of receivables, timely billing, proactive stakeholder engagement, and efficient cash flow planning.
- **Exposure to International Geopolitical Risks:** The Company's overseas operations expose it to geopolitical developments, changes in government policies, regulatory frameworks, currency fluctuations, and diplomatic relations in the countries where it operates, which may affect project execution and financial performance. The Company mitigates these risks through prudent project selection, continuous monitoring of geopolitical developments, contractual safeguards, and effective foreign exchange risk management.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Opportunities

- **Government-Led Infrastructure Growth:** Continued Government emphasis on infrastructure development through initiatives such as the National Infrastructure Pipeline (NIP), PM Gati Shakti National Master Plan, Bharatmala Pariyojana, and railway modernisation is expected to generate significant opportunities across transportation, logistics, and urban infrastructure.
- **Expansion in Emerging Infrastructure Segments:** Leveraging its core EPC expertise, IRCON is well positioned to expand into high-growth sectors such as renewable energy, metro rail, KAVACH (Automatic Train Protection System), water infrastructure, transmission, and other infrastructure projects.
- **Growing Renewable Energy Opportunities:** The Government's strong focus on clean energy, including its target of achieving 500 GW of non-fossil fuel installed capacity by 2030, presents significant opportunities for IRCON to strengthen its presence in the renewable energy sector through its subsidiary and related infrastructure projects.
- **Growth in Urban Infrastructure:** Rapid urbanisation and increasing investments in metro rail, smart cities, multimodal transport systems, and urban mobility infrastructure across Tier-I and Tier-II cities are expected to create substantial business opportunities.
- **Increasing Public-Private Partnership (PPP) Opportunities:** The growing adoption of the PPP model for large infrastructure projects provides opportunities to collaborate with private sector partners through strategic joint ventures, enabling participation in larger and more complex projects while leveraging IRCON's execution capabilities and institutional credibility.

Threats

- **Intensifying Competition:** An increase in competition due to the presence of regional small players has led to intense price competition in the industry, potentially putting pressure on the company's turnover and margins.
- **Changes in Government Policies and Spending:** A change in government or a shift in economic priorities could lead to a slowdown in work order and profitability. Earlier, the company was also securing the orders on nomination basis from the Ministry of Railways. However, government had changed its policy and now IRCON must compete with other PSUs as well as private companies to secure the orders. The company has been securing projects through competitive bidding for last many years.
- **Regulatory and Environmental Delays:** Infrastructure projects are highly susceptible to delays from land acquisition issues, environmental clearances, and local political opposition. These external factors are often beyond the company's control and can derail project timelines and budgets. However, IRCON's nearly five decades of execution experience, strong stakeholder management capabilities, and Government backing enable it to effectively navigate these challenges.
- **Volatility in Raw Material Prices:** Sharp fluctuations in the prices of key commodities like steel, cement, and fuel can significantly impact project costs, especially for fixed-price contracts, thereby squeezing margins. However, the company proactively addresses this issue by including price escalation clauses in contract agreements to mitigate the impact of price fluctuations.
- **Geopolitical & Currency Exposure:** Overseas operations carry exposure to political instability, cross-border regulatory shifts and foreign exchange fluctuations. The Company mitigates these risks through prudent project selection, continuous monitoring of geopolitical developments, contractual safeguards, effective foreign exchange risk management, and close engagement with clients, funding agencies, and local authorities.
- **Contractual Risks:** Claims, arbitration, project delays and client disputes may impact earnings and cash flows. Project timelines are frequently susceptible to site clearance delays, slow conversion of order inflows into revenue, and land acquisition bottlenecks. The Company follows robust project planning, regular monitoring, proactive stakeholder engagement, and effective contract administration to minimise execution delays. A dedicated claims management mechanism, periodic project reviews, and close coordination with clients and statutory authorities help expedite issue resolution, mitigate disputes.

FUTURE OUTLOOK

IRCON has a long-standing reputation as one of the industry leaders in transportation infrastructure with proven expertise in railway projects. As we move ahead, we plan to build on our strategy of diversifying across industry segments through new engines of growth. We endeavour to enhance our portfolio with projects in the domestic & international markets to achieve healthy order book and profit margins. Although, we continue to focus on the railway sector, through portfolio diversification we aim to hedge against risks in specific areas or projects and guard the Company against market variations resulting from business concentration in particular industry sectors and limited geographical regions.

We are confident that the company shall play a pivotal role in various infrastructure initiatives declared by the Government of India. We believe that we are well positioned to execute projects under these modes due to our strong technological capabilities and sound financial position. While, the Company has reduced order book position due to higher competition, however, with sound experience, expertise and solid credentials, we expect to see steady growth in our business, in the long run.

RISK MANAGEMENT

IRCON acknowledges that operating in the construction sector exposes the Company to inherent uncertainties and risks. The volatility of this sector introduces various

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

external and internal risks that can impact both the financial and non-financial outcomes. Recognizing the importance of an integrated approach to risk management, IRCON has established a comprehensive Enterprise Risk Management (ERM) framework.

IRCON has had a Risk Management System in place since 2007, with the Risk Management Policy (RMP) initially formulated in 2013. Over time, the RMP has been amended to align with the changing business environment and regulatory requirements. The latest revision of the RMP was approved by the Board in December 2021, with the aim of fostering a higher level of risk awareness across the organization, encouraging broader participation, and cultivating a sustainable risk- aware culture.

In accordance with the ERM framework and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, IRCON has established a Board Level Risk Management Committee (RMC). This committee reports to the Board providing insights into risk elements and mitigation plans, among other responsibilities.

The RMC's primary functions include identifying key risk-bearing activities, assessing the gaps in risk potential compared to best business practices, identifying deficiencies in current business processes that may leave potential threats uncovered, establishing risk assessment control systems, reviewing risk assessment reports compiled by the Rapid Action Group (RAG), providing directions for improvements, and ensuring IRCON's preparedness for potential risks. The RMC is also responsible for formulating and reviewing the RMP, including the framework for identifying internal and external risks specific to the company, developing measures for risk mitigation and internal control systems, and monitoring implementation.

To ensure effective implementation of the Risk Management Policy, IRCON has established a Rapid Action Group at the Executive Director and Chief General Manager levels, along with business groups and internal audit teams. The Risk Management Policy, Risk Management Processes, and MIS report formats, including reports on Risk Management, have been developed in accordance with the ERM framework. Reports from the Rapid Action Group are submitted to the RMC for review. In line with the updated Risk Management Policy, the identification of critical risks, monitoring, review, mitigation plans, and corrective actions are now carried out through an Online Web- Based Risk Management IT Tool, which is reviewed by the RMC via the RAG for the Organizational Risk Repository.

In the Indian context, IRCON faces significant challenges in project execution, such as the non-availability of encumbrance-free land and delays in obtaining approvals for drawings and estimates. These factors pose risks of time and cost overruns, which are often uncompensated by the client. Additionally, the Company faces uncertainties in predicting project revenues, as they can vary due to various factors.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

A well-designed and consistently enforced system of operational and financial control is integral to safeguarding the Company's resources, ensuring the accuracy and integrity of financial reporting, and upholding compliance with pertinent laws and regulations. Additionally, such a system serves to mitigate the likelihood of substantial errors and irregularities, while facilitating their prompt identification upon occurrence. IRCON has instituted an internal control mechanism along with an Internal Audit Function tailored to its scale and operational scope, with the objective of augmenting operational efficacy and ensuring adherence to relevant statutory provisions, standards, and directives. Furthermore, the Company has established policies and guidelines optimizing the allocation of authority to streamline business processes.

In pursuit of enhancing the internal control system, the following actions have been executed:

Internal Financial Control (IFC)

The Company upholds sufficient Internal Control over Financial Reporting (ICFR) in compliance with the stipulations outlined in the Companies Act, 2013, which are meticulously enforced. These controls are structured to facilitate accurate maintenance of accounting records, orderly execution of business operations in accordance with company policies, safeguarding of assets, prevention and detection of fraud and errors, and ensuring the reliability of financial and operational information.

The internal financial control framework, encompassing ICFR, undergoes periodic evaluations to ensure its alignment with evolving business requisites. Any requisite modifications are instituted to augment its efficacy. The management ensures transparent disclosure of all pertinent financial information, furnishing a comprehensive insight into the Company's financial standing and operations.

Internal Audit

The Company engages experienced professional firms to conduct its Internal Audit, with the frequency of audits determined by the turnover and completion status of each project.

The Company has established and ratified its Internal Audit Framework, delineating the breadth of audit coverage. This framework covers various aspects, including financial accounting, financial reporting, tender and allied matters, project execution, procurement, sub-contracting, statutory compliance, and more. Both the management and the Audit Committee periodically review the internal control and audit systems, with corrective measures taken as necessary to ensure continuous improvement.

Furthermore, IRCON has an organizational chart in place, along with a system for delegation of power that undergoes regular updates to ensure alignment with current organizational structures. Additionally, the

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Company has instituted a structured Fraud Prevention, Detection, and Control Policy (FPDC Policy) and a Whistleblower Policy, endorsed by the Board of Directors. These policies establish channels for confidential e-complaints, fostering a culture of integrity within the organization.

QUALITY, SAFETY, HEALTH AND ENVIRONMENT STANDARDS

IRCON is an ISO certified Company for Quality, Environment and Occupational Health & Safety Management Systems. The Company has implemented a Quality Management System in accordance with ISO 9001:2015. It has also implemented an Environmental Management System in accordance with ISO 14001:2015 and Occupational Health and Safety Management System in accordance with ISO 45001:2018.

QUALITY

IRCON is a pioneer Public Sector Organization in adopting the Quality Management System Certification in the domestic as well as International Markets. Quality Management System (QMS) has been successfully sustained and continually improved since 1996 when the Company as a whole was first certified for ISO 9002:1994 by TUV SUD Private Limited. IRCON has continued the certification and sustained the system as per the latest version of Quality Management Standards, i.e. ISO 9001:2015 (by periodical re-certification audit after the expiry of every three years). Latest re-certification audit was conducted TUV SUD South Asia Private Limited in the month of February, 2026 and the validity of the certificate is up to March, 2029.

Department continued the initiative of sharing technical knowledge by adopting digital platform (i.e. Google Meet, Microsoft Teams etc.) on various topics as per the scope and many more technical as well as technological solutions prevailing in the core competence of the organization i.e. railways, highways, tunneling & other infrastructure projects.

In addition to this, new initiative for attracting the participation from each & every employee within the organization, conducted the quality circle meeting with project professionals for ensuring better product delivery as well as quality. RACI matrix has been defined & implemented at our project sites for maintaining the Quality of Works. Standardization of Project Procedure Manual (PPM) along with the material testing plan and formats have been made available on the internal website of the Company for knowledge sharing and helping the projects to prepare the required documents at project levels. Despite of the complex & diversified nature of projects, IRCON initiative for the standardization of quality procedures are the way forward towards attaining the complete integration within the organizational framework.

The Company nominates Quality Officers for major Indian projects to monitor QMS at their respective projects, and the same is also incorporated in General Conditions of Contract (GCC) of the Company for implementation of Quality Management Standards by the Contractor while carrying out the work.

Project Quality Council meetings are being conducted to review the implementation of Quality Management System (QMS). The Quality objectives are being measured and reviewed both at the Corporate Office and at the Project levels. Internal Quality Audit, as well as Quality Assurance Audit, were conducted in coordination with the project and Corporate Office. Reports of these audits provide not only details of non- conformities encountered during the audit but also the salient features of the project, including progress, positive points if any and areas requiring improvements.

IRCON actively participates in the national events through competitions. IRCON received a prestigious "Quality Innovation Award, 2025" by The Institute of Engineers (India) for implementing Quality Management Systems. IRCON has also received a prestigious "Engineering Excellence in Himalayan Tunnelling, 2025" by The Tunnel Tech India.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

The Company established an Occupational Health & Safety Management System and was certified for ISO 45001:2004 in October, 2011. The latest surveillance audit for ISO 45001:2018 was conducted by TUV SUD South Asia Private Limited in the month of November, 2025, and the validity of the certificate is upto December, 2027.

The Company nominates SHE Officers for major Indian projects to monitor SHE compliance of the statutory laws at their respective projects, and the same is also incorporated in General Conditions of Contract (GCC) of the Company for implementation of SHE Management Standards by the Contractor while carrying out the work. In addition to this, document like Safety and Environmental checklists are also provided at IRCON intranet.

IRCON organises preventive health checkup and awareness camps for the employees at Corporate Office and Project Offices. During the period, IRCON organised health checkup camps at Corporate Office on general health checkup, hepatitis B&C, dengue and other vector borne diseases, awareness and checkup on breast cancer, awareness on stroke prevention etc.

IRCON actively participates in the national events through competitions. IRCON received a prestigious "Safety Innovation Award, 2025" by The Institute of Engineers (India) for implementing Safety Management Systems.

ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

The Company established an Environment Management System (EMS) and was certified for ISO 14001:2004 in October 2011. The latest re-certification audit for ISO 14001:2015 was conducted by TUV SUD South Asia Private Limited in the month of January, 2026, and the validity of certificate is upto February, 2029.

The Company nominates Environment Officers for major Indian projects to monitor EMS and compliance of the environmental laws at their respective projects and

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

the same is also incorporated in General Conditions of Contract (GCC) of the Company for implementation of Environmental Management Standards by the contractor while carrying out the work. Environmental checklists have been developed and maintained by all projects. Further, environmentally friendly equipment such as solar panels have been installed and are being installed at various offices/projects. Waste water is recycled at Corporate Office through Sewage Treatment Plant (STP), and the same is used for horticulture work. STPs are also being constructed at IRCONs buildings at Noida and Gurugram.

To conserve electricity and water, LED lights, sensor lights and sensor taps are being used in Corporate Offices. Moreover, various environment-friendly steps are taken up across offices/projects of the Company, such as use of fly ash brick instead of clay brick, rainwater harvesting arrangements, sensor-controlled Chromium Plate (CP) fittings, and use of the latest version of facade glass (glass in the building) to make the building sustainable. At construction sites, regular monitoring of water usage and wastewater, ambient air quality and noise quality are being carried out.

Being the environment friendly organization, IRCON actively participates in the national & international events (i.e. world environment day) through competitions & display of banners in order to inculcate the awareness towards the protection of environment among its stakeholders.

IRCON actively participates in the national events through competitions. IRCON received a prestigious "Best Construction Project USBRL, 2025" by The Infrastructure Skill Development Academy (ISDA) for dedication and commitment to sustainability in industry.

HUMAN RESOURCES

IRCON recognizes that its employees are fundamental to its success and are instrumental in upholding the organization's values and culture. The Company is committed to achieving its organizational goals by investing in the development of its human resources, ensuring that they possess the necessary skills and competencies to effectively contribute to the Company's business objectives. IRCON's efforts in human resources development are in line with industry standards, ensuring that its workforce remains equipped with the required knowledge and expertise. The Company places great importance on fostering a positive workplace environment and consistently works towards maintaining it. IRCON strives to create a motivating and satisfying atmosphere where employees are encouraged to make valuable contributions to the company's growth and success.

The Company takes pride in its highly motivated and competent human resource and its contribution. The total employee strength of our company stood at 1070 as on March 31, 2026 which included 793 regular employees, 25 employees on deputation, 194 on contractual, 54 consultants / advisors and 04 on fixed tenure basis. The attrition rate during FY 2025-26 stood 15.08% in comparison to 9.17% during last year.

Employee Productivity

The total income of the Company for FY 2025-26 is ₹8978.58 Crore and overall income per employee for FY 2025-26 stood at ₹8.39 Crore.

Recruitment

To maintain its competitive edge, the Company is committed to attracting and onboarding top talent at all levels. This is achieved through various means, including recruiting fresh graduate engineers, professionals, and management trainees. The Company also brings in experienced personnel from the open market, through deputation or absorption from other government departments and railways, as well as by hiring retired staff and utilizing third-party payroll services. The Company follows best recruitment practices to ensure equal opportunities and a harmonious working environment for the advancement of employees from diverse backgrounds, including SC, ST, OBC, minorities, and women. These policies reflect the inclusive and forward-thinking mindset of the management, with a strong emphasis on being an "Equal Opportunity Employer". The Company continuously reviews and refines its recruitment strategies to align them with its broader goals and objectives.

During FY 2025-2026, 37 employees were recruited on a full-time basis while 38 were recruited on contractual basis, as a policy of inclusive employment, 14 of those inducted on full-time basis belong to the SC/ST/OBC/EWS category and 27 of those inducted on contractual basis (excluding service contract) belong to SC/ST/OBC/EWS category. The Company has also implemented EWS reservation with 6 EWS category employees being inducted.

Deputation

To meet its continuous need for trained and experienced manpower, especially in view of project requirements, experienced and trained manpower is inducted from Indian Railways and other Government departments on deputation on a fixed tenure basis. During the year, 10 personnel were inducted on deputation, bringing the total manpower on deputation to 25.

Training and Development

IRCON is moving towards a competency-based framework with the aim of building competency pool of the employees at all levels. In order to impart adequate training to employees and thereby enhance the performance of the organization, training needs are assessed effectively in alignment with the respective competency frameworks.

Considering the Training and Development as a high focus area, employees are being trained in various domains such as Contract Management, Quality Management System, Track Works, Bridges & Structures, Safety Health & Environment Rules & Regulation along with implementation, Time Management etc. During the year, 1760 man-days of training was imparted, which covered around 617 employees, which included Training

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Programme on GST Training, National Level Special-Vendor Development Program, especially for SC & ST & Women Entrepreneur, Related Party Transaction, New Labor Codes, Direct Tax and Indirect Tax Reservation Policy and Recession Policy in Recruitment Process and Preparation & Maintenance of Reservation Roster, Management Development Programme, Training on POSH Act, Executive Development Program on Construction Law and Dispute Resolution, Health Awareness Talk, virtual Training Programmes and many other behavioural, technical, non-technical internal and external training, seminars, workshops were imparted. Strengthening our human capital is, therefore, core to our operations. IRCON runs multiple initiatives to help employees grow in their careers. Progressive policies such as a mentoring and skill development programmes for junior employees, and special leadership development programs for senior employees, have gone toward making the workplace more employee-friendly.

Career Progression

The Company's promotion policy is well-established and proven effective over time. It ensures that deserving employees have ample opportunities for career advancement and facilitates succession planning. Promotions are based on merit, suitability, performance, and professional accomplishments that align with the organization's business requirements. In the Departmental Promotion Committee (DPC) of 2025, a total of 97 promotions have been granted in the executive category so far while 12 promotions were awarded in the non- executive category.

Performance Management System

The Company has implemented an IT-enabled Performance Management System that is linked with a Performance Related Pay (PRP) system. This PRP system effectively captures various aspects of employee performance, including company performance, team performance, and individual contributions towards achieving the Company's annual objectives. The emphasis on team performance promotes a collaborative and cohesive work environment, where employees are motivated to work together synergistically to achieve team objectives. This approach facilitates the attainment of the Company's long-term goals, such as maintaining minimum wages and other benefits.

Use of Information Technology Tools

The IT Department has taken a leap forward to keeping records in digitized format and implementing e-office for day-to-day operations. HR functions such as Employee Records, Leave Records, Performance Management System (PMS), Annual Property Returns, Employee Engagement, etc. have been put in an e-format, thereby reducing paper use, bringing transparency and efficiency, and improving quality. The policies and programmes are communicated to employees through the Employee Self-Service portal and various social media modes.

Motivation, Awards and Recognition

To recognize the exceptional performance, periodic awards and recognition are given to employees. The meritorious employee delivering the exceptional performance in a financial year is awarded with CMD Award. In addition, various individual and group awards are given to employees for their exceptional performance during the year.

Employee Welfare

During the employment, employees are provided with generous perks, allowances, and facilities, encompassing both monetary and non-monetary benefits. These include transportation assistance, housing options, leased accommodation, subsidized food, and medical facilities. The Company's main objective is to enhance the quality of life for its employees, and as such, it has implemented various schemes to improve their overall welfare.

In addition to statutory benefits such as Maternity, Paternity & Adoption Leave, First Aid Facility, and payment of scholarship cash awards for education and higher education of employees' wards, the Company offers several Employee Assistance Programs. These programs encompass training, advances, a house lease policy to provide better living conditions, and support for employees suffering from prolonged illnesses or terminal diseases. Periodic gifts, such as superannuation gifts, marriage gifts, birthday gifts etc., are granted to foster a sense of belongingness among employees and create a positive work environment.

The Company provides liberal superannuation benefits, including Provident Fund, Gratuity, Pension, and Post-Retirement Medical Scheme, which serve as retention tools and offer social security to employees.

Women Development

The Company has implemented best practices to ensure equal opportunities and a harmonious working environment for the growth and advancement of women employees. Various programs on gender issues, prevention of sexual harassment, and conducive working conditions are conducted to address these concerns. Women employees are provided with opportunities to participate in meetings, project work, and committees, promoting equal opportunity without gender bias. The management has always been at the forefront of adopting practices that create an environment where women feel empowered, confident, and able to make decisions. To ensure a safe and secure working atmosphere for women employees, a committee for the Prevention of Sexual Harassment at the Workplace (POSH) has been established. This committee aims to provide a supportive framework and address any instances of sexual harassment.

Grievance Redressal

To promptly address and resolve employee grievance fairly and equitably, a grievance redressal system is present in the Company wherein employee can submit their grievance to appropriate authority for redressal. In

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

addition, online grievances can be made to the Ministry of Railways through the Centralized Public Grievance Redress & Monitoring System (CPGRAMS) portal.

Whistle Blower Policy

IRCON has a separate and well-structured Vigilance Department, which deals with frauds or suspected malpractices involving employees, contractors, suppliers, consultants, service providers or those doing business with the Company.

Besides, a Whistle Blower and Fraud Prevention and Detection Policies have been approved by the Board of Directors to monitor unethical activities and are available on the website of the Company.

CONTRIBUTION TO GOVT. OF INDIA INITIATIVES

IRCON has actively aligned its operations with flagship Government of India initiatives:

- **Skill India:** Upskilling workforce through training programs.
- **Swachh Bharat Mission:** Promoting cleanliness at project sites and offices.
- **Start-up India:** Encouraging innovation in project execution.
- **Make in India:** Prioritizing domestic sourcing and manufacturing.
- **Digital India:** Implementing digital project monitoring tools.
- **Solar Ecosystem:** Promoting renewable energy in infrastructure projects.

PROMOTING MSMEs

Being a CPSE, the Company's procurement policy and practices are guided by the ongoing Government policies and practices including the CVC Guidelines. These are based on transparent procurement mechanism which enables procurement from local and small manufacturers/ suppliers/ service providers etc. IRCON is procuring goods and services in line with the Public Procurement Policy for Micro and Small Enterprises (MSEs) Amendment Order, 2022 from MSEs. Accordingly, purchase preference is given to those micro & small enterprises quoting their price within the price band of L1+15% as prescribed in the Public Procurement Policy for Micro and Small Enterprises (MSEs) Amendment Order, 2022. The Company has also adopted fair, equitable and transparent tendering procedures to encourage Indian bidders and suppliers. Furthermore, Vendor Development Program for MSEs is also organized by the Company to bring more awareness among MSEs and increase their participation.

During the FY 2025-26, the Company has procured items valuing ₹32.14 Crore from MSE vendors against total procurement valuing ₹83.79 Crore (excluding the procurement of items which are beyond the scope of MSEs) towards goods & services, thereby achieving 38.36% procurement from MSEs.

The Company has conducted four Vendor Development Programs during FY 2025-26. Details are as under-

1. "National Level - Special Vendor Development Program" for Micro and Small Enterprises especially owned by SC/ST and Women entrepreneurs organized in IRCON Corporate Office on 24.06.2025.
2. National Level – Special Vendor Development Program" for Micro and Small Enterprises especially owned by SC/ST and Women entrepreneurs organized by IRCON International Limited in association with NSSHO, Agra through online mode on 10.09.2025
3. One day National Level Special Vendor Development Programme (VDP) organised at IRCON CO, Saket on 19.12.2025
4. Two-Day Vendor Development Programme (VDP) cum Industrial Exhibition scheduled for March 11th and 12th, 2026, at Maharaja Surajmal Institute of Technology.

The Company has been extensively following the guidelines of Government on procurement through Government e-Market place (GeM) and provisions are also made in tenders to promote "Make in India" directives of the Government of India by giving preference to the Class-I Local suppliers & calling of tenders upto ₹200 Crore through National Competitive Bidding in line with the Public Procurement (Preference to Make in India), Order 2017.

CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis Report describing the Company's objective, projections, estimates, expectations may be forward-looking statements within the meaning of applicable laws and regulations, based on beliefs of the management of the Company. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different from those projected in this report, including among others, changes in the general economic and business conditions affecting the segment in which the Company operates, changes in business strategy, changes in interest rates, inflation, deflation, foreign exchange rates, competition in the industry, changes in Governmental Regulations, tax laws and other Statutes & other incidental factors. The Company does not undertake any obligation to update any forward-looking statements publicly, whether as a result of new information, future events or otherwise.

For and on behalf of the Board of Directors

Sd/-
(Saleem Ahmad)
Chairman & Managing Director & CEO
(DIN: 10119432)

Date: August 25, 2026
Place: New Delhi

BOARD'S REPORT

To the Members,

The Board of Directors of your Company are pleased to present the 50th Annual Report of your Company for the financial year ended March 31, 2026. This report provides a comprehensive overview of the Company's performance, including a summary of financial results and key highlights concerning the financial performance for the period ended March 31, 2026.

FINANCIAL RESULTS

(₹ in crore)

PARTICULARS	STANDALONE			CONSOLIDATED		
	FY 2025-26	FY 2024-25	%age CHANGE	FY 2025-26	FY 2024-25	%age CHANGE
Total Income /Turnover	**8,978.58**	10,677.45	**-15.91%**	**9,501.97**	11,131.03	**-14.64%**
Total Operating Income / Turnover	**8,478.86**	10,193.14	**-16.82%**	**9,071.05**	10,759.58	**-15.69%**
Profit Before Tax	**797.85**	917.81	**-13.07%**	**766.5**	939.02	**-18.37%**
Profit After Tax	**618.45**	737.59	**-16.15%**	**591.92**	727.83	**-18.67%**
Net Worth	**6,630.39**	6,237.43	**6.30%**	**6,670.69**	6,304.38**	**5.81%**
Dividend (Final & Interim)*	**178.7**	249.24	**-28.30%**			
EPS	**6.58**	7.84	**-16.07%**	**6.33**	7.73	**-18.11%**

* Includes proposed final dividend [subject to the approval of shareholders at the ensuing Annual General Meeting (AGM)].

** Restated figures

FINANCIAL HIGHLIGHTS

The Company has recorded a total income of ₹8,978.58 Crore during FY 2025-26 (Previous Year ₹10,677.45 Crore). The operating turnover stood at ₹8,478.86 Crore in FY 2025-26 compared to ₹10,193.14 Crore in the previous year. This change is mainly because of the successful completion of some of the major projects and stagnation in the order book during the current financial year. The company is actively working to secure more projects and grow its order book.

Profit Before Tax (PBT) stood at ₹797.85 Crore (₹917.81 Crore in FY 2024-25), and Profit After Tax (PAT) at ₹618.45 Crore (₹737.59 Crore in FY 2024-25), reflecting the impact of reduced turnover and overall reduction in margins.

The Company's Net Worth stands at ₹6,630.39 Crore in FY 2025-26 showing an increase from ₹6,237.43 Crore in FY 2024-25. The Earnings Per Share (EPS) for the year ended March 31, 2026, is ₹6.58 per equity share (face value ₹2), compared to ₹7.84 in the previous year.

DIVIDEND

The Company has a consistent track record of paying dividends since its inception. In FY 2025-26, the Board of Directors declared and disbursed an interim dividend of ₹1.20 per equity share of a face value of ₹2/- per share. This amounted to approximately ₹112.86 Crore, (calculated at 60% of the paid-up share capital of ₹188.10 Crore). The interim dividend was declared based on the Company's unaudited financial results for the quarter ended December 2025.

As per Guidelines on Capital Restructuring of Central Public Sector Enterprises, issued by Department of Investment and Public Assets Management dated 18th November 2024, the Company has sought exemption of payment of lower Dividend for the FY 2025-26 from the Committee for Monitoring of Capital management and Dividend by CPSEs (CMCDC) through Ministry of Railways, considering the necessary Capex and investment in

BOARD'S REPORT

Subsidiary and Joint Venture Companies. Based on the request of the Company for lower dividend payout, CMCDC at its meeting held on 23rd January 2026 agreed that IRCON shall pay a dividend of ₹177 Crore for the FY 2025-26.

Accordingly, the Board has recommended a final dividend of ₹0.70 per equity share on the face value of ₹2/- each, aggregating to ₹65.84 Crore (35% of the paid-up share capital of ₹188.10 Crore). This final dividend is subject to approval from the shareholders at the ensuing AGM and is based on the Company's profits for FY 2025-26. Considering the same, the total dividend for FY 2025-26 would amount to approximately ₹178.70 Crore (₹1.90 per share). This represents 28.89% of the post- tax profits for FY 2025-26 and 2.70% of the net worth of the Company as of March 31, 2026. Upon approval and payment of the proposed final dividend, the cumulative dividend paid to shareholders until FY 2025-26 shall stand at approximately ₹3,376.12 Crore.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) and the guidelines on Capital Restructuring of Central Public Sector Enterprises issued by the DIPAM, the Board of Directors of the Company has formulated and adopted the Dividend Distribution Policy. The Policy is hosted on the website of the Company, i.e. www.ircon.org under the head Codes and Policies in the Investor Relations section.

SHARE CAPITAL

As on March 31, 2026, the paid-up equity share capital of the Company stood at ₹188.10 Crore comprising of 94,05,15,740 equity shares of face value of ₹2/- each. The shareholding of the Promoter of the Company i.e. the President of India stood at 65.17% of the total paid- up equity share capital of the Company, as on March 31, 2026. IRCON is compliant on the Minimum Public Shareholding (MPS) requirements specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957.

Pursuant to the amendment in LODR Regulations, IRCON is amongst the top 500 listed companies based on the average market capitalization as on 31st December, 2025. As on 31st December, 2025, the market capitalization of your Company stood at ₹16,191.14 Crore.

DEMATERIALISATION OF SHARES

As on March 31, 2026, all the shares (except 1074 shares in physical form) are held in dematerialised form and the details of the dematerialisation of shares are provided in the Corporate Governance Report.

TRANSFER TO RETAINED EARNINGS

Out of profit of ₹618.45 crore for the financial year ended March 31, 2026, the transfer to retained earnings was ₹411.54 Crore, after considering primarily the total dividend of ₹206.91 Crore (including ₹94.05 Crore-Final Dividend for FY 2024-25 & ₹112.86 Crore- Interim Dividend for FY 2025-26) paid during the year. Subsequently proposed final dividend by the Company for FY 2025-26 is ₹65.84 Crore.

CAPEX AND LIQUIDITY

During the year, the Company on a standalone basis spent a sum of ₹423.74 Crore on capital projects across domestic and foreign projects; which includes ₹2.51 Crore towards construction of a building; ₹51.20 Crore for acquiring Plant & Machinery; ₹13.79 Crore for acquiring other assets (i.e. computer, furniture, software and others); and ₹356.24 Crore towards investments in SPVs.

The Company's liquidity position stood at ₹4,166.59 Crore as on March 31, 2026, comprising of ₹2,020.36 Crore in cash and cash equivalent and ₹2,146.23 Crore in other bank balances. Out of ₹4,166.59 Crore, client/ project funds amount to ₹3,201.77 Crore.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During FY 2025-26, the Company has earned a foreign exchange of ₹1,006.92 Crore as compared to ₹831.06 Crore in FY 2024-25. The foreign exchange outgo stood at ₹788.69 Crore during FY 2025-26 as compared to ₹660.42 Crore during FY 2024-25. Thus, the net foreign exchange earnings amount to ₹218.23 Crore in FY 2025-26. The Company has earned a foreign exchange of ₹21,542 Crore cumulatively till date.

IRCON GROUP PERFORMANCE

During the year, IRCON and its subsidiaries (the Group) recorded a total consolidated turnover of ₹9,501.97 Crore (₹11,131.03 Crore in FY 2024-25), and an operating turnover of ₹9,071.05 Crore (₹10,759.58 Crore in FY 2024- 25). The Group has recorded profit before tax of ₹766.50 Crore in FY 2025-26 (₹939.02 Crore in FY 2024-25), and profit after tax of ₹591.92 Crore in FY 2025-26 (₹727.83 Crore in FY 2024-25).

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There are no material changes or commitments affecting the financial position of the Company after the close of the financial year up to the date of the report.

FINANCIAL STATEMENTS (STANDALONE AND CONSOLIDATED)

The Board of Directors of the Company at its meeting held on May 22, 2026 has approved the Financial Statements for FY 2025-26 (Standalone and Consolidated).

In accordance with the provisions of Section 129(3) of the Companies Act, 2013, the Company has prepared its Consolidated Financial Statements a) as per line-by-line method for its wholly-owned subsidiaries viz. Ircon Infrastructure & Services Limited (IrconISL), Ircon PB Tollway Limited (IrconPBTL), Ircon Shivpuri Guna Tollway Limited (IrconSGTL), Ircon Davanagere Haveri Highway Limited (IrconDHHL), Ircon Vadodara Kim Expressway Limited (IrconVKEL), Ircon Gurgaon Rewari Highway Limited (IrconGRHL), Ircon Akloli-Shirsad Expressway Limited (IrconASEL), Ircon Ludhiana Rupnagar Highway Limited (IrconLRHL), Ircon Bhoj Morbe Expressway Limited (IrconBMEL), & Ircon Haridwar Bypass Limited (IrconHBL) and subsidiary company viz. Ircon Renewable Power Limited (IRPL); and b) as per equity method, for seven joint venture companies viz. Ircon-Soma Tollway Private Limited (ISTPL), Indian Railway Stations

BOARD'S REPORT

Development Corporation Limited (IRSDC) [not on a going concern basis], Chhattisgarh East Railway Limited (CERL), Chhattisgarh East-West Railway Limited (CEWRL), Jharkhand Central Railway Limited (JCRL), Mahanadi Coal Railway Limited (MCRL) & Bastar Railway Private Limited (BRPL). The accounts of unincorporated joint ventures have been included in the standalone financial statements for the FY 2025-26.

The Audited Financial Statements (standalone and consolidated) of the Company for the FY 2025-26 and financial statements of its eleven subsidiaries (IrconISL, IrconPBTL, IrconSGTL, IrconDHHL, IrconVKEL, IrconGRHL, IrconASEL, IrconLRHL, IrconBMEL, IrconHBL & IRPL) will be available at its website (www.ircon.org).

Further, a statement containing the salient features of the financial statements of eleven subsidiaries and seven joint venture companies in Form AOC-1 is attached to the Financial Statements.

COMPANIES, JOINT VENTURE COMPANIES AND ASSOCIATE COMPANIES

A brief background on the eleven subsidiary companies and seven joint ventures companies of IRCON along with their financials and performance is given at **Appendix-B.**

During the FY 2025-26, no company has become or ceased to be subsidiary or joint venture of the Company.

In terms of the Company's Policy on the determining the "Material Subsidiary" and provisions of LODR Regulations, for the financial year ended March 31, 2026, none of the subsidiary company is a 'material subsidiary' i.e. whose turnover or net worth exceeds 10% of consolidated turnover or net worth respectively, of IRCON and its subsidiaries in the immediately preceding financial year i.e. March 31, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis (MDA) Report, as mandated by Regulation 34 read with Schedule-V to the LODR Regulations and DPE Guidelines on Corporate Governance for Central Public Sector Enterprises issued in May 2010 (DPE Guidelines), has been included as annexure to this report. It is hereby incorporated by reference and serves as an integral component of this report. The MDA Report provides a comprehensive review of various key aspects including the global and Indian economy, industry analysis and future outlook, Company overview, business divisions/ units, financial and operational performance, order book position, strengths, scope and opportunities, key concerns, business strategies, risk management, adequacy of internal control systems, quality, safety, health and environment standards, significant developments in human resources, Environmental Management System and Renewable Energy Sector.

Further, details of Conservation of Energy, Technology Absorption and Upgradation, Foreign Exchange Earnings and Outgo and Corporate Social Responsibility, are provided in the Board's Report.

MEMORANDUM OF UNDERSTANDING

In line with the Department of Public Enterprises (DPE) guidelines, the Ministry of Railways and IRCON International Limited (IRCON) annually sign a Memorandum of Understanding (MoU). This MoU specifies selected parameters and targets for the respective financial year. The performance of IRCON is subsequently assessed at the year's end based on the achievement of these targets.

IRCON has secured "Very Good" rating for FY 2024-25 from Department of Public Enterprises (DPE) based on consolidated performance parameters laid down in Memorandum of Understanding (MoU).

In regard FY 2025-26, DPE is yet to assess the performance of the Company against the MoU targets set in the MoU 2025-26. Based on self-evaluation, IRCON has achieved followings against MoU targets set by DPE for FY 2025-26.

Sl. No.	Name of Parameter	2025-26	
		Target	Achievement
1	Revenue from Operations (₹ crore)	12800	9071.05
2	CAPEX (₹ crore)	800	1129.68
3	Export/ Income from Overseas (₹ crore)	380	296.24
4	EBITDA (as a percentage of Total Income) (%)	12.43%	13.46%
5	Return on Capital Employed (%)	15.12%	9.91%
6	Asset Turnover Ratio (%)	73.78%	46.61%
7	Procurement from GeM (as percentage of Total Procurement) (%)	30%	65.94%
8	Trade Receivables (as number of days of Revenue from Operations)	45	56.27
9	Total Return to Shareholders (%)	100%	*

*DPE will issue TRS benchmark for MoU for year 2025-26, which is still awaited. In absence of the same, achievement against this parameter cannot be calculated. However, IRCON has paid interim dividend of ₹112.86 Crore and Board of Directors has recommended Final Dividend of ₹65.84 Crore subject to shareholders approval in Annual General Meeting. IRCON has declared/paid dividend of ₹178.70 Crore for the FY 2025-26 against the Committee for Monitoring of Capital Management and Dividend (CMCDC) instruction of ₹177 Crore.

During the FY 2025-26, the Import of Materials was amounting to ₹485.38 Crore against ₹290.83 Crore for FY 2024-25.

EXTERNAL ENVIRONMENT

MACROECONOMIC CONDITIONS

The global economy continues to face heightened uncertainty amid geopolitical tensions, supply chain disruptions and volatility in commodity and financial markets. According to the International Monetary Fund's (IMF) World Economic Outlook (April 2026), global GDP growth is projected at 3.1% in 2026 and 3.2% in 2027, before being revised in the July 2026 Update to 3.0% for 2026 and 3.4% for 2027. Despite these challenges, India is expected to remain one of the fastest-growing major economies, with the IMF projecting GDP growth of 6.4%, supported by resilient private consumption and robust services sector activity.

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The domestic economy continues to demonstrate resilience, supported by strong macroeconomic fundamentals and prudent policy measures. As per the Reserve Bank of India (RBI), real GDP growth for FY 2026-27 is projected at 6.6%, while CPI inflation is expected to moderate to 5.1% and core inflation to 4.7%. India's foreign exchange reserves remained robust at USD 691.11 billion as on March 31, 2026, providing a strong buffer against external shocks.

India's fiscal position continues to improve, reflecting the Government's commitment to fiscal consolidation while sustaining growth-oriented public investment. The Union Budget 2026–27 targets a fiscal deficit of 4.4% of GDP, lower than the revised estimate of 4.8% for FY 2025–26. Continued emphasis on infrastructure creation, capital expenditure and structural reforms, coupled with a stable macroeconomic environment, is expected to support long-term economic growth and strengthen investor confidence.

INFRASTRUCTURE & CONSTRUCTION INDUSTRY – GOVERNMENT INITIATIVES & INDUSTRY OUTLOOK

Infrastructure continues to be one of the primary drivers of India's economic growth, improving productivity, enhancing connectivity, strengthening logistics efficiency and supporting inclusive development. Recognising its multiplier effect on economic activity, employment generation and industrial competitiveness, the Government has consistently placed infrastructure development at the centre of its policy agenda through sustained public investment, structural reforms and increasing private sector participation.

The Government is strengthening the infrastructure sector by expanding long-term funding through innovative structures like InvITs, REITs, NIIF, and NaBFID. Furthermore, liberalized FDI norms, the proposed Infrastructure Risk Guarantee Fund, the Infrastructure Finance Secretariat, and the Second Asset Monetisation Plan (2025–30) are projected to accelerate private investment and optimize project financing.

Reaffirming its commitment to infrastructure-led growth, the Union Budget 2026–27 increased the capital investment outlay to ₹12.2 lakh crore, an increase of 11.5% over the revised estimate for FY 2025–26.

The Government continues to focus on developing an integrated and efficient logistics ecosystem through initiatives such as PM Gati Shakti, the National Logistics Policy, the Unified Logistics Interface Platform (ULIP) and the development of Multi-Modal Logistics Parks. These initiatives aim to improve multimodal connectivity, reduce logistics costs and enhance supply chain efficiency. India's logistics market is projected to witness robust growth over the coming years, supported by increasing industrial activity, technology adoption and rising investments in integrated transport infrastructure.

The roads and highways sector continues to play a vital role in facilitating economic activity and regional development. The Government has maintained its focus on expanding the National Highways network through programmes such as Bharatmala Pariyojana, PM Gati Shakti and PMGSY-IV, while also developing access-controlled expressways and Multi-Modal Logistics Parks. The Union Budget 2026–27 provided an CAPEX allocation of approximately ₹2.94 lakh crore to the Ministry of Road Transport and Highways, reflecting the continued emphasis on strengthening national connectivity and improving freight movement. Special focus on infrastructure development in the North-Eastern region is expected to further promote balanced regional growth and strategic connectivity.

Indian Railways continues to undergo a significant transformation with sustained investments in network expansion, capacity augmentation, safety, electrification and multimodal connectivity. The Union Budget 2026–27 allocated a record CAPEX of ₹2.78 lakh crore for railway infrastructure, supporting Dedicated Freight Corridors, station redevelopment, signalling upgrades, high-speed rail corridors and enhanced freight capacity. Continued policy support for Public-Private Partnerships (PPPs) and private investment is expected to accelerate railway modernisation and improve operational efficiency.

Safety and sustainability remain key priorities for Indian Railways. Rapid deployment of the indigenous KAVACH Automatic Train Protection System, near-complete broad-gauge electrification, expansion of renewable energy utilisation and the Government's objective of achieving Net Zero Carbon Emissions by 2030 for Indian Railways are transforming the sector into a safer, greener and more efficient transportation system. Simultaneously, continued expansion of metro rail networks and Regional Rapid Transit Systems (RRTS) is strengthening urban mobility across major cities.

India's renewable energy sector continues to witness strong momentum as the country advances towards its clean energy transition. The Government has set ambitious targets of achieving 500 GW of non-fossil fuel capacity by 2030 and Net Zero emissions by 2070, supported by large-scale investments in solar, wind, energy storage and green hydrogen. The Union Budget 2026–27 significantly enhanced the allocation for the Ministry of New and Renewable Energy, reinforcing the Government's commitment to accelerating renewable energy deployment and strengthening energy security.

The infrastructure and construction sector is increasingly evolving from standalone projects to integrated infrastructure platforms supported by digital technologies, sustainable construction practices and greater private sector participation. Growing adoption of Building Information Modelling (BIM), smart construction techniques and modern project management practices is expected to improve execution efficiency, optimise costs and enhance project quality across infrastructure segments.

The long-term outlook for India's infrastructure and construction sector remains highly positive. Rising urbanisation, increasing demand for multimodal transport infrastructure, continued Government support, expanding private investment and a robust project pipeline are expected to sustain strong growth across railways, highways, metro systems, logistics and renewable energy. These structural growth drivers

BOARD'S REPORT

are expected to create significant opportunities for integrated infrastructure companies.

ORDER BOOK

The order book as on March 31, 2026, stood at ₹24,984.47 Crore as compared to ₹20,346.65 Crore as on March 31, 2025. The company has been facing some challenge in securing new order due to stiff competition and margins. However, given the growth in transportation Infrastructure Sector, we expect the order book to grow going forward.

DOMESTIC PROJECTS

Since incorporation, the Company has diversified into various infrastructure sectors and is now an established player in the field of railway and highway construction.

ONGOING PROJECTS

A list of ongoing major projects in India is given at **Appendix-A.**

In FY 2025-26, the focus of your Company has been the execution, faster deliveries and meeting stringent timelines for overall optimal contribution to the much needed infrastructure growth. This is in line with the vision of our Hon'ble Prime Minister and Hon'ble Minister of Railways. During the FY 2025-26, IRCON has successfully commissioned following domestic projects:

- Entire scope of IRCON in Udhampur-Srinagar-Baramulla Rail Link new line project successfully commissioned and it is fully operational as of 7 June 2025.
- Construction of New Railway Line from Agartala (India) – Akhaura (Bangladesh) and Project Management Consultancy (PMC) for Construction in Bangladesh Portion- ₹24.47 Crore.
- Civil and Railway allied works in connection with the construction of Private Railway Siding for the proposed 3.0 MTPA integrated Steel Plant at Nagarnar, near Jagadalpur, Chhattisgarh state on item rate basis for National Mineral Development Corporation (NMDC) Package No. 1- ₹313.37 Crore.
- PMC for Operations, Management and Development of LGBI Airport, Guwahati- ₹12.35 Crore.

Following were some of the achievements of on-going major projects in India during FY 2025-26:

1. In Katni Grade Separator Bypass Project 16 Km long Katni UP Grade Separator commissioned on 12.08.2025 which is Longest in India.
2. In Shivpur-Kathautia (SPV Coal evacuation Project) 14.4 Km long Kathautia-Duari section commissioned on 03.03.2026.
3. In CEWRL Project, 11.5 Km long Urga-Kusmunda section commissioned on 30.09.2025, 23 Km long Pendra-Bhadi NL section commissioned on 26.03.2026 and 19 km long Gevra-Katghra both UP & DN lines commissioned on 22.03.2026 and 30.03.2026.
4. Massive yard remodeling of Shalimar Station commissioned on 22.11.2025 in Shalimar – Development of coaching terminal by provision of essential passenger amenities Project.
5. G+5 Storey Santragachi Station building handed over to Zonal Railway (SER) in Santragachi – Development of circulating area, essential passenger amenities & road connectivity with Kona expressway Project.
6. In Rampur Dumra (RDUM)-Tal- Rajendrapul (RJO) doubling with additional Bridge project superstructure of Mokama Ganga Bridge & 6-lane ROB completed.
7. Commissioned 25.50 Rkm of Railway Electrification in NFR.
8. Commissioned EI/Alterations in EI at 10 stations.
9. Commissioned 72 RKM of Integrated Tunnel Communication Work in NFR & NR.
10. Commissioned 46.64 Tkm of OHE (ROCS/FOCS) in RRTS Project inaugurated by Hon'ble Prime Minister of India in year 2026.
11. In Chennai Metro Rail Project, 28 Km ballast less track between Poonamallee station to Vadapalani Station and 8 Km Ballasted track at Poonamallee yard commissioned.
12. Installed 355 Kavach Towers in Central Railway.
13. 185m of Cut & Cover RCC lining completed for Tunnel Tube in Bhoj Morbe Expressway Project.
14. 121.26 lane Kms of PQC (Pavement Quality Concrete) and 114.70 lane Kms laying of BC (Bituminous Concrete) completed in ongoing Highway Projects.
15. In another prestigious tunnelling project to connect Sikkim by Railway from Sivok of West Bengal, so far 12 tunnels have been completed out of 14 Tunnels by NATM in a very challenging geology.

INTERNATIONAL PROJECTS

In FY 2025-26, the contribution of international projects to the total revenue amounted to ₹296.24 Crore (3.49% of the operating turnover). The previous year revenue stood at ₹339.10 Crore, which represented 3.33% of the operating turnover.

ONGOING PROJECTS

The Company is executing the following projects in foreign countries:

i. Algeria

The project was awarded by ANESRIF, the National Agency for Studies and Monitoring of Railway Investment Projects, Ministry of public works and investments, Government of Algeria, at a value of Algerian Dinar 1,628 Crore (equivalent to approx. ₹1,003 Crore) with completion date of November 2012. The project involves the construction of the second line and upgradation of the existing lines, with a diversion of 10 km for the Relizane city, from the station Oued sly to the station Yellel in Algiers-Oran section of Algerian Railways. The value of the contract, including additional works for the

BOARD'S REPORT

construction of the double line, has been revised to Algerian Dinar 3,481 Crore (equivalent to approx. ₹2,482 Crore).

Installation of 217 Km of track (out of the total 219 Km) has been completed. Balance 2 km is pending on account of hindrances to be cleared by the client. Work on the existing line has also been completed substantially and a total stretch of 74.8 km out of 75 km of the existing line, 6 out of 7 station buildings are completed in all respects, and all the 10 major rail bridges in the project have also been completed. The project is expected to be completed by December 2026.

ii. Sri Lanka

(a) Upgradation of Railway Line from Maho Omanthai under Indian Line of Credit – Track Rehabilitation and ancillary works

The Project was awarded on 29th April 2019 by Sri Lankan Railways, under the Ministry of Transport and Civil Aviation, Government of Sri Lanka, with a project value of US$ 91.27 million (approximately ₹637.22 Crore) through competitive bidding with a completion period of 36 months, starting from the receipt of the advance payment on 29th November 2019. The project is financed by Exim Bank of India under the Indian Line of Credit. The contract completion date is set for 28th November 2022. However, the project experienced delays due to the Covid-19 pandemic, subsequent severe economic crises, political unrest, and protests in Sri Lanka.

The Project involves Upgradation of 128 Km BG railway line, in a Mega Traffic block in two phases, provided by the Sri Lanka Railways.

In the first phase, Upgradation of Anuradhapura to Omanthai section (63.0 KM) commenced in January 2023, and was completed and commissioned in July 2023. In the second phase, Upgradation of Maho to Anuradhapura (65 Km) began in January, 2024, and was completed and commissioned in September 2024.

Despite numerous challenges, including severe economic and fuel crises in Sri Lanka, prolonged delay in receipt of contractual payments and unusual rainfall, IRCON successfully completed and commissioned the railway line from Maho to Omanthai within the allotted traffic blocks, maintaining exceptional quality and safety standards.

The upgradation will provide a safer, more comfortable, and reliable journey. The upgraded track will contribute to the modernization of Sri Lanka Railways, reduce travel time, boost tourism, and strengthen Indo-Sri Lankan relations.

The Maho-Omanthai Railway Line was ceremonially inaugurated on 6th April 2025 by Hon'ble Prime Minister of India Shri Narendra Modi, and His Excellency Shri Anura Kumara Dissanayake, President of the Democratic Socialist Republic of Sri Lanka.

With the completion of the replacement of five steel girder bridges, the Elephant Underpass, and the balance loop line works in station yards, which had been held up due to prolonged delay in contractual payments, the work stands completed on 30.06.2026. Accordingly, the Defect Liability Period (DLP) commenced on 01.07.2026.

During the DLP, additional works notified by the Client are being carried out without affecting train operations and will be completed within the DLP.

(b) Procurement of Design, Installation. Testing, commissioning, and certifying of Signaling and Telecommunication system from Maho Junction (Including) to Anuradhapura (Excluding) under Indian Line of Credit

This project was awarded on 4th December 2022 by Sri Lankan Railways, under the Ministry of Transport and Civil Aviation, Government of Sri Lanka, with a project value of US$ 14.90 million (approximately ₹125 Crore) through competitive bidding. The project will be implemented with grant assistance from India.

The scope of work includes the supply, installation, and commissioning of an electronic interlocking system at seven stations, along with single-line automatic block signaling for the Maho to Anuradhapura railway line. Additionally, it includes the construction of equipment rooms at seven stations and gate hut buildings at 20 locations.

The new advanced signaling system will enhance safety, reliability, line capacity, and simultaneous reception, minimizing train delays and reducing travel time.

Presently, project activities such as design of signaling system, supply of materials, construction of buildings etc. are in progress. The overall progress of the project is approximately 20%.

The project is expected to be completed by December 2026 and shall have a paid warranty period of 3 years after Defect Liability Period of 1 year.

iii. Nepal

In Nepal, the Company is executing the following two projects:

(a) Construction of Broad Gauge (BG) line between Jogbani (India)- Biratnagar (Nepal) on Indo-Nepal border

The project involves construction of new BG rail line from Bathnaha (India), Ch. 0.00 Km to Biratnagar (Nepal), Ch. 18.60 Km. The proposed alignment in Indian portion (5.45 Km) falls in Araria district of Bihar State under Katihar Division of North East Frontier Railways and proposed alignment in Nepal portion (13.15 Km) falls in the Morang district of Nepal.

The revised value of contract of ₹467.69 Crore has been approved by the Railway Board and forwarded to the Ministry of External Affairs for sanction.

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The section from Bathnaha (India) Ch. 0.00 Km to Nepal Custom Yard (Nepal) Ch. 8.00Km has been commissioned for freight traffic on 1st June, 2023. The work beyond 8.00 Km is completely stopped due non availability of Funds.

The overall progress of the project is approximately 86%.

The project is expected to be completed by March 2028.

(b) Construction of BG Line by Gauge conversion Jayanagar (India) – Bijalpura (Nepal) with extension upto Bardibas on India Nepal Border

The project involves construction of a new BG rail line from Jaynagar (India), Ch. 0.00 Km to Bijalpura (Nepal) Ch. Km 52.336 with extension up to Bardibas, Ch. Km 68.72. Out of the total proposed alignment, 2.975 Km falls in Madhubani district of Bihar state in India and 65.745 Km falls in Mahottari district of Nepal.

The revised estimate of ₹900.03 Crore was approved by Railway Board and forwarded to the Ministry of External Affairs for sanction.

Our Company on behalf of the Government of India has handed over the newly commissioned cross border rail section (Section-1) from Jayanagar (Km. 0.00) to Kurtha (Km. 34.90) to Government of Nepal on 22nd October, 2021 which was inaugurated through virtual mode by the Hon'ble Prime Minister of India and the Hon'ble Prime Minister of Nepal on 2nd April, 2022. The first phase of 34.9 Km Jaynagar (India) – Kurtha (Nepal) section is part of 68.72 Km Jaynagar-Bijalpura-Bardibas rail link being built under Government of India grant assistance.

Section-2 from Km 34.900 to km 52.34, Kurtha- Bijalpura has also been completed and commissioned on 16th July 2023.

Section 3 from Km 52.34 to Km 68.72, Bijalpura-Bardibas, hindrance-free land of this section has been handed over in January 2026 by the Government of Nepal. The overall progress of the project is approximately 74%.

The project is expected to be completed by March 2029.

iv. Myanmar

The Company secured a project in Myanmar in FY 2022-23, for Balance work of construction of road from Paletwa (Myanmar) to Zorinpui (Mizoram) (Kaladan Road Project) under Kaladan Multi-Modal Transit Transport Project (KMMTT Project), from the Ministry of External Affairs, on EPC mode at a lump sum cost of ₹1,780 Crore. Construction of this project is intended to open up an alternate route to the North-East Region and connect Mizoram with Chin State of Myanmar at Zorinpui. The agreement for the execution of this project has been signed on 7th March, 2022

Due to ongoing armed conflicts between the Myanmar Army and the insurgent groups, the whole alignment is controlled by one of the insurgent groups. The progress of work is adversely affected. At present, there is no permission from Government of Myanmar to work on the alignment nor to transport machinery, construction materials such as cement, steel, etc. The work is progressing on Zorinpui's side through proper liaison with all stakeholders.

During FY 2025-26, work recommenced on a 109 Km stretch, out of which 45 km (Approx) of subgrade has already been completed.

Despite adversity, Ircon has shown great resilience and commitment to continue the work. Overall progress of the project is approximately 25%.

The project is expected to be completed by December 2028.

AWARDS

As per 2025 edition of USA's Engineering News Record (ENR), IRCON is the only Indian PSU to make it to the list of top 250 International Contractors as well as top 250 Global Contractors. IRCON is also ranked 242nd in 2025 in the list of fortune India 500.

IRCON has been awarded several prestigious awards. Some of the significant awards and accolades won during the year 2025-26 are mentioned below:

- Quality Innovation Award 2025 for Implementing Innovative Quality Management Systems by Institute of Engineers (India).
- ISDA Infracon National Awards (IINA) 2025 in the category of Best Construction Project (Udhampur – Srinagar – Baramulla Rail Link Project, J&K).
- 10th Annual ISM – INDIA Awards 2025 in category Public Sector Procurement Excellence.
- 239th rank in the list of Top 250 International Contractors published by ENR Survey 2025.
- 235th rank in the list of Top 250 Global Contractors published by ENR Survey 2025.
- Safety Innovation Award 2025 for Implementing Innovative Safety Management Systems by Institute of Engineers (India).
- TunnelTech 2026 Award under the category Technology and Innovation in Tunnelling for Engineering Excellence in Himalayan Tunnelling.
- International Safety Award (Distinction Winner Category) by the "British Safety Council" for excellence in health, safety & well-being throughout 2025.
- 17th CIDC Vishwakarma Award under the "Construction Health, Safety & Environment" in HSE management.
- Case Study Competition Runner-up Award in Public Sector category at Global Procurement Summit by All India Management Association (AIMA) & India Case Research Centre (ICRC) supported by Ministry of Finance, GoI & World Bank.

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- IRCON's in-house magazine, 'Navnirman', was honoured with the 'Incentive Award' by the Nagar Rajbhasha Karyanvayan Samiti (NARAKAS).
- IRCON's in-house magazine was honoured at the International Hindi Conference organized by the Vishwa Hindi Parishad.
- The Official Language Department was honoured for its participation and outstanding performance in the 'Hindi Poetry Recitation Competition' organized under the aegis of NARAKAS.

COMPLIANCES OF PRESIDENTIAL DIRECTIVES

Presidential directives as issued from time to time on various matters like reservation policy for reserved category persons, SC/ST roster in the employment, revision in pay scale 2017 etc. have been complied with.

OFFICIAL LANGUAGE

The Company is undertaking various innovative and encouraging initiatives for the extensive use of Hindi in office work. Some of these initiatives are as follows:

- All employees take a pledge to work completely in Hindi on the last Monday of every month.
- Rajbhasha seminars are organized on a half-yearly basis.
- Hindi workshops are conducted on a quarterly basis.
- Hindi Day and Hindi Fortnight are celebrated every year.
- Full compliance is ensured with the Annual Programme on Official Language issued by the Ministry of Home Affairs every year.
- Official correspondence related to the Railway Board and the Ministry of Home Affairs is done in Hindi.
- Hindi-related competitions are organized for employees from time to time.
- Regular inspections of internal departments are conducted for effective implementation of the Official Language policy.
- All translation work of the office is carried out by the Official Language Department.
- Employees are encouraged through various incentive schemes for implementation of the Annual Programme of the Official Language Department.
- Bilingual (Hindi-English) facilities have been provided in computer systems and mobile phones used by officials.
- Bilingual formats have been made available on the company's internal website for employees' use.
- Active participation is ensured in meetings of the Town Official Language Implementation Committee (TOLIC), and its directions are duly complied with.
- Employees and officers participate in training programmes, workshops, and orientation sessions organized under TOLIC.
- Work is carried out in accordance with the annual targets and programmes set by the committee for effective implementation of the Official Language policy.

COMPLIANCE OF RIGHT TO INFORMATION ACT, 2005

In accordance with the provisions of the Right to Information Act, 2005, IRCON has ensured the availability of updated information, including the names of the Appellate Authority, Central Public Information Officer, Assistant Public Information Officer and Zonal Public Information Officers on our website. We have promptly responded to the queries received within the specified time frame. These queries primarily pertained to service matters, recruitments, finance, contract, corporate social responsibility (CSR) and projects. The details of RTI cases have been regularly published on website of the Central Information Commission (CIC) on quarterly and annual basis.

During the year 2025-26, 169 RTI applications and 22 First Appeals were received and at the beginning of the year 9 RTI applications and 3 First Appeals were under process within the allowable time limit. Therefore, a total of 178 applications & 25 First Appeals were to be resolved/reported to under RTI during the year 2025-26. 163 RTI applications (including opening balance of 9 applications) and 33 First Appeals has been disposed of during FY 2025-26. As on 31-03-2026, 6 RTI Applications and 5 First Appeals are under process for disposal within the allowable time limit.

COMPLIANCE OF IMPLEMENTATION OF PUBLIC PROCUREMENT POLICIES FOR MSEs AND PREFERENCE TO MAKE IN INDIA

The Company has in place a comprehensive Purchase Preference Policy since June 2012 which is in line with the Public Procurement Policy for Micro and Small Enterprises (MSEs) Amendment Order, 2022 notified by the Ministry of Micro, Small and Medium Enterprises (Ministry of MSME) under section 11 of Micro, Small and Medium Enterprises Development Act, 2006. IRCON uses Central Public Procurement portal (CPPP) and Government e-Marketplace (GeM) portal for its procurement, which provides facilitation of registration of MSEs firms registered with any statutory bodies specified by Ministry of MSME.

The Company has always encouraged local suppliers to participate in its tendering process and also promote them through training and hand holding programs. Our continued pursuit in this direction has seen improved participation of small local players and socio-economic development of communities in and around operational locations.

IRCON has taken several steps for effective implementation of MSE policy in the tender documents for procurement of goods & services. The benefits include waiver of tender document fee and earnest money deposit and also includes the purchase preference policy as prescribed under the Public Procurement Policy for Micro and Small Enterprises (MSEs) Amendment Order, 2022.

Further, provisions are also made in tenders to promote "Make in India" directives of the Government of India by giving preference to the Class-I Local suppliers & calling of tenders upto ₹200 Cr. through National Competitive Bidding in line with the Public Procurement (Preference to Make in India), Order 2017.

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During FY 2025-26 on a standalone basis, the Company procured goods and services worth ₹32.14 crore from MSEs against the total procurement of ₹83.79 crore (excluding the procurement of items which are beyond the scope of MSEs), achieving 38.36% procurement from MSEs. Further company has procured ₹2.98 crore (3.56%) from MSEs owned by the women and ₹1.55 crore (1.85%) from MSEs owned by SC/ST.

On a consolidated basis, the Company procured goods and services worth ₹33.36 crore from MSEs against the total procurement of ₹85.38 crore (excluding the procurement of items which are beyond the scope of MSEs) achieving 39.07% from MSEs. Further company has procured ₹2.99 crore (3.50%) from MSEs owned by the women and ₹1.55 crore (1.81%) from MSEs owned by SC/ST. All required monthly details were regularly uploaded to the Sambandh Portal. The Company has been extensively following the guidelines of Government on procurement through Government e-Market place (GeM) and Procured items valuing ₹56.29 crore on a consolidated basis.

In FY 2025-26, our procurement from MSEs owned by women increased from 2.55% to 3.56% on standalone basis, reflecting the impact of our sustained initiatives. We are also actively pursuing the procurement targets from MSEs owned by SC/ST entrepreneurs. To support this, the company has organized special vendor development programs aimed at enhancing awareness and strengthening participation of MSEs owned by SC/ST and women in our supply chain.

Given the nature of our industry as a construction company, achieving the desired procurement levels from SC/ST-owned MSEs has presented challenges. However, we are doing constant efforts for achieving the procurement target from MSEs owned by SC/ST as well.

The Company has conducted four Vendor Development Programs during FY 2025-26. Details are as under-

1. "National Level – Special Vendor Development Program" for Micro and Small Enterprises especially owned by SC/ST and Women entrepreneurs organized in IRCON Corporate Office on 24.06.2025.
2. National Level - Special Vendor Development Program" for Micro and Small Enterprises especially owned by SC/ST and Women entrepreneurs organized by IRCON International Limited in association with NSSHO, Agra through online mode on 10.09.2025.
3. One day National Level Special Vendor Development Programme (VDP) organised at IRCON CO, Saket on 19.12.2025.
4. Two-Day Vendor Development Programme (VDP) cum Industrial Exhibition scheduled for March 11th and 12th, 2026, at Maharaja Surajmal Institute of Technology.

Onboarding on TReDS Platforms:

In compliance of the government guidelines, IRCON and its subsidiaries has onboarded on all five (5) operational TReDS platforms during the FY 2025-26.

Details of the onboarding on TReDS platforms are as under:

Sl. No.	Company	RXIL	M1xchange	DTX	C2treds	INVOICEMART
1	Ircon International Limited	20-02-2018	18-08-2024	17-11-2025	11-12-2024	07-08-2024
2	Ircon Akloli-Shirsad Expressway Limited	15-07-2023	16-03-2026	09-02-2026	28-02-2026	07-03-2026
3	Ircon Bhoj Morbe Expressway Limited	15-07-2023	25-02-2026	18-03-2026	17-02-2026	11-02-2026
4	Ircon Davanagere Haveri Highway Limited	13-12-2019	27-02-2026	27-02-2026	18-02-2026	28-02-2026
5	Ircon Gurgaon Rewari Highway Limited	02-07-2022	27-03-2026	22-01-2026	28-02-2026	23-02-2026
6	Ircon Haridwar Bypass Limited	15-07-2023	19-03-2026	22-01-2026	17-02-2026	13-02-2026
7	Ircon Infrastructure & Services Limited	11-12-2019	23-03-2025	20-02-2026	20-03-2025	20-03-2025
8	Ircon Ludhiana Rupnagar Highway Limited	15-07-2023	17-02-2026	22-01-2026	01-02-2026	06-02-2026
9	Ircon PB Tollway Limited	07-01-2020	07-03-2026	22-01-2026	25-02-2026	25-03-2026
10	Ircon Renewable Power Limited	30-06-2022	17-03-2026	16-02-2026	03-03-2026	25-03-2026
11	Ircon Shivpuri Guna Tollway Limited	13-12-2019	18-03-2026	28-01-2026	25-03-2026	12-03-2026
12	Ircon Vadodara Kim Expressway Limited	27-09-2019	23-02-2026	05-02-2026	18-02-2026	27-02-2026

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COMPLIANCE OF TIMELY PAYMENT TO MSE VENDORS WITHIN THE PRESCRIBED TIMELINE UNDER THE MSMED ACT, 2006.

The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 mandates that payments to Micro and Small Enterprises (MSEs) be made within 45 days from the date of acceptance of goods or services, or from the date of resolution of objections where such objections are raised by the buyer in writing within 15 days of delivery or rendering of services. IRCON remains committed to ensuring timely payments to its MSE vendors in accordance with the provisions of the Act. During the Financial Year 2025-26, the Company made payments to its MSE vendors within the prescribed timelines and did not experience any instances of delayed payments.

HUMAN RESOURCE DEVELOPMENT

IRCON recognizes that its employees are fundamental to its success and play a crucial role in safeguarding the organization's values and culture. The organization firmly believes that its achievements rely on the alignment and performance of its workforce, as well as maintaining a positive work environment. It is committed to establishing a collaborative, inclusive, and performance-driven atmosphere that fosters learning, growth, and overall employee well-being.

IRCON's Human Resource (HR) Philosophy revolves around empowering and nurturing employees, allowing them to reach their full potential, encouraging innovative ideas, and providing rewards based on performance. The company's work culture is characterized by openness and dynamism, empowering employees to take initiative in their roles with full support from top management.

At IRCON, the Human Resource Management (HRM) team is dedicated to recruiting, retaining, and developing the right people. They continuously strive to create an optimal work environment that is inclusive, open, diverse, and provides equal opportunities for all employees. The company has aligned its HR strategy, systems, and procedures with its business objectives, focusing on building competencies necessary for organizational success. This strategy serves as a motivating force for employees, bridging the gap between the company's future needs and individual aspirations.

IRCON maintains a performance-oriented culture where the contributions of every employee are measured and appropriately recognized. The Company has implemented a robust Performance Management System (PMS) that aligns with its philosophy of rewarding and acknowledging merit at all levels. This system supports the professional development of executives through a structured approach integrated into the company's performance appraisal process. IRCON takes pride in its highly motivated and competent human resources and acknowledges their significant contributions.

MANPOWER STRENGTH

The total manpower strength of IRCON as on March 31, 2026, stood at 1070, (previous year 1182) which included 793 regular employees, 25 employees on deputation, 248 on contract (including service contract) and 04 on fixed tenure basis. Out of the total employees of the Company, 1034 are posted on Indian projects and 36 on international projects. Among 1070 employees, 988 are technically and professionally qualified. There was a total of 67 women employees as on March 31, 2026.

The overall income per employee for FY 2025-26 stood at ₹8.39 Crore as compare to ₹9.03 Crore in FY 2024-25.

During the year, the total newly employed personnel stood at 102 which included 37 regular employees, 10 employees on deputation, 38 on contract and 17 on service contract.

RESERVATION IN EMPLOYMENT

The Company continues to give utmost importance to the implementation of the policies and directives of the Government of India in matters relating to reservations in the employment of candidates belonging to Scheduled Caste (SC) / Scheduled Tribe (ST) / other backward classes (OBC) and differently-abled categories. There was a total of 477 SC / ST / OBC and differently- abled employees as on March 31, 2026.

Further, during the FY 2025-26, out of the 37 employees inducted against regular posts, 14 belong to SC / ST / OBC/ EWS. Similarly, out of the 55 employees recruited against the contractual positions (including service contract), 27 belong to SC / ST / OBC / EWS (excluding service contract).

During the FY 2025-26, training has been given to 617 employees, out of which 255 belong to SC/ST/OBC and differently-abled categories. To ensure the welfare of these employee categories, the Company has appointed Liaison Officers.

The infrastructure of the Company is well built catering to the needs of differently-abled employees.

TRAINING AND HUMAN RESOURCE DEVELOPMENT

IRCON puts a lot of emphasis on development and career progression of employees. Training programs are organised throughout the year. During the FY 2025-26, in-house training programmes across all levels of employees were organised. Professional programmes, workshops, and seminars organised by reputed and prestigious institutes / agencies were carefully identified in line with business needs of IRCON, and suitable officers were nominated for such programmes.

The Company has been continuously taking steps for building capacity of its human resource through training in functional and general management areas, contract and arbitration, leadership and information technology. External faculty is arranged wherever required, Employee Development has always been a priority for the Company, and various training and development plans have been initiated from time to time. During the FY 2025-26, a total 1760 man-days training was imparted to officials of IRCON through workshops, seminars, conferences, in-house training and training in external institutes.

Ircon International Limited was shortlisted by Ministry of Corporate Affairs, Government of India for participating in the Prime Minister's Internship Scheme (PMIS) which

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aims to provide structured internships in India's top 500 companies and accordingly, IRCON posted Internship opportunities on PM Internship Portal in various rounds.

For Round 1 & 2, IRCON successfully posted 50 internship seats across various project sites and administrative departments, providing candidates with direct exposure to large-scale infrastructure projects and for Round 3, continuing this initiative, IRCON has again posted 50 Opportunities on the official PMIS and the selection of the same is under process.

EMPLOYEE WELFARE

The Company has adequate and robust schemes in place for the welfare of the employees. These are health cover, medical scheme, post-retirement medical scheme, post-retirement pension scheme, periodic health check-ups at regular intervals, allowances, self-lease for residential accommodation, educational scholarships to the wards of employees, a one-time educational grant for admission to professional degrees and diploma courses, educational awards to meritorious children of employees, educational assistance to the wards of deceased employees, assistance for marriage of daughters and dependent sisters of employees in non-executive categories, and resort facilities for employees and their family members on concessional rates through Dalmia and Sterling Resorts. IRCON is complying with provisions relating to the Maternity Benefit Act, 1961.

EMPLOYEE HEALTH AND SAFETY

In alignment with the MoU compliance requirement on health and safety initiatives, Ircon International Ltd. conducted a total of 5 Health Camps and 3 Health Talks during FY 2025-26. These activities covered awareness on hepatitis, cancer, tuberculosis, stroke prevention, vector-borne diseases, and healthy lifestyle practices. The initiatives demonstrate proactive measures toward employee well-being and health awareness, fulfilling the stipulated compliance parameter.

Summary of Health Camps and Talks conducted during the FY 2025-26:

Sr. No.	Details of Health Sessions & Health Check-up Camp	Date of Programme	Organised in association with
1.	Medical Health Check-Up Camp on 'World Hepatitis Day'	28/07/2025	Max Super Speciality Hospital, Saket, New Delhi
2.	Medical Health Check-Up Camp on 'Breast Cancer Awareness Campaign'	14/11/2025	Medanta - The Medicity Hospital, Gurugram
3.	Medical Health Check-Up Camp on 'Universal Health Coverage Day'	12/12/2025	Max Super Speciality Hospital, Saket, New Delhi
4.	Medical Health Check-Up Camp on 'World Cancer Day'	04/02/2026	Yashoda Medicity Hospital, Indirapuram, Ghaziabad (UP)
5.	Medical Health Check-Up Camp on 'World Tuberculosis Day'	24/03/2026	Indraprastha Apollo Hospital, Sarita Vihar, New Delhi
6.	Health Awareness Session on 'Healthy Eating & Oil less Cooking'	24/04/2025	Dr. Srishti Alagh, Dietician, Max Hospital, Shalimar Bagh, New Delhi
7.	Health Awareness Session on 'Dengue & other Vector-Borne Diseases'	10/07/2025	Dr. Supriya A. Bali, Director (Internal Medicine), Max Multi Speciality Hospital, New Delhi
8.	Health Awareness Session on 'Stroke prevention, awareness of warning signs and treatment'	06/11/2025	Dr. Deepak Bhangale, Director of Endoscopic and Minimally Invasive Neurosurgery, Medanta - The Medicity Hospital, Gurugram

LEADERSHIP DEVELOPMENT PLAN

The succession planning framework of IRCON integrates both Succession Planning and Leadership Development in a cohesive manner.

The above framework operates in two parts. The first part focuses on Succession Planning through an integrated, systematic approach to identifying, developing, and retaining employees in alignment with current and projected business objectives.

In the second part, for individuals placed in the acceleration pool, Individual Development Plans (IDPs) are prepared based on their distinct strengths and developmental needs. The framework also includes options such as mentoring, allocation of new work areas, stretch assignments, action learning, and coaching programmes to further groom these personnel for future roles and challenges.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

Your Company is dedicated to creating a supportive and secure working environment for its women employees. The Company has implemented a comprehensive policy for the Prevention, Prohibition, and Redressal of Sexual Harassment at the Workplace, which applies to all employees, including regular employees, deputationists, temporary workers, ad-hoc employees, contract workers, daily wage workers, and individuals employed

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through agencies or contractors. This policy, along with its details, can be accessed on the Company's website.

Furthermore, this policy extends to wholly-owned subsidiary companies of IRCON that are formed as Special Purpose Vehicles.

Your Company has ensured compliance with the provisions concerning the formation of the Internal Committee (IC) as mandated by the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The IC comprises five members, including four Company officials and one external member from an NGO. Additionally, provisions related to the prohibition of sexual harassment have been incorporated into the IRCON's Conduct, Disciplinary, and Appeal Rules.

IRCON has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, the desired details are as follows:

(a)	Number of complaints of sexual harassment received in the year	–	0
(b)	Number of complaints dispose off during the year	–	0
(c)	Number of cases pending for more than ninety days	–	0

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

In accordance with Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time (Act), IRCON has in place CSR Policy duly approved by the Board of Directors of IRCON. CSR is essentially a way of conducting business responsibly and IRCON shall endeavor to conduct its business operations and activities in a socially responsible and sustainable manner at all times. IRCON will strive to contribute to inclusive growth and sustainable development with emphasis on development of weaker sections of society and in the Aspirational Districts of the country. As per broad objectives of the Policy, CSR activities are being implemented in project/program mode, in areas or subjects specified in Schedule VII of the Act, on thrust areas of education and health care, in the periphery of project areas of IRCON (local area) and as per DPE Guidelines.

The CSR Policy, which provides comprehensive guidelines for conducting CSR activities, is available on our Company's website: www.ircon.org. Furthermore, the Annual Report on CSR & Sustainability activities, in compliance with Section 135 of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended to this report, forming an integral part of it. The Company has fully spent the Allocated CSR Budget of ₹15.45 Crore in FY 2025-26 in accordance with the provisions of the Act.

QUALITY, HEALTH AND SAFETY

QUALITY MANAGEMENT SYSTEM

IRCON is a precursor Public Sector Organization in adopting the Quality Management System Certification in the domestic as well as International Markets. Quality Management System (QMS) has been successfully sustained and continually improved since 1996 when the Company as a whole was first certified for ISO 9002:1994 by TUV SUD Private Limited. IRCON has continued the certification and sustained the system as per the latest version of Quality Management Standards i.e. ISO 9001:2015 (by periodical re-certification audit after the expiry of every three years). Latest re-certification audit was conducted by TUV SUD South Asia Private Limited in the month of February, 2026, and the validity of the certificate is up to March, 2029.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

The Company established an Occupational Health & Safety Management System and was certified for ISO 45001:2004 in October, 2011. The latest surveillance audit for ISO 45001:2018 was conducted by TUV SUD South Asia Private Limited in the month of November, 2025 and the validity of the certificate is up to December, 2027.

ENVIRONMENT MANAGEMENT

The Company established an Environment Management System (EMS) and was certified for ISO 14001:2004 in October, 2011. The latest re-certification audit for ISO 14001:2015 was conducted by TUV SUD South Asia Private Limited in the month of January, 2026, and validity of the certificate is up to February, 2029.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND UPGRADATION

IRCON is conscious of the limited nature of conventional sources and the importance of using energy resources wisely. The Company has been consistently laying emphasis on utilizing energy efficient equipment in its office premises and in various projects so as to minimally affect the ecology and environment. Towards conservation of energy, IRCON has taken the following steps:

a) IRCON has a total of 200 kW Grid Connected roof top Solar Power Plant installed at Corporate Office which is a considerable step to conserve energy and contributing to environment through usage of Green Energy. The total energy produced by this Solar Power plant is approximately 3,00,000 units annually which is ~25% of the energy being drawn from the electrical grid. IRCON has also installed a total of 75 kW Roof top Off Grid Solar Power Plant at its IRCON Tower, Gurugram thereby reducing energy consumption. Also, capacitor banks of 600 kVAR capacity have been installed at Corporate Office building and 1600 kVAR at IRCON's Gurugram Building to improve the power factor, which further reduces the Electrical Energy consumption by more than 10%.

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b) Furthermore, Energy-efficient Light Emitting Diodes (LED) lights have been used for the internal lighting of Corporate Office building which also adds in considerable energy saving when compared with normal lights.

c) Automatic / Dynamic Reactive Power Factor (APF) correction / compensation panels with Insulated Gate Bipolar Transistors (IGBT) technology of ~10.7 MVAR capacity have been designed and installed at the Receiving Substations (RSS) for Delhi-Ghaziabad-Meerut RRTS corridor of NCRTC project for RSS Energy Conservation. Moreover, the RSS Control Room Building is also constructed with highest rating of Indian Green Building Council (IGBC) standards to conserve energy. Further, Static Var Generators (SVGs) of ~130 MVAR capacities are also being installed in 500 MW Solar Project at Karnataka to provide dynamic reactive power compensation, thereby maintaining power factor & system stability and improving power quality injection into grid.

d) IRCON has installed more than 20,000 LED lights at USBRL E&M Tunnel Projects which have reduced the energy consumption considerably. Moreover, IRCON has also installed energy efficient LED lights for energy conservation in various projects like Loco Shed at Bondamunda, Katni-Singrauli RE Project, etc. for reducing energy consumption.

e) Capacitor Banks of 2400 kVAR capacity each have been installed at Baramulla, Qazigund & Budgam TSS (J&K) for USBRL RE project. Further, Capacitor Banks of 5500 kVAR capacity each have been installed in 26 Nos. TSS of various Railway Electrification projects. Moreover, for Tunnel Substations a total of 16 MVAR capacitor banks have also been installed to regulate the reactive power generation due to jet fans, thereby reducing energy consumption.

STEPS TAKEN BY THE COMPANY FOR UTILISING ALTERNATE SOURCES OF ENERGY

The Company is utilizing the following as an alternate source of energy:

a) Apart from installation of 200kW Roof top Solar Plant at IRCON's Corporate office, IRCON is also executing a major project for utilizing alternate sources of energy by Setting up a 500 MW Solar Photovoltaic Power Plant at Pavagada, Karnataka by using latest technology Monocrystalline Passivated Emitter and Rear Cell (PERC) Bi-facial Solar Photo Voltaic (SPV) Modules with Tracker technology & state-of-the art Robotic Cleaning which shall supply approximately 1,076 million Units per year to Railways.

b) IRCON is also providing features similar to Green Buildings Constructions at Corporate Office, Gurugram building and its project offices thereby reducing the environmental impacts on water, materials, waste, energy and carbon emissions. IRCON has installed solar panels at various offices/ projects; along with sensor lights & sensor taps to conserve electricity.

c) IRCON has also installed Solar Power Photovoltaic Panels for its office Complex in Sangaldan (J&K) with a capacity of 110 kW.

CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT

IRCON has invested approximately ₹4.90 Crore for replacing the existing Heating, Ventilation & Air Condition (HVAC) System at Corporate office with new technology Energy Efficient Inverter Type Air Conditioning System which shall reduce the energy consumption by 25–30%. Further, old light fixtures/fans at IRCON's guest houses / flats are being replaced by EESL certified 5 star rated lights and fans for energy conservation.

Further, the old refrigerant of R-22 is replaced by the new technology refrigerant R-410A which is environment friendly and reduces the carbon emissions helpful in sustainable development.

TECHNOLOGY ABSORPTION AND UPGRADATION EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

IRCON is executing the installation and commissioning of Kavach towers across major railway routes to enhance operational safety. Kavach is an indigenous Automatic Train Protection (ATP) system developed by Research Designs & Standards Organisation in collaboration with Indian Railways.

Key Features of Kavach: (TCAS-Train collision Avoiding System):

i) Automatic braking in case of signal passing at danger (SPAD) or over speeding, ii) Collision prevention through continuous train monitoring in a Centralize Kavach Monitoring Centre in each Division and by continuous Kavach Towers signal transmission, iii) Real-time communication between trains, stations, and signalling systems, iv) Safe operations during fog and low-visibility conditions, v) Integration of RFID tags, onboard equipment, optical fibre networks, and radio communication for precise train tracking and movement authority, vi) Kavach enhances passenger safety, minimizes human error, and provides a cost-effective, indigenous solution for modernizing railway operations in India.

BENEFITS DERIVED LIKE PRODUCT IMPROVEMENT, COST REDUCTION, PRODUCT DEVELOPMENT OR IMPORT SUBSTITUTION

The Kavach system is a substantial investment in the safety and future of Indian Railways. The costs involved are significant, but the benefits of improved safety and reduced accidents far outweigh these expenses. All these equipment manufactured in India instead of procuring from foreign countries.

IN CASE OF IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST THREE YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR) – N.A.

RESEARCH AND DEVELOPMENT

The Company being primarily an EPC company does not undertake any pure research project but takes the help of consultants and firms to innovate and to develop

BOARD'S REPORT

methods and techniques to execute projects in a cost-effective manner, with requisite quality, to enhance the technical competence and efficiency.

INFORMATION TECHNOLOGY, ERP & CYBERSECURITY

IRCON's Information Technology (IT) department serves as a cornerstone for both operational efficiency and strategic growth. Acting as a key enabler, the IT function significantly boosts employee productivity across the organization. In addition to managing data networks, enterprise software, and IT infrastructure procurement, the team plays a pivotal role in driving enterprise-wide initiatives—such as the implementation of SAP S/4HANA, Toll Management Systems, and Project Management platforms etc.

A key highlight of our digital journey is the adoption of SAP S/4HANA as our Enterprise Resource Planning (ERP) backbone. This robust system streamlines our Finance, Controlling, and Human Resource Management operations, leading to company-wide information availability, increased transparency, and faster decision-making. We've further enhanced our financial reporting with SAP Business Planning & Consolidation (SAP-BPC), which is crucial for preparing the Company's financial statements. The Employee Self-Service (ESS) Portal, Finance & Controlling, HCM, Employee Performance Management System (EPMS), EnableNow for employee learning and system adoption modules have been successfully rolled out across the organization, with Project Systems currently under implementation at various locations.

In a significant move towards a paperless environment, we've fully embraced the e-Office system. This initiative aligns with the Government of India's vision, digitizing approvals, file movements, and official documents, thereby replacing physical file systems with enhanced efficiency and security. To ensure our core enterprise applications like e-Office run seamlessly, we've recently upgraded our datacenter infrastructure, incorporating cutting-edge HCI (Hyper-Converged Infrastructure) systems. This not only guarantees faster, more efficient, and secure use of these applications but also optimizes connectivity throughout our corporate office and project sites, maximizing our in-house IT talent. We've also installed AI face-reader- based biometric attendance systems and are integrating them with SAP for more accurate reporting. For enhanced efficiency and transparency in procurement, e-Procurement through the Government e-Market Place (GeM) and Central Public Procurement (CPP) Portal has been adopted across the organization.

Recognizing the evolving threat landscape, Cybersecurity remains a top priority. We've implemented Zero Trust Network Access (ZTNA) where users' identity is verified using RSA authentication, Software Application access is protected through secured VPN and end user devices are protected from latest virus and cyber-attacks through XDR. A cloud-based Web Application Firewall (WAF) system and Syslog server is deployed to secure corporate websites and web applications against potential cyber-attacks. We also regularly conduct employee training in AI, Cybersecurity, and core business domains to keep our workforce informed and skilled.

Our corporate website, https://www.ircon.org a W3C CSS certified, uses AI tool for online real time translation for Indian languages. Dedicated AI-based collaborative tool consisting of Email, Chat Service, Video conferencing & Broadcasting facility is extensively used for daily office operations like review meetings, training sessions, promotion interviews, and managing contract issues.

CORPORATE GOVERNANCE

The Company places great emphasis on adhering to corporate governance guidelines and best practices, recognizing their significance in enhancing long-term shareholder value and upholding minority rights. IRCON considers it a fundamental obligation to provide timely and accurate information regarding the Company's operations, performance, leadership, and governance.

In compliance with Regulation 34 of the LODR Regulations and DPE Guidelines, the Corporate Governance Report, along with the compliance certificates of Corporate Governance norms under the aforementioned LODR Regulations and DPE Guidelines, is attached and constitutes an integral part of this report.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2026, the Company had seven directors out of which four are whole-time directors [Chairman & Managing Director, Director (Finance), Director (Works) and Director (Projects)]; two are Government Nominee Directors and one is Independent Director.

The Company has requested the Ministry of Railways for appointment of requisite number of Independent Directors in order to comply with the statutory requirements. Pursuant to Section 203 of the Companies Act, 2013, the Board of Directors had designated Chairman & Managing Director (CMD) as Chief Executive Officer (CEO) and Key Managerial Personnel (KMP) and all the Whole-time Directors and Company Secretary as KMP of the Company. The senior most finance official of the Company is designated as Chief Financial Officer (CFO) and KMP.

Board of Directors & Key Managerial Personnel (KMP) as on March 31, 2026

The Board of Directors of the Company as on March 31, 2026 comprised of Executive (Functional) Directors viz.- Shri Hari Mohan Gupta (DIN: 08453476), Chairman & Managing Director & CEO, Smt. Ragini Advani (DIN: 09575213), Director (Finance), Shri Ajit Kumar Mishra (DIN: 11108237), Director (Works), Shri Rajesh Naik (DIN: 11543707), Director (Projects); Part- time (Official) Directors viz. Shri Anand Bhatia (DIN: 10937265) and Shri Anupum Singh, (DIN: 10637375), being Government Nominee Directors and Independent Director viz. Shri Thangavel Varadharajan (DIN: 08556664).

In addition to the CEO and whole-time directors, other KMPs, as on March 31, 2026 were Shri Alin Roy Choudhury, Chief General Manager (Finance) & CFO and Smt. Pratibha Aggarwal, Company Secretary and Compliance Officer.

BOARD'S REPORT

Appointments and cessation of the Directors and KMPs during and after close of the FY 2025-26

CHANGES IN THE POST OF CHAIRMAN & MANAGING DIRECTOR

In terms of order no. 2023/E(O)II/40/15 dated 1st July, 2024 of the Ministry of Railways and upon attaining the age of superannuation, Shri Hari Mohan Gupta (DIN: 08453476) ceased to be the Chairman and Managing Director and CEO of the Company on 30th June 2026.

In terms of order no. 2023/E(O)ll/40/15 dated 23rd June 2026 of the Ministry of Railways, Shri Saleem Ahmad (DIN: 10119432) was appointed as the Chairman and Managing Director (CMD) (Additional Director) of the Company on additional charge and designated as Chief Executive Officer (CEO) and Key Managerial Personnel (KMP) for a period of 01 year, with effect from 1st July 2026 i.e. the date of assumption of additional charge of the post of CMD, IRCON, or till assumption of charge of the post by the regular incumbent or until further orders, whichever is the earliest. Shri Saleem Ahmad is proposed to be regularized as Chairman and Managing Director of the Company at the ensuing Annual General Meeting of the Company.

CHANGES IN THE POST OF FUNCTIONAL DIRECTORS

In terms of order no. 2024/E(O)ll/40/4 dated 15th May 2025 of the Ministry of Railways, Shri Ajit Kumar Mishra (DIN: 11108237), has been appointed to the post of Director (Works) (Additional Director) for a period of 5 years with effect from the date of assumption of charge of the post or until further orders, whichever is earlier. Shri Mishra has assumed the charge of the post of Director (Works) with effect from 15th May 2025. Further, Shri Ajit Kumar Mishra was regularised as Director (Works) at the last Annual General Meeting of the Company held on 18th September 2025.

Shri Parag Verma (DIN: 05272169), ceased to be Director (Works) with effect from 30th April 2025, upon attaining the age of superannuation.

In terms of order no. 2021/E(O)II/40/23 dated 7th May, 2025 of the Ministry of Railways, Shri Naresh Chandra Karmali (DIN: 09103211), IRSE, PED/GS, Railway Board, was entrusted with the additional charge of the post of Director (Works) (Additional Director), IRCON, with effect from 9th May, 2025 i.e. the date of assumption of charge and until further orders. Subsequently, as per further order of Ministry of Railways no. 2024/E(O)ll/40/4 dated 15th May 2025, Shri Naresh Chandra Karmali, relinquished the additional charge of the post of Director (Works), IRCON with effect from 15th May 2025.

Shri Anand Kumar Singh (DIN: 07918656), ceased to be Director (Projects) with effect from 31st December, 2025, upon attaining the age of superannuation.

In terms of order no. 2021/E(O)II/40/21 dated 31st December 2025 of the Ministry of Railways, Shri Sudhir Singh (DIN: 11288339), IRSE, ED/CE (BS), Railway Board, was entrusted with the additional charge of the post of Director (Projects) (Additional Director), IRCON, with effect from 2nd January 2026 i.e. the date of assumption of additional charge of the post and until further orders. Subsequently, as per further order of Ministry of Railways no. 2024/E(O)ll/40/21 dated 12th February 2026, Shri Sudhir Singh has relinquished the additional charge of the post of Director (Projects) with effect from 13th February 2026.

In terms of order no. 2024/E(O)ll/40/21 dated 12th February 2026 of Ministry of Railways, Shri Rajesh Naik (DIN: 11543707), has been appointed to the post of Director (Projects) (Additional Director) with effect from 13th February 2026 i.e. the date of assumption of charge of the post till the date of his superannuation i.e. 31.05.2030 or until further orders, whichever is earlier. Shri Rajesh Naik is proposed to be regularized as Director (Projects) of the Company at the ensuing Annual General Meeting of the Company.

CHANGES IN THE POST OF PART-TIME (OFFICIAL) DIRECTORS/GOVERNMENT NOMINEE DIRECTORS

Shri Anupum Singh (DIN: 10637375), ED/Plg.(Civil & PSU), Railway Board, appointed as Government Nominee (Part-Time Official) Director (Additional Director) of the Company with effect from 6th November, 2024, was regularised as Government Nominee (Part- Time Official) Director at the last Annual General Meeting of the Company held on 18th September 2025.

Shri Anand Bhatia (DIN: 10937265), Addl. Member (CE), Railway Board, appointed as Government Nominee (Part-Time Official) Director (Additional Director) of the Company with effect from 4th February, 2025, was regularised as Government Nominee (Part- Time Official) Director at the last Annual General Meeting of the Company held on 18th September 2025.

CHANGES IN INDEPENDENT DIRECTORS

In terms of order no. 2024/PL/57/38 Pt-1 dated 13th May, 2025 of Ministry of Railways, Shri Thangavel Varadharajan (DIN: 08556664) has been appointed as an Independent [Part-time (Non-official)] Director (Additional Director) on the Board of the Company for a period of three (3) years with immediate effect or until further orders, whichever is earlier. The appointment of Shri Thangavel Varadharajan was effective from 15.05.2025 i.e. date of registration of his name to the Data Bank of Independent Directors maintained with Indian Institute of Corporate Affairs (IICA). Shri Thangavel Varadharajan was regularized as an Independent Director at the last Annual General Meeting of the Company held on 18th September 2025.

In terms of order no. 2026/PL/57/16 dated 13th August, 2026 of Ministry of Railways, Smt. Suman Bala (DIN: 11894015) has been appointed as an Independent [Part-time (Non-official)] Director (Additional Director) on the Board of the Company for a period of three (3) years with immediate effect or until further orders, whichever is earlier. The appointment of Smt. Suman Bala was effective from 17.08.2026 i.e. date of registration of her name to the Data Bank of Independent Directors maintained with Indian Institute of Corporate Affairs (IICA). Smt. Suman Bala is proposed to be regularized as Independent Director of the Company at the ensuing Annual General Meeting of the Company.

BOARD'S REPORT

The complete details of appointment / relinquishment of post by the Directors and other related details are provided in the Corporate Governance report forming part of Annual Report.

INDEPENDENT DIRECTORS' DECLARATION

The Company has received necessary declaration from Independent Directors that they meet the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of the LODR Regulations and that they have registered themselves with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA') under the Ministry of Corporate Affairs as per Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014. The declarations have been noted by the Board of Directors.

RETIREMENT OF DIRECTORS BY ROTATION

In terms of Section 152 of the Companies Act, 2013, the provisions in respect of retirement of Directors by rotation will not be applicable to the Independent Directors. In view of this, all directors (other than the Independent Directors) are considered for retirement by rotation. Accordingly, as per provisions of the Companies Act, 2013, Smt. Ragini Advani, Director (Finance) is liable for retirement by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, offer herself for re-appointment.

The details of such Director seeking re-appointment / appointment at the ensuing AGM are contained in the Notice convening ensuing AGM of the Company.

BOARD & COMMITTEE MEETINGS

Board Meetings:

The Board met eight (8) times during the FY 2025-26, on April 29, 2025; May 21, 2025; August 06, 2025; September 10, 2025; October 17, 2025; November 12, 2025; February 03, 2026 and February 11, 2026. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013, DPE Guidelines and LODR Regulations.

During the FY 2025-26, all the meetings of the Board were held at the Company's Registered Office, in New Delhi, through physical and Video Conferencing mode.

Committee meetings:

Your Company's Board has the following committees:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee
4. Risk Management Committee
5. Corporate Social Responsibility & Sustainability Committee
6. Project Progress Review Committee

During the FY 2025-26, the Audit Committee of the Board met six (6) times, the Nomination & Remuneration Committee met five (5) times, Stakeholders' Relationship Committee met one (1) time; Risk Management Committee of the Board met two (2) times; the Corporate Social Responsibility & Sustainability Committee met two (2) times.

Details of constitution, terms of reference of the Committees, and attendance of Directors at meetings of the Committees are provided in the Corporate Governance Report forming part of Annual Report.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In compliance with the provisions of Regulation 25(3) of LODR Regulations, Schedule IV of the Companies Act, 2013 and guidelines issued by DPE, as the Board was having only one Independent Director, appointed w.e.f. 15th May 2025, pursuant to the order of Ministry of Railways, no separate meeting of Independent Directors, without the presence of other Board Members, was held during the FY 2025-26.

SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA

IRCON being a Government Company, the appointment of directors on its Board is made by the Hon'ble President of India through the Administrative Ministry, Ministry of Railways (MoR). The key qualifications, skills, expertise and attributes of the Directors is included in the Corporate Governance Report.

PERFORMANCE EVALUATION

The Ministry of Corporate Affairs (MCA) has, vide its notification dated June 05, 2015, notified the exemptions to Government Companies from certain provisions of the Companies Act, 2013 which inter-alia provides that Section 134(3)(p) regarding a statement indicating the manner of formal annual evaluation of Board, shall not apply to Government Companies in case the Directors are evaluated by the Ministry which is administratively in charge of the Company as per its evaluation methodology. Further, the aforesaid circular issued by the MCA has also exempted sub-section (2), (3) & (4) of Section 178 of the Companies Act, 2013 regarding the appointment, performance evaluation and remuneration for Government Companies.

Further, MCA vide its notification dated July 05, 2017 has made an amendment in the Schedule IV of the act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of Non-Independent Directors and Chairman and performance evaluation of the Independent Director by the Board if the concerned department or ministries have specified the requirements.

In this regard, the DPE has already laid down a mechanism for performance appraisal of all Functional Directors. The performance evaluation of Functional Directors is done through a system of Annual Performance Appraisal Report (APAR) by MoR. Further, the performance evaluation of the Company is done through the evaluation of the Memorandum of Understanding (MoU) entered with MoR, and the said evaluation is submitted to DPE through the Administrative Ministry. The MoU targets are cascaded

BOARD'S REPORT

down and form an integral part of the performance appraisal of the individuals and the team. The internal MoU covers various parameters including financial, non-financials and compliances of government guidelines etc.

In respect of Government Nominee Directors, their evaluation is done by the MoR as per the procedure laid down. Since Independent Directors are also appointed by the Government of India, their evaluation is also done by the Ministry of Railways and finally by the Department of Public Enterprises.

REMUNERATION POLICY FOR THE BOARD AND SENIOR MANAGEMENT

As a Government Company, IRCON follows the guidelines issued by the Department of Public Enterprises (DPE) for determining the remuneration of its functional directors, senior management officials, and other employees. The Company has placed the salient features of its remuneration policy for key managerial personnel and employees on its website (www.ircon.org) under the HRM and Career Sections, as required by Section 178(4) of the Companies Act, 2013.

The remuneration policy of the Company, as well as the procedures and policies for the appointment of Senior Management, are reviewed and recommended by the Nomination & Remuneration Committee before being approved by the Board of Directors.

Furthermore, under Section 197 of the Companies Act, 2013, and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, listed companies are required to disclose specific details of directors' remuneration in the Board's Report. However, Government Companies, including IRCON, are exempted from complying with this provision as per Notification No. GSR 463(E) dated June 5, 2015, issued by the Ministry of Corporate Affairs.

Therefore, such details are not included in the Board's Report of IRCON. However, the remuneration paid to directors during FY 2025-26 is disclosed in the Corporate Governance Report.

INTERNAL CONTROL SYSTEMS

The Company has implemented robust financial controls in accordance with the provisions of the Companies Act, 2013. These internal financial controls over financial reporting are functioning effectively. The controls are designed to ensure the maintenance of accurate accounting records, promote the orderly conduct of business operations in compliance with company policies, safeguard company assets, prevent and detect fraud and errors, and ensure the reliability of financial and operational information. The internal control system, which includes Internal Financial Controls over Financial Reporting, undergoes periodic reviews, and necessary adjustments are made to align with evolving business needs.

Further, information about the internal control system can be found in the Management Discussion and Analysis Report.

INTERNAL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Your Company has adopted an 'Internal code of conduct for prevention of insider trading in dealing with securities of the Company' (Code of Conduct), to regulate, monitor and report trading by designated persons and their immediate relatives and code for practices and procedures for fair disclosure of Unpublished Price Sensitive Information (UPSI) as per the requirement under SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct aims that the insiders of the Company shall not derive any benefit or assist others to derive any benefit from the access to and possession of UPSI about the Company which is not in the public domain and thus constitutes insider information.

The Code of Conduct as approved by the Board has been posted on the website of the Company, i.e., www.ircon.org under the head Codes and Policies in the Investor Relations section.

RISK MANAGEMENT

The Company has an elaborate Enterprise Risk Management (ERM) framework, including risk management policy for risk identification and its mitigation.

As per the LODR Regulations, the Company is having a Board level Risk Management Committee, which, as on March 31, 2026, comprised of Director (Works) as Chairman, Director (Finance), Director (Projects), and Shri Thangavel Varadharajan, Independent Director as members. Details of the Risk Management Committee are provided in the Corporate Governance Report.

The Details of the Risk Management System are provided in the Management Discussion and Analysis Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM AND VIGILANCE ACTIVITIES

Being a Government Company, the Company has a separate Vigilance Department which deals with fraud or suspected fraud involving employees/representatives of suppliers, contractors, consultants, service provider or any other party doing business with the Company. Whistle Blower and Fraud Prevention and Detection Policies have been approved by the Board of Directors and are available on the website of the Company. The Company has in place the necessary vigil mechanism for employees and directors to report to the Management concerns about unethical behavior, actual or suspected fraud, violation of the Company's Code of Conduct or ethics policy and instances of a leak of unpublished price sensitive information. If one raises a concern under this Policy, the complainant will not be at risk of suffering any form of reprisal or retaliation (including discrimination, reprisal, harassment or vengeance) in any manner. No person has been denied access to the Chairman & Managing Director, IRCON or to Chairman of the Audit Committee.

The Vigilance Department plays an advisory role to the top management in matters pertaining to vigilance. It is headed by a full-time Chief Vigilance Officer (CVO)

BOARD'S REPORT

appointed by the Appointments Committee of the Cabinet (ACC) in consultation with Central Vigilance Commission (CVC).

The Department ensures implementation of laid down guidelines/procedures through preventive checks of tenders and contracts, execution of works, and other functions as well as carry out investigations into complaints. During FY 2025-26, the Department has carried out 04 surprise inspection and 03 periodic inspections on high-value projects. Apart from surprise and periodic inspections department has carried out 03 preventive check on tenders floated from the corporate/ project officeand 5 preventive checks of Asset management, CAG report, Audit report & personal file. Chief Technical Examiner's Organization (Technical wing of Central Vigilance Commission) has also carried out inspection & extensive investigation of 02 Project.

Complaints raised against officials and procedures, etc., by various Authorities (such as CVC/Railway Board Vigilance, CBI, Prime Minister's Office, etc.,) and received from other sources were investigated to their logical conclusion.

During FY 2025-26, the Department has received a total of 19 Nos. complaints and 2 complaints were of previous year. Total 17 Nos. complaints were disposed off in the year 2025-26 including that of previous years. Nature of Complaints includes irregularities during tendering, execution of contract, anonymous & pseudonymous complaints and quality related issues. Also steps were taken for closure of Paras raised by the Chief Technical Examiner's Organization (CTEO). In addition, scrutiny of immovable property returns of employees, creating awareness on rules/procedures/common irregularities in execution through workshops, training, debate, competitions, etc., have been the prime activities of the Department.

As a step towards 'Leveraging of Technology' for better transparency, online services are efficiently running since years viz, submission of immovable Property Returns (since 2012-13); online Vigilance Clearance (since April 1, 2014 through the intranet portal); and filing of vigilance complaints since December 2012.

IRCON has adopted Integrity Pact (IP) as recommended by the Central Vigilance Commission (CVC) on June 24, 2014, for tenders/contract for works and supply with an estimated value of ₹5 Crore and above on all Indian Projects. The Integrity Pact is made a compulsory document in the conditions of model e-Procurement Documents for all works.

As per the provision of Integrity Pact and relevant guidelines of Central Vigilance Commission, presently Shri Virendra Kumar Saksena, retired IRS, Lt. General Harsha Gupta and Shri Madhusudan Prasad, retired IAS are three nominated IEMs to receive any complaints from the bidders and submit the investigation report.

Vigilance strives to achieve its objective of promoting an impartial, fearless, and transparent environment in the functioning of the organization by taking steps to prevent unethical practices.

RELATED PARTY TRANSACTIONS

Pursuant to the provisions of Section 177 and 188 of the Companies Act, 2013 (the Act) and LODR Regulations, prior approval of the related party transactions wherever applicable are taken from the Audit Committee / Board as applicable. Prior omnibus approval of the Audit Committee is also obtained on yearly basis for various Related Party Transactions between IRCON or any of its subsidiaries on one hand and a related party of the IRCON or any of its subsidiaries on the other hand in the ordinary course of business and on arm's length basis valuing not exceeding ₹1 Crore for each contract / agreement / transaction in a financial year on aggregated basis. The transactions, if any, entered into pursuant to the omnibus approval granted, are placed before the Audit Committee on a quarterly basis. Approval of specific related party transactions other than those covered under the Omnibus approval are also obtained from the Audit Committee/ Board in compliance with the requirement of the Companies Act, 2013 and LODR Regulations.

In pursuance to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, the "Disclosure of particulars of contracts/ arrangements entered by the Company with related parties including certain arms-length transactions" are disclosed in Form AOC-2 and is annexed to this Report.

The Related Party Transaction Policy of the Company as approved by the Board is uploaded on the website of the Company, i.e., www.ircon.org under the head Codes and Policies in the Investor Relations section.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

i) that in the preparation of the financial statements, the applicable accounting standards had been followed except as otherwise stated in the annual financial statements and there has been no material departure;

ii) that such accounting policies were selected and applied consistently and such judgments and estimates were made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended on March 31, 2026, and of the profit of the Company for the FY 2025-26;

iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv) that the financial statements have been prepared on a going concern basis;

v) that internal financial controls were adequate and operating effectively; and

BOARD'S REPORT

vi) that proper system has been devised to ensure compliances with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The "Business Responsibility and Sustainability Report" (BRSR) in compliance with the provisions of Regulation 34 of the LODR Regulations, in the format prescribed by SEBI forms part of the Report. The report describes the initiatives taken by IRCON from an environmental, social and governance perspective.

AUDITORS

STATUTORY AUDITORS

The Comptroller & Auditor General of India (C&AG) has appointed M/s Ramesh C Agrawal & Co., Chartered Accountants, New Delhi (Firm Registration No. 001770C) as the single Statutory Auditors of the Company, for FY 2025-26, except for the following foreign projects for which C&AG has approved the appointment of the following as statutory auditors:

BRANCH AUDITORS FOR INTERNATIONAL PROJECTS	
Mr. Kerbal Athmane	Algeria Project
M/s Jayasinghe & Co.	Sri Lanka Project
M/s K M Alam & Co.	Bangladesh Project
M/s MyAsia Consulting Co. Ltd.	Myanmar Project

COST AUDITORS

In pursuant to the provisions of Section 148 of the Companies Act, 2013 and rules made thereunder, the Company has maintained the cost records of the Company. The Board of Directors has appointed M/s Bandyopadhyaya Bhaumik & Co., Cost Accountants, (having firm Registration No. 000041) as Cost Auditor of the Company for the FY 2025-26 for conducting the audit of cost records.

SECRETARIAL AUDITORS

In pursuant to the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of the LODR Regulations, the Members of the Company has appointed M/s VAP & Associates, a Peer reviewed Practicing Company Secretaries Firm (FRN:P2023UP098500), as the Secretarial Auditors for conducting Secretarial Audit of the Company for a term of five consecutive years i.e. from financial year 2025-26 to financial year 2029-30.

INTERNAL AUDITORS

The Board of Directors have appointed following Internal Auditors for the Indian & Foreign Projects for the FY 2025-26.

Sl. No.	Region / Audit Circles	Internal Auditors
1.	Corporate Office Region (including Closed Foreign Project & Algeria Project)	M/s HDSG & Associates, Chartered Accountants
2.	Northern Region	M/s HDSG & Associates, Chartered Accountants
3.	Eastern Region (including foreign projects viz. Myanmar Road Project, Khulna Mongla Port Rail line Bangladesh)	M/s Biswas Dasgupta Datta & Roy, Chartered Accountants
4.	Mumbai Region (including Foreign Project viz. Upgradation of Railway Line, Maho to Omanthai, Sri Lanka)	M/s S C Mehra & Associates LLP, Chartered Accountants
5.	Patna Region	M/s R. N. Singh & Co., Chartered Accountants
6.	J & K Region	M/s Dharam Raj & Co, Chartered Accountants

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

IRCON is engaged in the business of providing infrastructure facilities and is exempted from compliance with all the provisions of Section 186 [except sub-section (1) to Section 186] in terms of Section 186(11)(a) read with Schedule VI of the Companies Act, 2013.

The details of investments made, loans granted, and guarantees extended by the Company to its subsidiary and joint venture companies during the FY 2025-26 forms part of the notes to the standalone financial statements provided in the Annual Report.

DEPOSITS

The Company did not accept any deposits from the public during the financial year.

OTHER DISCLOSURES

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) and 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as at March 31, 2026 is placed on the website of the Company at www.ircon.org, under the Investor Relations section.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company has complied with the provisions relating to the Investor Education and Protection Fund (IEPF) under the Companies Act, 2013 and the rules made thereunder. Mrs. Pratibha Aggarwal, Company Secretary is the nodal officer and Mrs. Pooja Gurwala, Joint General Manager (Company Affairs) is the deputy nodal officer to deal with the IEPF Authorities and compliances related thereto.

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 ('the Act') all unpaid and unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF')

BOARD'S REPORT

established by the Central Government, after expiry of 7 years from the date of transfer to unpaid dividend account. The details of such unpaid / unclaimed dividend are regularly updated on the website of Company.

Further, as per the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and subsequent amendment thereto ('the Rules'), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority.

Accordingly, Unclaimed Dividend and Underlying Shares thereunder pertaining to Interim Dividend for FY2018-19 were transferred to IEPF Authority in March, 2026. The details of such Shareholders is available on the website of the company www.ircon.org

Shareholders whose Dividend is unclaimed/unpaid from the FY 2018-19 (final dividend) onwards is available on the website of the company www.ircon.org

SECRETARIAL STANDARDS

During the financial year, the Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No order has been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future during the FY 2025-26.

DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 during the FY 2025-26 which will have material impact on the business of the Company.

CHANGE IN THE NATURE OF BUSINESS

There was no material change in the nature of business of the Company during the FY 2025-26.

SECRETARIAL AUDIT REPORT AND MANAGEMENT RESPONSE THERETO

The "Secretarial Audit Report" from the secretarial auditor in Form MR-3 as required under Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report.

The Management Response on the qualification in the Secretarial Auditor Report and compliance of conditions of Corporate Governance for the FY 2025-26 forms part of this report.

STATUTORY AUDITORS' REPORT AND C&AG COMMENTS

The reports of the Statutory Auditors on the Financial Statements for FY 2025-26 (both on standalone and consolidated financial statements) are attached separately as part of the Annual Report. There are no qualifications, reservations or adverse remarks made by M/s Ramesh C Agrawal & Co., Chartered Accountants, Statutory Auditors, in their report for the financial year ended on March 31, 2026.

The C&AG has undertaken supplementary audit on the accounts of the Company for the year ended 31st March, 2026 under Section 139(5) of the Companies Act, 2013. The comments of the C&AG on the Annual Accounts of the Company for the year ended 31st March, 2026 along with management reply, if any, will forms part of this report as and when received.

REPORTING OF FRAUDS BY AUDITORS

During the FY 2025-26, no fraud has been reported by the auditors of the Company under sub-section (12) of Section 143 of the Companies Act, 2013.

ACKNOWLEDGEMENT

The Directors of the Company would like to extend their heartfelt gratitude and acknowledgement for the invaluable assistance and cooperation received from various Ministries such as Railways, Road Transport and Highways (MoRTH), External Affairs, Finance, Commerce, Urban Development, as well as other ministries, departments, and agencies. We are also grateful for the support received from the office of Comptroller & Auditor General of India, Reserve Bank of India, Bankers, Statutory, Branch, Cost, Secretarial & Internal Auditors, of the Company, Indian Embassies & Missions abroad, Foreign Missions & Embassies in India, EXIM Bank, ECGC Limited, Protector of Immigration, Passport Authority, and our esteemed clients both within India and overseas as without their active support, the Company would not have achieved its milestones during the year under review.

We would like to express our sincere appreciation to all the dedicated employees of the Company at every level. Their unwavering efforts, dedication, sincerity and commitment have significantly contributed to achieving the highest ever performance of the Company.

For and on behalf of the Board of Directors

Sd/-
(Saleem Ahmad)
Chairman & Managing Director & CEO
(DIN: 10119432)

Date: August 25, 2026
Place: New Delhi

BOARD'S REPORT

APPENDIX-A

ON-GOING MAJOR PROJECTS IN INDIA

Sl. No.	Name of the Project	Contract Value (in ₹ Crore)
	RAILWAYS	
1.	Sivok-Rangpo New Rail Line project, for North Frontier Railway	12,428
2.	Mumbai Ahmedabad High Speed Rail Project, Package MAHSR-T-2 for National High Speed Rail Corporation Limited (NHSRCL)	5,044
3.	Construction of Corridor-III of East-West Corridor between Gevra Road to Pendra Road approximately 135 km, feasibility study of East-West Corridor between Gevra Road to Pendra Road in the State of Chhattisgarh, for Chhattisgarh East-West Railway Limited (CEWRL)	4,562
4.	Construction of Corridor-I of East Corridor between Kharsia to Dharamjaygarh and Spur Line in the State of Chhattisgarh, for Chhattisgarh East Railway Limited (CERL)	1,970
5.	Construction of New BG Electrified Rail Line between Dharamjaigarh to Korba (Urga) for CERL (CERL-II)	1,042
6.	Doubling projects at Katni – Singrauli Doubling Project, for West Central Railway	4,239
7.	Design and Construction of Civil and Building Works including Testing and Commissioning on Design Build Lump Sum Price Basis for Double Line High Speed Railway involving Ahmedabad Station, Sabarmati Station, Viaduct & Bridges, Crossing Bridges (excluding fabrication and transportation of Steel truss girders) and Associated works between MAHSR Km. 489.467 and MAHSR Km. 507.599 in the State of Gujarat for the Project for Construction of Mumbai-Ahmedabad High Speed Rail (Package No. MAHSR C-7), for NHSRCL	1,746
8.	RDUM-TAL-RJO (Rampur Dumra – Tal – Rajendrapul Doubling including Ganga Bridge) Doubling projects for East Central Railway	2,106
9.	Katni Grade Separator / By pass line (21.50 Km) Project, for West Central Railway	1,490
10.	Survey, Feasibility study, Detailed Design and Construction of various identified Rail Coal Connectivity Project(s), for Jharkhand Central Railway Limited (JCRL)	1,517
11.	Kottavalasa-Koraput Doubling Project: Execution of Earth-work in formation, blanketing, Minor bridges, drains, Barricading, Protection works, Construction of Major Bridges No.164 (1×18.3 +1×24.40 + 2×30.50m CG), Br. No.169 (1×30.05m CG) Br. No.176 (1×30.05m CG), Br. No.197A (1×30.50m CG), Br. No. 198 (2×24.40m CG), Br.No. 267 (1×18.30 + 2×30.50m CG), Construction of Tunnel No.T8&T9 (710m), T9A (490m), T9B(500m), T10(720m), T11(730m), T12&T13 (1080m), T14(620m), T15(380m), T16(750m), T17 (580m), T17A(580m), T18,T19,T20(1420m), T21 to T27 (4220m), T28(360m), T29 to T36 (5210m), T37,T38,T38A(1360m) and T38B (350m) including Open/Underground excavation, rock bolts and other steel supports, shotcrete, concrete works, drainage works, Execution of Ballast Less track Works and supply, erection, testing for commissioning of E&M works etc, from Km. 45.483 to Km. 72.550 from Shivalingapuram Station to Borraguhalu Station in connection with Kottavalasa Koraput Doubling Project of Waltair Division, East Coast Railway	611
12.	Construction of New BG Rail Bridge (1×32.086m Open Web Steel Girder + 33×122.0 m Open Web Steel Girder + 1×32.086m Open Web Steel Girder) with Substructure of Double line Track and Superstructure of Single line track across River Ganga between Bikramshila and Katareah Stations on New Railway Line Project of East Central Railway	1,068
13.	Construction of Tunnel T1 from Chainage Km 33+160 To Km 34+400 And Tunnel 2 From Chainage Km 57+400 To Km 66+040 With Ballast Less Track and Works Related to Formation on Approaches of Such Tunnels in Connection with Construction of Electrified New BG Railway Line Between Mangliyagaon (Indore) to Budni Stations (198 Kms) of Ratlam Division and Bhopal Division of Western Railway and West Central Railway Respectively in Madhya Pradesh State, India	611
14.	Package – 1C: Construction of roadbed, minor bridges, buildings, installation of track (excluding supply of rails, sleeper & thick web switches), and other civil engineering and general electrical works in connection with new BG railway line between Pipaliya Nankar (excl.) – Budni (incl.) stations (chainages 129.000 – 198.000 km) in Indore-Budni section of Bhopal division West Central Railway in Madhya Pradesh state, India	448

BOARD'S REPORT

Sl. No.	Name of the Project	Contract Value (in ₹ Crore)
	ROADS	
1.	Construction of Eight Lane Access Controlled Expressway from Km 69.800 to Km 79.783 (Bhoj to Morbe Section-SPUR of Vadodara Mumbai Expressway) in the State of Maharashtra on Hybrid Annuity mode under Bharatmala Pariyojana (Phase-II- Package-XVII), for National Highways Authority of India (NHAI)	1,596
2.	Construction of Eight Lane access-controlled Expressway from Km 3.000 to Km 20.200 (Shirsad to Akloli Section-SPUR of Vadodara Mumbai Expressway) in the state of Maharashtra on Hybrid Annuity Mode under Bharatmala Pariyojana (Phase II-Package XIV), for NHAI	1,245
3.	Construction of Four/ Six lane Greenfield Ludhiana- Rupnagar National Highway no. NH- 205K from junction with NE-5 village near Manewal (Ludhiana) to junction with NH-205 near Bheora Village (Rupnagar) including spur to Kharar with Ludhiana Bypass under Bharatmala Pariyojana in the State of Punjab on Hybrid Annuity Mode: Package-3 (Design Ch. 66.440 to Design Ch. 90.500 and spur to Kharar Design Ch. 0.000 to Design Ch. 19.200, total length 43.26 km), for NHAI	1,153
4.	Upgradation of Gurgaon-Pataudi-Rewari Section of NH-352W as feeder route in the State of Haryana on Hybrid Annuity Mode for NHAI	1,019
5.	Upgradation and Four Laning of Haridwar Bypass Package-1 From Km. 0+000 (Km 188+100 of NH-58) to Km. 15+100 (Km 5+100 of NH 74) in the state of Uttarakhand on Hybrid Annuity Mode, for NHAI	911
	OTHERS	
1	Setting up of 500 MW Grid Connected Solar PV Power Projects in India (Tranche III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for Indian Renewable Energy Development Agency Limited (IREDA)	1,960
2	Two projects viz. Design, Supply, Installation, Testing and Commissioning of receiving Sub Stations [including 25 kVAC Traction cum 33 kVAuxiliary Main Sub Stations], Extra High Voltage & High Voltage Cabling, 25 kV Overhead Equipment (FOCS/ROCS), Auxiliary Power Supply [including Auxiliary Sub Station], and Associated Works on via duct & Tunnel from Duhai (EPE) to Modipuram [including Modipuram Depot] for Delhi-Ghaziabad-Meerut RRTS Corridor of National Capital Region Transport Corporation (NCRTC) (Lot-P19 L1 and Lot-P19 L2) for NCRTC	848
3	Railway Elecrification works for Badarpur- Jiribam, Katakhal – Bhairabi and Badapur- Karimgang – Sabroom Incl Karimgang – Maishasan, Agartala – Akaura and Baraigram – Dullabachera for North Frontier Railway	842
4	Construction of Twin Tube Uni-directional Aizawl Bypass Tunnel of 2.5 km and its approaches of 2.1 km from km 10.600 to km 15.200 (Package-2) on Sairang – Phaibawk section of NH-6 in the State of Mizoram on EPC Mode	631
5	Railway Electrification works Lumding – Dibrugarh via Tinsukia and Simaluguri – Dibrugarh	828
6	Railway Electrification for the works of NJP-New Mal-Alipurduar-Samukata Rd. and Alipurduar-New Coochbehar incl. New Mal Jn-Chngrabandha New MalJn-Changrabandha-New Coochbehar, New Coochbehar-Fakiragram-Dhubri	750
7	Design, Manufacture, Supply, Installation, Integration, Testing and Commissioning of Power Supply and Traction, E & M, Lifts & Escalators including 5 Years of Comprehensive Maintenance after 2 Years of Defect Liability Maintenance Period of Line 6 [Swami Samarth Nagar to Vikhroli (EEH)] of Mumbai Metro Rail Project of MMRDA	566
8	Construction of Eklavya model Residential school at eight different locations in the state of Meghalaya on Design, Engineering, Procurement and Construction (EPC) basis (Package-II)	433

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APPENDIX – B

A. SUBSIDIARY COMPANIES:

1. IRCON INFRASTRUCTURE & SERVICES LIMITED (IrconISL)

Ircon Shivpuri Guna Tollway Limited (IrconSGTL), a wholly owned subsidiary of Ircon International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 12 May 2015 for implementation of the four-laning of the Shivpuri–Guna section of NH-3 from Km 236.000 to Km 332.100, in the State of Madhya Pradesh, having a total length of 97.70 km, on a Build, Operate and Transfer (BOT) (Toll) basis.

The Company entered into a Concession Agreement with the National Highways Authority of India (NHAI) on 15 June 2015. The concession period is 20 years from the Appointed Date, with a total project cost of ₹872.11 crore. The project achieved financial closure through a debt-equity ratio of 77:23.

The project was executed in two stages. Construction of both stages has been completed, with toll collection for Stage-I commencing in June 2018. The Completion Certificate for the entire project was issued by NHAI in May 2024, following which toll collection commenced over the entire project length of 97.70 km.

During FY 2025–26, IrconSGTL recorded a total turnover of ₹173.33 crore. The Company is presently engaged in the operation and maintenance of the project highway and collection of toll revenue in accordance with the provisions of the Concession Agreement.

2. IRCON PB TOLLWAY LIMITED (IrconPBTL)

Ircon PB Tollway Limited (IrconPBTL), a wholly owned subsidiary of IRCON International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 30 September 2014 for implementation of the widening and strengthening of the Bikaner–Phalodi section of NH-15 in the State of Rajasthan, comprising four-laning from Km 4.200 to Km 55.250 and two-laning with paved shoulders from Km 55.250 to Km 163.500, having a total length of 159.17 km, on a Build, Operate and Transfer (BOT) (Toll) basis.

The Company entered into a Concession Agreement with the National Highways Authority of India (NHAI) on 7 November 2014. The concession period is 26 years from the Appointed Date, with a total project cost of ₹844.00 crore. The project was financed by IRCON in the form of debt and equity with no external borrowings. The Completion Certificate for the entire project was issued by NHAI in September 2023,

During FY 2025–26, IrconPBTL recorded a total turnover of ₹35.30 crore. The Company is presently engaged in the operation and maintenance of the project highway and collection of toll revenue in accordance with the provisions of the Concession Agreement.

3. IRCON DAVANAGERE HAVERI HIGHWAY LIMITED (IrconDHHL)

Ircon Davanagere Haveri Highway Limited (IrconDHHL), a wholly owned subsidiary of IRCON International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 11 May 2017 for implementation of the Six-Laning of the Davanagere–Haveri section of NH-48 (Old NH-4) from Km 260.000 to Km 338.923 in the State of Karnataka, having a total length of 78.923 km, on Hybrid Annuity Mode (HAM) under Design, Build, Finance, Operate and Transfer (DBFOT) basis under NHDP Phase-V.

The Company entered into a Concession Agreement with the National Highways Authority of India (NHAI) on 19 June 2017. The concession period comprises a construction period of 912 days (30 months) from the Appointed Date and an operation and maintenance period of 15 years commencing from the Provisional Completion Certificate (PCC). The total bid project cost is ₹1,177 crore, plus escalation and Operation & Maintenance (O&M) cost of ₹10.00 crore per annum. The project was financed with a debt-equity ratio of 70:30, with debt funding from Punjab National Bank.

The Independent Engineer issued the Provisional Completion Certificate (PCC) in May 2021 for 71.738 km of the project. Construction of 6.295 km out of the balance 7.185 km has been substantially completed, while the remaining works are expected to be completed upon availability of encumbrance-free land. Also, the Company is presently engaged in the operation and maintenance of the 71.738 km of the project highway and receipt of annuity and O&M payments under the Concession Agreement.

During FY 2025–26, IrconDHHL recorded a total turnover of ₹93.58 crore.

4. IRCON VADODARA KIM EXPRESSWAY LIMITED (IrconVKEL)

Ircon Vadodara Kim Expressway Limited (IrconVKEL), a wholly owned subsidiary of IRCON International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 16 May 2018 for development, operation and maintenance of the Eight-Lane Vadodara–Kim Expressway (Sanpa to Padra Section of Vadodara–Mumbai Expressway) from Km 323.000 to Km 355.000 in the State of Gujarat, having a total length of 32 km, on Hybrid Annuity Mode (HAM) under Design, Build, Finance, Operate and Transfer (DBFOT) basis.

The Company entered into a Concession Agreement with NHAI on 25 May 2018. The concession period comprises a construction period of 730 days from the Appointed Date and an operation period of 15 years commencing from the Commercial Operation Date (COD). The original bid project cost was ₹1,865 crore, subsequently revised to ₹2,153.99 crore, plus escalation and O&M cost of ₹8.16 crore per annum. The project was financed with a debt-equity ratio of 80:20, with debt funding from Bank of Baroda.

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The Final Completion Certificate for the project was issued by NHAI in January 2024. The Company is presently engaged in the operation and maintenance of the project highway and receipt of annuity and O&M payments under the Concession Agreement.

During FY 2025–26, IrconVKEL recorded a total turnover of ₹120.77 crore.

5. **IRCON GURGAON REWARI HIGHWAY LIMITED (IrconGRHL)**

Ircon Gurgaon Rewari Highway Limited (IrconGRHL), a wholly owned subsidiary of IRCON International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 24 December 2020 for implementation of the upgradation of the Gurgaon–Pataudi–Rewari section of NH-352W from Km 0.000 to Km 43.870 (design length 46.11 km) as a feeder route under Bharatmala Pariyojana on Hybrid Annuity Mode (HAM) in the State of Haryana.

The Company entered into a Concession Agreement with NHAI on 20 January 2021. The concession period comprises a construction period of 730 days from the Appointed Date and an operation period of 15 years commencing from the Commercial Operation Date (COD). The total bid project cost is ₹900 crore, plus escalation and O&M cost of ₹2.47 crore per annum. The project was financed with a debt-equity ratio of 75:25, with debt funding from Indian Overseas Bank.

The project is presently under execution and is expected to be completed during FY 2026–27.

During FY 2025–26, IrconGRHL recorded a total turnover of ₹201.63 crore.

6. **IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED (IrconASEL)**

Ircon Akloli-Shirsad Expressway Limited (IrconASEL), a wholly owned subsidiary of IRCON International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 23 December 2021 for construction of the Eight-Lane Access Controlled Expressway from Km 3.000 to Km 20.200 (Shirsad–Akloli Section – Spur of Vadodara–Mumbai Expressway) in the State of Maharashtra, having a total length of 17.20 km, under Bharatmala Pariyojana (Phase-II, Package XIV) on Hybrid Annuity Mode (HAM).

The Company entered into a Concession Agreement with NHAI on 27 January 2022. The concession period comprises a construction period of 548 days from the Appointed Date and an operation period of 15 years commencing from the Commercial Operation Date (COD). The total bid project cost is ₹1,124 crore, plus escalation and O&M cost of ₹3.00 crore per annum. The project was financed with a debt-equity ratio of 80:20, with debt funding from Bank of Baroda.

The project is substantially complete. The NHAI Headquarters Committee has recommended issuance of the Provisional Completion Certificate (PCC) with effect from 15 April 2026, which is presently under approval at NHAI Headquarters.

During FY 2025–26, IrconASEL recorded a total turnover of ₹415.22 crore.

7. **IRCON LUDHIANA RUPNAGAR HIGHWAY LIMITED (IrconLRHL)**

Ircon Ludhiana Rupnagar Highway Limited (IrconLRHL), a wholly owned subsidiary of IRCON International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 24 December 2021 for construction of the Four/Six-Lane Greenfield Ludhiana–Rupnagar National Highway (NH-205K) from near Manewal (Ludhiana) to near Bheora Village (Rupnagar), including Spur to Kharar, in the State of Punjab, having a total project length of 43.26 km, under Bharatmala Pariyojana on Hybrid Annuity Mode (HAM).

The Company entered into a Concession Agreement with NHAI on 25 March 2022. The concession period comprises a construction period of 730 days from the Appointed Date and an operation period of 15 years commencing from the Commercial Operation Date (COD). The total bid project cost is ₹1,107 crore, plus escalation and O&M cost of ₹3.00 crore per annum. The project was financed with a debt-equity ratio of 80:20, with debt funding from Bank of Baroda.

The project is presently under execution and is expected to be completed during FY 2026–27.

During FY 2025–26, IrconLRHL recorded a total turnover of ₹99.54 crore.

8. **IRCON BHOJ MORBE EXPRESSWAY LIMITED (IrconBMEL)**

Ircon Bhoj Morbe Expressway Limited (IrconBMEL), a wholly owned subsidiary of IRCON International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 6 January 2022 for construction of the Eight-Lane Access Controlled Expressway from Km 69.800 to Km 79.783 (Bhoj–Morbe Section – Spur of Vadodara–Mumbai Expressway) in the State of Maharashtra, having a total length of 9.983 km, under Bharatmala Pariyojana (Phase-II, Package XVII) on Hybrid Annuity Mode (HAM).

The Company entered into a Concession Agreement with NHAI on 18 February 2022. The concession period comprises a construction period of 910 days from the Appointed Date and an operation period of 15 years commencing from the Commercial Operation Date (COD). The total bid project cost is ₹1,436 crore, plus escalation and O&M cost of ₹3.00 crore per annum. The project was financed with a debt-equity ratio of 80:20, with debt funding from Bank of Baroda.

The project is presently under execution and is expected to be completed by the end of FY 2026–27.

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During FY 2025-26, IrconBMEL recorded a total turnover of ₹305.51 crore.

9. IRCON HARIDWAR BYPASS LIMITED (IrconHBL)

Ircon Haridwar Bypass Limited (IrconHBL), a wholly owned subsidiary of IRCON International Limited, was incorporated as a Special Purpose Vehicle (SPV) on 13 January 2022 for implementation of the upgradation and four-laning of Haridwar Bypass Package-I from Km 0.000 (Km 188.100 of NH-58) to Km 15.100 (Km 5.100 of NH-74) in the State of Uttarakhand, having a total length of 15.10 km, on Hybrid Annuity Mode (HAM).

The Company entered into a Concession Agreement with NHAI on 8 March 2022. The concession period comprises a construction period of 730 days from the Appointed Date and an operation period of 15 years commencing from the Commercial Operation Date (COD). The total bid project cost is ₹861 crore, plus escalation and O&M cost of ₹2.00 crore per annum. The project was financed with a debt-equity ratio of 80:20, with debt funding from the State Bank of India.

The project is presently under execution and is expected to be completed during FY 2026-27.

During FY 2025-26, IrconHBL recorded a total turnover of ₹139.98 crore.

10. IRCON INFRASTRUCTURE & SERVICES LIMITED (IrconISL)

IrconISL, a wholly owned subsidiary of IRCON, was incorporated on September 30, 2009 with main objective to undertake infrastructure projects including planning, designing, development, improvement etc. in the field of construction of Multi- Functional Complexes (MFCs) etc., to provide facilities and amenities to users of Indian Railway System; and to /properties, to provide consultancy for all kinds of engineering projects including providing maintenance, support and all kinds of services including social welfare measures, etc.

The Company has constructed 24 MFCs at 23 locations as per the lease agreement Warm shells structures were constructed by investing ₹100 Crore by IRCON. MFCs have been sub-leased to third parties through open tender system. Presently, 14 MFCs are operational and 7 MFCs have been terminated due to non-payment of dues by the concessionaires which shall be retendered on eviction of terminated concessionaire. 3 small-size MFCs have been returned to RLDA being financially unviable.

During the FY 2025-26, IrconISL has secured 02 new projects (i) Consultancy contract related DPR, DE and PMC work for railway siding at Vindhyachal Super Thermal Power Station from NTPC (ii) Engagement of Consultant for Detailed Engineering and Project Supervision for Construction of sick line shed, which includes the PEB Shed, 2Nos Electric overhead Travelling-EOT-Crane, Building work, track work, CC pavement work, Solar Plant Capacity 150KWp and other ancillary work at ICD Khodiyar, Ahmedabad from CONCOR.

As on 31.03.2026, the order book excluding MFCs position was ₹184 Crore approximately.

During FY 2025-26, IrconISL recorded total turnover of ₹85.66 Crore.

11. IRCON RENEWABLE POWER LIMITED (IRPL)

IRPL, a subsidiary of IRCON was incorporated on January 13, 2022 and obtained the certificate of commencement of business on February 24, 2022. IRPL is incorporated as a joint venture (JV) and Special Purpose Vehicle (JV-SPV) with equity participation by IRCON and Ayana Renewable Power Private Limited (Ayana) in the ratio 76:24, respectively. The main object of IRPL is "Setting up of 500 MW Grid Connected Solar Power Plant under the Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)" floated by Indian Renewable Energy Development Authority (IREDA) ("the Project"). IRCON and Ayana has entered into Share Subscription and Shareholders' Agreement (SSHA) on December 13, 2021.

The total project cost is ₹2801.10 Crore. The final Viability Gap Funding (VGF) amount for the Project is ₹44,94,000 per MW calculated in total to ₹224.70 Crore, which is to be released in two tranches by IREDA i.e. (a) 50% on award of contract to the EPC Contractor (including in-house EPC Division) by the bidder (IRCON), for which EPC Contract has been executed with KEC International on December 16, 2022 & VGF was received on 05.09.2023 and (b) the balance 50% on successful commissioning of the full capacity of the Project.

The Project envisages use of Domestic Content Requirement (DCR) compliant solar cells and solar modules manufactured in India, so as to promote Indian solar industry and to implement Make-in-India initiative.

The detailed design works have been completed and all the long lead items are delivered at site. The erection of Solar Modules are under full swing and ~90% Solar Modules have already been installed at site. Cumulatively part capacity of 400 MW out of 500 MW has already been connected & synchronized with the Southern Grid for sale of power to South Western Railway. The balance capacity is targeted to be connected shortly.

During FY 2025-2026, IRPL recorded total turnover of ₹112.88 Crore.

B. JOINT VENTURE COMPANIES:

1. IRCON-SOMA TOLLWAY PRIVATE LIMITED (ISTPL)

ISTPL, a Joint Venture Company promoted by Ircon International Limited (IRCON) and Soma Enterprise Limited (SOMA), a private sector Company, was incorporated on April 19, 2005. The main objective of the Company was to undertake Improvement,

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Operation & Maintenance, Rehabilitation and Strengthening of existing 2 Lane road and widening to 4 Lane divided carriageway on National Highway 3 (NH3) from Km 261+720 to Km379+878 on Build, Operate and Transfer basis in the State of Maharashtra.

The project was completed in 2010-11 and since April, 2010 the Company is collecting toll from entire project stretch of 118.158 km. The concession period of 20 years was to originally expire on March 26, 2026, however, extensions of 25 days on account of COVID-19 and 23.263 days on account of demonetization have been granted by NHAI, revising the concession period to expire on May 14, 2026.

As on 31st March 2026, IRCON was holding 50% and SPPL (SRCC Projects Private Limited) (SPPL- an associate of SOMA), was holding 50% equity shares (including one share with SOMA), in ISTPL.

During FY 2025-26, ISTPL recorded total Income of ₹40,382.92 Lakhs and PAT of ₹22,257.13 Lakhs.

The project has been handed over back to NHAI on May 14, 2026.

2. INDIAN RAILWAY STATIONS DEVELOPMENT CORPORATION LIMITED (IRSDC)

IRSDC, a Joint Venture company with equity participation held by RLDA, IRCON and RITES in the ratio of 50:26:24, respectively, was incorporated on April 12, 2012. IRSDC had obtained the certificate of commencement of business on May 09, 2012. The main object of IRSDC was to develop / re-develop the existing / new railway station(s) with enhanced level of passenger amenities through new constructions / renovations including re-development of existing station buildings, platform surfaces, circulating area, etc.

Ministry of Railways, vide its letter dated October 18, 2021, had 'in-principle' decided for closure of IRSDC and to initiate the procedural formalities thereto.

Based on MoR directives, all continuing contracts/ Agreements for stations under progress/planning were novated/ transferred to Rail Land Development Authority (RLDA) and all five Stations Facility Management (i.e Pune, Anand Vihar, Chandigarh, Secunderabad and Bangaluru) stand handed over to respective Zonal Railways. As part of the closure activities, all assets and liabilities of IRSDC [other than its investments/SFM] were transferred to RLDA on slump sale basis (concluded in September 2025). Financial statements of IRSDC are being prepared on liquidation basis.

Board of Directors of IRSDC in their 67th Board Meeting and Shareholders in the Extraordinary General Meeting of the Company held on 05.05.2026 respectively, passed the resolution approving the Voluntary Liquidation of IRSDC & appointment of Liquidator, followed by requisite approval of Creditors and Liquidation has commenced. During July 2026, the Liquidator made an interim distribution to the shareholders, pursuant to which the IRCON received ₹52.00 crore. The voluntary liquidation process of IRSDC is continuing and the remaining assets and liabilities are under realization/ settlement by the Liquidator.

3. CHHATTISGARH EAST RAILWAY LIMITED (CERL)

Chhattisgarh East Railway Limited (CERL) was incorporated on 12.03.2013. It is joint venture of South Eastern Coalfields Limited (SECL – 64%), IRCON International Limited (IRCON-26%) and CSIDCL (nominated by Government of Chhattisgarh – 10%). A Project Execution Agreement was signed between CERL and IRCON on 18.01.2014 to carry out the execution of the Project. The East Rail Corridor is being constructed in two phases:

CERL Phase-I: Kharsia to Dharamjaygarh and with a Spur to connect mines of Gare Pelma Block and three feeder lines (approx 124.80 kms). About 100 kms have been commissioned.

CERL Phase-II: Dharamjaygarh to Korba (approx 62 km).

The concession period of the project is 30 years from the appointed date including construction period. The Shareholder Agreement between SECL, IRCON and CSIDC was executed.

CERL Phase- I project cost is ₹3798.06 Crore funded in debt: equity ratio of 80:20. The equity portion has been tied up by the IRCON and some portion of equity is in the process of tying up with SECL Board. The debt portion of the project has been financed by Power Finance Corporation upto ₹2725.67 Crore. The remaining portion is in the process of being tied up with Power Finance Corporation and shall be taken up upon approval of remaining equity portion from SECL. The phase is 80% operational and the remaining 20% still under construction and is expected to be completed by March 2027.

CERL Phase-II project is ₹2438.53 Crore funded in debt: equity ratio of 80:20. The equity portion has been tied up by the IRCON and some portion of equity is in the process of tying up with SECL Board. The debt portion of the project has been financed by Central Bank of India upto an amount of ₹1349.00 Crore. The remaining portion is in the process of being tied up with existing lender and shall be taken up upon approval of remaining equity portion from SECL. The phase is still under construction and is expected to be completed by June 2027.

Highlights of Performance:

During the fiscal year 2025-26, the operational part of Phase-I of the project has earned ₹172.19 Crore which is a significant increase from ₹109.38 Crore from fiscal year 2024-25.

During the fiscal year 2025-26, the company achieved a significant increase in loading of rakes

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which increased to 3487 rakes in the fiscal year 2025-26 when compared to 2584 rakes in FY 2024-25.

4. CHHATTISGARH EAST-WEST RAILWAY LIMITED (CEWRL)

CEWRL, a Joint Venture company with equity participation by South Eastern Coalfields Limited (SECL), IRCON and Chhattisgarh State Industrial Development Corporation Limited (CSIDC) (a nominee of Government of Chhattisgarh) in the ratio of 64:26:10, respectively, was incorporated on March 25, 2013. The main object of CEWRL is development of coal connectivity corridor i.e. East-West Corridor (length 135 Km) in the State of Chhattisgarh. CEWRL had obtained the Certificate for Commencement of Business on May 07, 2013. The concession period of the project is 30 years from the appointed date including construction period of 3 years and 6 months. The Shareholder Agreement between SECL, IRCON and CSIDC was executed on April 09, 2021.

The Project cost amounting to ₹7,448.52 Crore has been approved recently. The project is targeted to be funded at a debt:equity ratio of 80:20. The equity portion has been tied up by all the promoters and debt portion is financed by Power Finance Corporation.

The project is now in an advanced construction phase, with key contracts awarded and rapid execution underway.

5. MAHANADI COAL RAILWAY LIMITED (MCRL)

MCRL, a Joint Venture company with equity participation by Mahanadi Coalfields Limited (MCL), IRCON and Odisha Industrial Infrastructure Development Corporation (OIDCL) (a nominee of Govt. of Odisha) in the ratio of 64:26:10 respectively, was incorporated on August 31, 2015. The main object of MCRL was to build, construct, operate and maintain identified rail corridor projects that are critical for evacuation of coal from mines in the State of Odisha.

The Concession Agreement between MCRL and Ministry of Railways was executed on December 02, 2021.

Angul- Balaram section (14 Km) as MCRL Phase I was commissioned on November 14, 2022 and land acquisition for Phase II (54kms) was underway. Meanwhile, MoR has taken the decision to take over the entire project. Phase I of the project is physically handed over to ECoR on 01.03.2024. Further, vide Railway Board letter dated 12.07.2023, approval was accorded for taking over the construction of the Balram-Putapadia-Tentuloi (MCRL Phase-II) section by Indian Railways.

Discussions are ongoing and the closure activities are expected to be initiated after MoR approval of consideration and other related formalities.

6. JHARKHAND CENTRAL RAILWAY LIMITED (JCRL)

JCRL, a joint venture company with equity participation of Central Coalfields Limited (CCL), IRCON and Government of Jharkhand (GoJ) in the ratio of 64:26:10, respectively, was incorporated on August 31, 2015. The main object of JCRL is the development, construction, operation and maintenance of a broad-gauge electrified rail line between Kathautia to Shivpur in Jharkhand, being a new line rail system from km 0.000 to km 40.085 ("Rail System") under the joint venture model.

The total cost of JCRL Project is ₹2564.34 Crore and is being funded in a debt: equity ratio of 70:30. The equity portion has been tied up by both IRCON and CCL. The debt portion is completely tied up with PNB led-consortium.

The project is under construction and should be able to achieve COD by June 2027.

7. BASTAR RAILWAY PRIVATE LIMITED (BRPL)

BRPL, a joint venture company and was formed to build, construct, operate and maintain the Rowghat-Jagdalpur (via Narayanpur and Kondagaon) new railway line in the State of Chhattisgarh. The shareholding pattern of NMDC, IRCON, SAIL and CMDC was stated as revised to 52:26:12:10, respectively in BRPL.

MoR has provided in-principal approval on February 03, 2023 for taking over the BRPL Project and sought details of the financial and legal liabilities along with legal opinion pertaining to the proposed takeover upon written request from BRPL to Railway Board on October 19, 2022.

The project handover and termination/substitution of the Concession Agreement are currently under consideration by MoR.

CORPORATE GOVERNANCE REPORT

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(SEBI LODR)**, the Companies Act, 2013 **(the Act)** and Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 **(DPE Guidelines)** issued by Department of Public Enterprises **(DPE)**, Ministry of Finance, Government of India. The Report contains details of Corporate Governance systems and processes at Ircon International Limited **(IRCON and/or the Company)**.

DPE vide its letter dated October 12, 2023 has granted the "Navratna" Status to the Company and IRCON is the 15th Navratna CPSE amongst the CPSEs. IRCON got listed on September 28, 2018 and has established a sound framework of Corporate Governance.

Corporate Governance is the application of best management practices, compliance of laws & adherence of ethical standards to achieve the Company's objective of enhancing stakeholders' value and discharging of social responsibility.

We believe that Corporate Governance is about maintaining valuable relationship and trust with all stakeholders with the commitment to maximize their value. Our commitment towards following good Corporate Governance practices is based upon transparency, fairness, conscience, teamwork, professionalism and accountability. This paves the way for following the best standards and building confidence among our stakeholders, which is necessary to achieve our objectives.

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

IRCON believes in promoting the principles of sound Corporate Governance and its essential character is shaped by a high standard of transparency, trust and integrity, performance orientation, responsibility, accountability, professionalism, social responsiveness and ethical business practices. It has always believed in creating a framework of best policies, practices, structures and ethics in the organization. Corporate Governance has indeed been an integral part of the way we have done business for several years. IRCON's team subscribes to the corporate values and imbibes them in their conduct regularly.

The Code of Corporate Governance of the Company is "To Be Professional, Profitable, Transparent, and Accountable with excellence in every sphere of activity of the Company."

The Key Values of the Company formally adopted by the Board of Directors are:

a. Constructive approach

b. Working as a team

c. Excellence in performance

d. Probity in work and dealings

e. Being responsible and accountable

2. BOARD OF DIRECTORS

The Board of Directors is the highest governance body of IRCON. The Board of Directors consists of professionals drawn from diverse fields having rich knowledge and experience in the industry and related sectors for providing strategic guidance and directions to the Company. At IRCON, we believe that the Board of the Company consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions are aligned with the Company's best interests. The Company has defined guidelines and an established framework for the meetings of the Board and its Committees. These guidelines seek to systematize the decision-making process at the meetings of the Board and Committees in an informed and efficient manner.

Pursuant to Section 2(45) of the Companies Act, 2013, IRCON is a 'Government Company' as 65.17% of its paid-up share capital is held by the Central Government/ Government of India **(GoI)** through the President of India and the power to appoint Directors vests with the President of India through Administrative Ministry i.e., Ministry of Railways **(MoR).**

As of March 31, 2026, the Company has Seven directors of which four are whole-time directors [Chairman & Managing Director, Director (Finance), Director (Works) and Director (Projects)], two Government Nominee Directors and One Independent Director.

Since, the Chairman is an Executive Director; therefore, half of the Board should comprise of Independent Directors and as on 31st March 2026 the position of five (5) Independent Directors (including one Woman Independent Director) is vacant. The Company being a Government Company, the power of appointment of Director vests with the Govt. of India. The Company has been continuously requesting the Ministry of Railways for appointment of sufficient no. of Independent Directors to ensure compliance with the provisions of the Act, SEBI (LODR) Regulations, and DPE Guidelines on Corporate Governance related to composition of the Board of IRCON.

CORPORATE GOVERNANCE REPORT

2.1 CATEGORY & NAME OF THE DIRECTORS WITH DESIGNATION AND DIN DURING THE FY 2025-26

Category, Name & Designation	DIN	Appointment or Cessation (during the year, if any)
Whole-time (Functional) Directors – Executive		
Shri Hari Mohan Gupta Chairman & Managing Director and CEO*	08453476	—
Smt. Ragini Advani Director (Finance)	09575213	—
Shri Anand Kumar Singh Director (Projects)	07918656	Ceased to be Director (Projects) w.e.f. December 31, 2025
Shri Parag Verma Director (Works)	05272169	Ceased to be Director (Works) w.e.f. April 30, 2025
Shri N.C. Karmali Director (Works) (additional charge)	09103211	Appointed as Director (Works) on May 9, 2025 and ceased to be Director (Works) w.e.f. May 15, 2025
Shri Ajit Kumar Mishra Director (Works)	11108237	Appointed as Director (Works) on May 15, 2025
Shri Sudhir Singh Director (Projects) (additional charge)	11288339	Appointed as Director (Projects) on January 2, 2026 and ceased to be Director (Projects) w.e.f. February 13, 2026
Shri Rajesh Naik Director (Projects)	11543707	Appointed as Director (Projects) on February 13, 2026
Government Nominee [Part-time (Official)] Directors – Non-Executive		
Shri Anupum Singh	10637375	—
Shri Anand Bhatia	10937265	—
Independent [Part-time (Non-Official)] Director – Non-Executive		
Shri Varadharajan T	08556664	Appointed on May 15, 2025

*Upon attaining the age of superannuation, Shri Hari Mohan Gupta, relinquished the charge of the post of Chairman & Managing Director and CEO w.e.f. June 30, 2026.

Further, pursuant to Order no. 2023/E(O)II/40/15 dated 23rd June 2026 of the Ministry of Railways, Shri Saleem Ahmad (DIN: 10119432) has assumed the additional charge of Chairman & Managing Director and CEO, IRCON w.e.f. July 01, 2026.

Smt. Suman Bala [DIN: 11894015] has been appointed as Independent (Non-official Part-Time) Director w.e.f. August 17, 2026 for a period of three years from the date of order no. 2026/PL/57/16 dated 13th August, 2026 of Ministry of Railways or until further orders, whichever is earlier.

2.2 BOARD COMPOSITION, CATEGORY OF DIRECTORS, DETAILS OF DIRECTORSHIP IN OTHER COMPANIES AND MEMBERSHIP/ CHAIRPERSONSHIP IN BOARD COMMITTEE(S) AS ON MARCH 31, 2026

Sr. No.	Category & Name of Directors	No. & Name of Directorships in Other Companies[1]	No. and Names of the Board Committee(s) in other companies of which director is a Member/ Chairperson[2]	No. of shares held
Functional Directors – Executive				
1	Shri Hari Mohan Gupta	-	-	-
2	Smt. Ragini Advani	**Part-time (Nominee) Director in:** 1. Chhattisgarh East-West Railway Limited 2. Chhattisgarh East Railway Limited 3. Jharkhand Central Railway Limited 4. Mahanadi Coal Railway Limited 5. Indian Railway Stations Development Corporation Limited	Indian Railway Stations Development Corporation Limited-Audit Committee-Chairperson	-

CORPORATE GOVERNANCE REPORT

Sr. No.	Category & Name of Directors	No. & Name of Directorships in Other Companies[1]	No. and Names of the Board Committee(s) in other companies of which director is a Member/ Chairperson[2]	No. of shares held
3	Shri Ajit Kumar Mishra	1. Jharkhand Central Railway Limited 2. Mahanadi Coal Railway Limited	-	-
4	Shri Rajesh Naik	1. Chhattisgarh East-West Railway Limited 2. Chhattisgarh East Railway Limited	-	-
Government Nominee Part-time (Official) Directors – Non-Executive				
5	Shri Anupum Singh	**Government Nominee Director in:** 1. Jharkhand Rail Infrastructure Development Corporation Limited	-	-
6	Shri Anand Bhatia	Nil	-	-
Independent [Part-time (Non-Official)] Directors-Non-Executive				
7	Shri Varadharajan T	1. Federation of Entrepreneurs and Enterprises Development	-	-

Foot Notes:

1. Number of Directorships held excludes Foreign Companies and Section 8 Companies, if any.
2. This includes Chairmanship /membership of Audit Committee and Stakeholders Relationship Committee in other Companies.
3. None of the Directors of the Company is a member in more than ten (10) Committees or acts as Chairman of more than five (5) Committees across all companies in which he/she is a director.
4. None of the Directors on the Board hold directorships, including alternate directorships at the same time in more than twenty (20) Companies/ Ten (10) public limited companies.
5. None of the Director holds directorship in more than seven (7) listed entities. Further, none of the Directors serves as an independent director in more than seven (7) listed entities.
6. None of the whole-time director/managing director serves as an independent director in any listed entity.
7. No relationship exists between directors inter-se. Shri Anupum Singh and Shri Anand Bhatia are the officials from the MoR and thus related to the promoter, though no personal relationship exists between them nor with the Company.

2.3 BOARD MEETINGS AND AGM HELD DURING FY 2025–26:

During FY 2025–26, the Board of Directors of the Company met eight (8) times. Details of the Board Strength and number of directors attended the Board Meetings are mentioned below. None of the Board Meeting was held with a gap of more than 120 days/ three months.

Date of Meeting	Board Strength	No. of Directors Present
29.04.2025	6	5
21.05.2025	7	7
06.08.2025	7	7
10.09.2025	7	7
17.10.2025	7	6
12.11.2025	7	7
03.02.2026	7	7
11.02.2026	7	6

CORPORATE GOVERNANCE REPORT

The table below shows attendance of the Board members at the Board Meetings held during the FY 2025-26 and in the last Annual General Meeting (AGM):

Name of Directors	Meeting date								Total Board meetings held during the tenure	No. of Board meetings attended	% of Attendance in Board Meeting	Whether attended last AGM held on 18.09.2025
	29.04.2025	21.05.2025	06.08.2025	10.09.2025	17.10.2025	12.11.2025	03.02.2026	11.02.2026				
Shri Hari Mohan Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	8	8	100	Yes
Smt. Ragini Advani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	8	8	100	Yes
Shri Anand Kumar Singh	Yes	Yes	Yes	Yes	Yes	Yes	NA	NA	6	6	100	Yes
Shri Parag Verma	Yes	NA	NA	NA	NA	NA	NA	NA	1	1	100	NA
Shri N.C Karmali	NA	NA	NA	NA	NA	NA	NA	NA	-	-	-	NA
Shri Ajit Kumar Mishra	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	100	Yes
Shri Sudhir Singh	NA	NA	NA	NA	NA	NA	Yes	Yes	2	2	100	NA
Shri Rajesh Naik	NA	NA	NA	NA	NA	NA	NA	NA	-	-	-	NA
Shri Anupum Singh	Yes	Yes	Yes	Yes	No	Yes	Yes	No	8	6	75	No
Shri Anand Bhatia	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	8	7	87.5	Yes
Shri Varadharajan T	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	100	Yes

2.4 BOARD MEMBERSHIP CRITERIA

IRCON is an Engineering & Construction Company, and the key qualifications required by the Board are in the field of Civil Engineering, Finance, Technology, Marketing, and Global Business.

A table summarising the key qualifications, skills, expertise and attributes of the Directors of IRCON, as approved by the Board of Directors, subject to approval by the MoR is given below. The desired qualifications, expertise, skill etc. of the Directors are subject to modifications/ alterations / changes by the DPE/ Public Enterprises Selection Board (**PESB**) and/ or MoR and the qualifications of Independent Directors are also subject to identification by the DPE.

The requisite skills/ expertise/ competence required by the Directors are included in the table:

SN.	Category of the Director	Required skills/expertise/competence
1.	**Functional Directors - Executive**	
	i) Chairman & Managing Director	**Mandatory:** An Engineering Graduate/ Chartered Accountant/ Cost Accountant/ Post Graduate/ Graduate with MBA/ PGDIM from a recognized institute. **Desirable:** Degree in Civil Engineering/Technical/MBA qualification and familiarity with Finance/ Marketing/ Projects. Experience of infrastructure projects, especially railway projects, techniques of organisational planning and manpower development in the railway industry.

CORPORATE GOVERNANCE REPORT

SN.	Category of the Director	Required skills/expertise/competence
	ii) Director (Projects)	**Mandatory:** A graduate in Civil Engineering with a good academic record from a recognised University/Institution. Adequate technical/ operational/ project management experience in the Railway Sector. **Desirable:** Preferably holding MBA/ Technical qualifications.
	iii) Director (Works)	**Mandatory:** A graduate in Civil Engineering with a good academic record from a recognised University/Institution. Adequate technical/ operational/ project management experience in Infrastructure projects, including roads/highways. **Desirable:** Preferably holding MBA/ Technical qualifications.
	iv) Director (Finance)	**Mandatory:** (i) Chartered Accountant or Cost Accountant or a full-time MBA/PGDM (with specialisation in Finance) course with a good academic record from a recognised University/ Institution with adequate experience at a senior level in an organisation of repute. (ii) Officers of Organised Group 'A' Accounts Services level working at an appropriate level are exempted from minimum qualification as per (i). (iii) Officers of Central Government/Armed Forces of the Union/All India Services with adequate and relevant experience are exempted from the minimum qualification as per above (i). Adequate experience at a senior level in Corporate Financial Management and Accounts, including cost, budgetary control, institutional finance, working capital management.
2.	**Government Nominee [Part-time (Official)] Directors - Non- Executive**	As may be decided by the GoI (MoR).
3.	**Independent Directors [Part-time (Non-Official) Director - Non-Executive**	As may be decided by the GoI (MoR).

The functional directors, government nominee directors and independent directors of the Company during the Financial Year 2025–26 possess the requisite skill / expertise / competences as decided by the PESB, GoI.

Considering the industry sector and other managerial skills, as on March 31, 2026, Directors of IRCON possess the following expertise and skills

Name of the Directors	Area of expertise and skills							
	Industry Knowledge & Experience	Financial Manage-ment	Corporate Planning & Management Strategy	Leadership	Techno-logical Knowledge	Board Practices and Governance	Business Develop-ment	Global Outlook
Functional Directors:								
Shri Hari Mohan Gupta Chairman & Managing Director and CEO	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Smt. Ragini Advani Director (Finance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Ajit Kumar Mishra Director (Works)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Rajesh Naik Director (Projects)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

Name of the Directors	Area of expertise and skills							
	Industry Knowledge & Experience	Financial Manage-ment	Corporate Planning & Management Strategy	Leadership	Techno-logical Knowledge	Board Practices and Governance	Business Develop-ment	Global Outlook
Government Nominee Directors:								
Shri Anupum Singh	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Anand Bhatia	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Independent Director:								
Shri Varadharajan T	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Expertise and Skills of the Directors are available on the website of the Company www.ircon.org

2.5 INFORMATION TO BE PLACED BEFORE THE BOARD OF DIRECTORS:

The quantum and quality of information supplied by the Management to the Board goes well beyond the requirement stipulated in the SEBI LODR, as amended from time to time. The information being provided to the Board inter-alia includes the following:

a) Quarterly/ Half-yearly and Annual Financial Results of the Company.

b) Minutes of the Audit Committee meetings, Board meetings and other committee meetings.

c) Minutes of the Board meetings of the Subsidiary Companies.

d) Capital and Revenue Budgets, along with any changes.

e) Particulars of Related Party Transactions.

f) Writing off of Bad Debts.

g) Sale of material nature of investments, subsidiaries, assets.

h) Information regarding major investments, incorporation of new subsidiaries and Joint Ventures, and Strategic Alliances.

i) Any changes in material accounting policies.

j) Compliance of various laws by the Company.

k) Major orders secured and bids lost.

l) Disclosure of interests made by Directors to the Company.

m) Action Taken Report on the previous decisions made by the Board.

n) Compliance/ Reports submitted with Stock Exchanges under SEBI LODR.

o) All other information required to be presented to the Board for information, approval and review.

2.6 NEW DIRECTORS APPOINTED/ RE-APPOINTED DURING FY 2025-26:

a. Shri N.C Karmali [DIN: 09103211]- (from May 9, 2025 to May 15, 2025):

Shri Naresh Chandra Karmali is an Indian Railways Service of Engineers (IRSE) Officer from the 1990 batch. He is a B. Tech (Hons) graduate in Civil Engineering from IIT Kharagpur. Further, he has also undergone Leader Programme in Urban Transport Planning from Korean Transport Institute, South Korea. He served Indian Railways at various reputed posts in Kolkata from May 2007 till March, 2023. Thereafter, he served as Chief Engineer / Construction, Indian Railways at Bilaspur from April, 2023 till March, 2024 for projects related to Railway Construction. He is currently working as Principal Executive Director (Gati Shakti) in Railway Board, New Delhi.

b. Shri Varadharajan T [DIN: 08556664] – (from May 15, 2025 onwards):

Shri Varadharajan T aged 46 years, holds a Bachelor of Science (B.Sc.) and a Master of Science (M.Sc.) degree from E.G.S. Pillay Arts & Science College, affiliated with Bharathidasan University. With over two decades of experience across development, entrepreneurship, and the technology sectors, he brings a diverse and well-rounded professional background. He currently serves as a Director at the Federation of Entrepreneurs and Enterprise since September 6, 2019, where he plays a key role in fostering entrepreneurial initiatives and enterprise development. Previously, he was the Regional Manager at Computer Software College from 2001 to 2011, overseeing regional operations and capacity building in IT education. Between 2011 and 2015, he contributed his expertise as an Advisor to Yogitha Rural Development Society and as a Consultant to Viveka Arakattalai, supporting rural development and social initiatives.

c. Shri Ajit Kumar Mishra [DIN: 11108237] – (from May 15, 2025 onwards):

Shri Ajit Kumar Mishra is an officer of the Indian Railway Service of Engineers (IRSE), he brings over twenty-five years of distinguished experience in the planning, execution, governance, and delivery of large and complex infrastructure projects across the railway and transportation sectors.

As Director (Works), he provides strategic leadership for IRCON's diverse portfolio of railway, high-speed rail, metro, bridge, tunnel, track, and allied infrastructure projects in India and overseas. He is responsible for project execution, engineering excellence, contract governance, digital project controls, stakeholder coordination, quality

CORPORATE GOVERNANCE REPORT

assurance, safety management, and timely delivery of nationally significant infrastructure programmes.

He currently oversees several strategically important projects, including the Mumbai–Ahmedabad High-Speed Rail Track Package, ballast-less track works, important bridges over river Ganga, tunnelling projects, and critical rail connectivity initiatives that support India's logistics, industrial growth, and economic development. He is also incharge of infrastructure projects executed by IRCON in Bangladesh, Malaysia and Nepal.

Prior to joining the Board of IRCON, Shri Mishra served in senior leadership positions in the Dedicated Freight Corridor Corporation of India Limited (DFCCIL), where he led the execution of major railway infrastructure projects and subsequently headed the Contract Management Department, overseeing procurement, contract administration and dispute resolution for multilateral-funded projects.

An alumnus of IIT Kanpur, Shri Mishra holds an MBA in International Business and an LL.M. in International Dispute Resolution. He is also a Fellow of the Chartered Institute of Arbitrators (FCIArb), a FIDIC President's List Adjudicator and FIDIC Certified Trainer. He actively contributes to the development of project management, contract administration and dispute avoidance through professional institutions and international forums.

He believes that successful infrastructure delivery is driven by engineering excellence, proactive risk management, effective contract governance and collaborative stakeholder engagement.

d. Shri Sudhir Singh [DIN: 11288339] – (from January 2, 2026 to February 13, 2026):

Shri Sudhir Singh, BE (Civil Engineering) from University of Roorkee (now IIT Roorkee) 1998, joined Indian Railways in September 2000 and is having more than 26 years of distinguished experience. He has contributed to several landmark projects including the Udhampur– Srinagar–Baramulla Rail Link (USBRL) Project (Infrastructure Project); commissioning of Anand Vihar Terminal. He has held key positions as Senior Divisional Engineer/ Coordinator, where he oversaw critical operational and engineering functions. He has also worked in RDSO and associated with Vendor Development and Quality Assurance of critical back components, worked in construction organizations and associated with doubling projects. He has also worked in Rail Land Development Authority and associated with station re-development projects, asset monetization and commissioning of the Gomti Nagar Station Development Project (Phase-1). Shri Singh's career reflects a blend of technical expertise, project leadership, and strategic contributions to the modernization and capacity enhancement of Indian Railways.

e. Shri Rajesh Naik [DIN: 11543707] – (from February 13, 2026 onwards):

Shri Rajesh Naik is a prominent & diversified professional with over 34 years of experience which includes over 12 years international experience in Oman, Bangladesh, Guyana, Botswana, Paraguay, Uruguay & Philippines. Shri Naik has rich and diversified experience in Planning, Engineering, Project Management, Contract Management, Risk Management, Dispute Resolution, Business Development and Strategy for large scale infrastructure projects spanning Railways, Highways & Bridges, ROBs/ RUBs, Tunnels, Buildings & Port Connectivity PAN India and Abroad. Shri Naik holds a Bachelor's degree in Civil Engineering and a certified professional in Advanced Project Management and Contractual Dispute Resolution from AIMA. He is a Lifetime Member of Chartered Institute of Logistics and Transport (CILT) and Indian Roads Congress (IRC). Shri Naik has held leadership roles in multiple government and private sector organizations, including RITES Ltd., Indian Port Rail & Ropeway Corporation Ltd., Engineering Projects (India) Ltd., Kalpataru Power Transmission Ltd., IRCON International Ltd., and Konkan Railway Corporation Ltd.

Prior to joining the IRCON Board, Shri Naik served as Chief Strategy Officer (CSO) and Chief Operating Officer (COO), RITES EXPOCON in RITES Limited in the capacity of Executive Director (Strategy & Corporate Communication) spearheading the team in business development, execution, financing, project coordination and value creation for domestic and international assignments.

Shri Naik's vision focuses on Nation Building and Shareholder's Value Creation with IRCON as a one-stop provider of engineering solutions by leveraging its strengths. The vision also emphasizes the integration of Artificial Intelligence along with the adoption of latest cutting-edge technologies and Global best practices

Detailed profile of all the existing Directors can be viewed on the website of the Company www.ircon.org

2.7 DETAILS OF REASONS FOR THE RESIGNATION OF INDEPENDENT DIRECTORS, IF ANY:

During FY 2025-26, none of the Independent Directors resigned or vacated their office before the expiry of their tenure.

2.8 BOARD INDEPENDENCE

During the FY 2025-26, Shri T. Varadharajan, Independent Director has given the declaration that he meet the criteria of Independence as per the provisions of the Companies Act, 2013 and SEBI LODR, as amended from time to time which has been taken on record by the Board at its meeting.

CORPORATE GOVERNANCE REPORT

2.9 FAMILIARISATION PROGRAMME / TRAINING FOR BOARD MEMBERS:

The Company has framed a training policy for its Directors, which aims at honing leadership qualities and providing a platform to share the knowledge, skills and expertise gained by the Directors. They are also provided documents about the Company which includes the Company's Profile, Memorandum and Articles of Association, Brochure, Annual Report, MoU targets and achievements, a paper on "Ethics & Governance"- a perspective by CVC, and Board approved policies, terms of reference of Committees of Board. Along with this, the Company also provides information on provisions on roles, duties, responsibilities, liabilities, disqualification of Directors under SEBI LODR, DPE Guidelines and the Companies Act, 2013 and any other law as may be applicable.

The Company familiarises the Independent Directors with the activities and functioning of the Company and their roles, rights and responsibilities, nature of the industry in which the Company operates and the business model etc., through various programmes and presentations. The details of such familiarization programmes are disclosed on the Company's website 'www.ircon.org' at web-link https://www.ircon.org/sites/default/files/2026-07/Details-of-Familiarization-Programme-for-Directors.pdf

3. BOARD COMMITTEES

In compliance with requirements under Regulation 17 of the SEBI LODR, Companies Act, 2013, DPE Guidelines and other requirements, the Board of Directors has constituted the following committees:

i. Audit Committee

ii. Nomination and Remuneration Committee

iii. Stakeholders' Relationship Committee

iv. Risk Management Committee

v. Corporate Social Responsibility & Sustainability Committee

vi. Project Progress Review Committee.

The Company Secretary in consultation with the Chairman of the Board/ Committees, determines the frequency of the meetings of the Board/ Committees. The recommendations of the Committees are submitted to the Board for noting/ review/ approval as the case may be.

3.1 AUDIT COMMITTEE

1. TERMS OF REFERENCE

The terms of reference of the Audit Committee specified by the Board are in conformity with the provisions of Regulations 18 and 24 (2) of SEBI LODR and Regulation 9A (4) of SEBI (Prohibition of Insider Trading) Regulations, 2015 **(SEBI PIT)**, Section 177 of the Companies Act, 2013, Chapter 4 of the DPE Guidelines as amended from time to time. The terms of reference are as follows:

A. Financial Statements:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013;

   ii. Changes, if any, in accounting policies and practices and reasons for the same;

   iii. Major accounting entries involving estimates based on the exercise of judgment by management;

   iv. Significant adjustments made in the financial statements arising out of audit findings;

   v. Compliance with listing and other legal requirements relating to financial statements;

   vi. Disclosure of any related party transactions;

   vii. Qualifications / modified opinion(s) in the draft audit report, if any;

   viii. Reviewing Management Discussion and Analysis of financial condition and results of operations;

3. Reviewing, with the management, the quarterly / financial results and Auditors Report thereon before submission to the Board for approval.

4. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, to review the statement of deviation(s), in terms of Regulations 32(1) and (7) of SEBI LODR and making appropriate recommendations to the Board to take up steps in this matter.

B. Auditor and Internal Control:

5. Recommendation to the Board for fixation of remuneration of auditors of the Company;

6. Approval of payment to statutory auditors for any other services rendered by them;

7. Reviewing the appointment, removal and terms of remuneration of the internal auditor;

8. Reviewing, with the management, performance of statutory and internal auditor, adequacy of internal control systems; reviewing & monitoring the auditor's independence & performance and effectiveness of the audit process;

CORPORATE GOVERNANCE REPORT

9. Discussions with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
10. Discussions with the Statutory Auditors/Internal Auditors periodically about internal control systems including reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors.
11. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
12. Discussion with internal auditors of any significant findings and follow-up thereon.
13. Evaluation of internal financial controls and risk management systems.
14. Reviewing the findings of any internal investigations by the internal auditors/ auditors/ agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board.

C. Related Party Transactions:

15. Approval or any subsequent modification of transactions of the Company with related parties; and other approvals required as per the Related Party Transactions Policy of the Company.

D. C&AG Audit / COPU:

16. Review the follow-up action taken on the audit observations of the C&AG audit and Committee on Public Undertakings **(COPU)** of the Parliament.

E. Subsidiary Company:

17. Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.
18. Reviewing the financial statements and in particular the investments made by the unlisted subsidiary.

F. Others:

19. Scrutiny of inter-corporate loans and investments.
20. Valuation of undertakings or assets of the company, wherever it is necessary.
21. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
22. To review the functioning of the whistle blower mechanism and to protect whistle blowers.
23. Reviewing, after the close of the financial year, the compliance with respect to the provisions of SEBI PIT to verify that the systems for internal control are adequate and are operating effectively.
24. The Audit Committee shall have authority to investigate any activity within its terms of reference and for this purpose seek information from any employee, obtain outside legal or other professional advice (subject to the approval of the Board of Directors) and have full access to the information contained in the records of the Company, secure attendance of outsiders with relevant expertise, if it considers necessary.
25. Any other work as may be decided by the Board; and as may be required under any other amendment in the Companies Act, 2013 or DPE Guidelines, or SEBI LODR or any other SEBI Rules and Regulations, made from time to time.

2. COMPOSITION, MEETING AND ATTENDANCE

The composition, quorum, role, terms of reference, scope etc. of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013, read with Rule 6 and 7 of the Companies (Meetings of the Board and its Power) Rules, 2014, Regulations 18 and 24(2) of the SEBI LODR and Chapter 4 of the DPE Guidelines as amended from time to time.

The Committee has been reconstituted as and when there has been a change in directors. The composition of Audit Committee during the year was as follows:

S. No.	Name of Audit Committee members	Designation	Date of appointment	Date of cessation
1.	Shri Varadharajan T, Independent Director	Chairman	15.05.2025	-
2.	Shri Anupum Singh, Govt. Nominee Director	Member*	09.11.2024	-
3.	Shri Anand Bhatia, Govt. Nominee Director	Member**	04.02.2025	-
4.	Shri Parag Verma, Director (Works)	Member	04.02.2025	30.04.2025
5.	Shri N. C Karmali	Member	09.05.2025	15.05.2025

* Shri Anupum Singh, Govt. Nominee Director ceased to be member of Committee w.e.f. 17.08.2026.

**Shri Anand Bhatia was appointed as Chairman of the Audit Committee w.e.f. 04.02.2025 till 14.05.2025 and continued to be member of the Audit Committee w.e.f. 15.05.2025 as he was re-categorized as member of the Audit Committee upon re-constitution of the Audit Committee.

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Smt. Suman Bala, Independent Director was appointed as Member of the Committee w.e.f. 17.08.2026.

Smt. Pratibha Aggarwal, Company Secretary is the Secretary to the Committee

During FY 2025-26, the Audit Committee met Six (6) times. Items discussed/ approved by the Audit Committee inter-alia include Quarterly & Annual Financial Results/ Statements, Capital Budgets, Investment into subsidiaries/ joint ventures, Related Party Transactions, Internal Financial Controls, Change in Accounting Policy, Cost Audit Report, Internal Audit Framework, reports under SEBI PIT, review of arbitration and litigation matters, C&AG Paras etc.

Details of the number of meetings of the Audit Committee held and attendance details for the FY 2025-26 are mentioned below:

Name of Member	Meeting Date						Total meetings held during the tenure	No. of meetings attended
	21.05.2025	06.08.2025	10.09.2025	17.10.2025	12.11.2025	11.02.2026		
Shri Varadharajan T	Yes	Yes	Yes	Yes	Yes	Yes	6	6
Shri Anand Bhatia	Yes	Yes	Yes	Yes	Yes	Yes	6	6
Shri Anupum Singh	Yes	Yes	Yes	No	Yes	No	6	4

Shri Varadharajan T, Chairman of the Audit Committee was present at the Annual General Meeting held on September 18, 2025 to answer the queries of the shareholders.

The above meetings of Audit Committee were also attended by Company Secretary as the Secretary to Committee, Director (Finance) and Chief Financial Officer as permanent invitees. Further, Internal Auditors, Statutory Auditors and Cost Auditors and Functional Heads as Special Invitees, were also invited subject to their requirement and attended the meetings to provide necessary inputs to the Audit Committee. The recommendations of the Audit Committee were accepted by Board of Directors during the financial year 2025-26.

3.2 NOMINATION AND REMUNERATION COMMITTEE (NRC)

1 TERMS OF REFERENCE:

The terms of reference of the Nomination and Remuneration Committee (NRC) include the areas specified by SEBI LODR, Section 178 of the Companies Act, 2013, DPE Guidelines as amended from time to time [except for the matters related with the Directors as the same have been exempted for the government companies under the Companies Act, 2013 as well as by SEBI vide its letter dated April 02, 2018 to IRCON].

The terms of reference of the Nomination and Remuneration Committee are as follows:

a. To decide and approve the annual bonus/ variable pay pool/performance-related pay and policy for its distribution across executives and non-unionised supervisors within limits prescribed in the DPE Guidelines.

b. To review the policies for the selection and removal of persons in Senior Management and other employees as per DPE and other Government Guidelines and recommend the same for approval to the Board.

c. To identify persons who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

d. To recommend to the Board of Directors a policy relating to the remuneration, in whatever form, for the key managerial personnel, senior management and other employees.

e. To carry out any other functions as may be included under the Companies Act 2013, or DPE Guidelines, or SEBI LODR.

Explanation: Senior Management shall mean officers/personnel of the Company who are members of management one level below the Whole Time Directors and include Functional Heads, at the level of Executive Directors or Project Directors (at Executive Directors level), directly reporting to Chairman & Managing Director/ Whole Time Directors, the Chief Vigilance Officer, and persons identified and designated as Key Managerial Personnel, other than the Board of Directors.

2 Composition, Meeting and Attendance:

The composition, terms of reference, quorum, and the scope of Nomination & Remuneration Committee are in accordance with the Companies Act, 2013, SEBI LODR and DPE Guidelines as amended from time to time.

The Committee has been re-constituted as and when there has been a change in directors. The composition of NRC during the year was as follows:

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S. No.	Name of NRC members	Designation	Date of appointment	Date of cessation
1.	Shri Varadharajan T, Independent Director	Chairman	15.05.2025	-
2.	Shri Anupum Singh, Govt. Nominee Director	Member*	09.11.2024	-
3.	Shri Anand Bhatia, Govt. Nominee Director	Member**	07.03.2025	-
4.	Shri Hari Mohan Gupta, Chairman and Managing Director	Member	07.03.2025	15.05.2025

* Shri Anupum Singh, Govt. Nominee Director ceased to be member of NRC w.e.f. 17.08.2026.

**Shri Anand Bhatia was appointed as Chairman of the Nomination and Remuneration Committee (NRC) w.e.f. 07.03.2025 till 14.05.2025 and continued to be member of the NRC w.e.f. 15.05.2025 as he was re-categorized as member of the NRC upon re-constitution of the NRC.

Smt. Suman Bala, Independent Director was appointed as Member of the Committee w.e.f. 17.08.2026.

Smt. Pratibha Aggarwal, Company Secretary is the Secretary to the Committee.

During FY 2025–26, five (5) meetings of the Nomination & Remuneration Committee were held. Details of the number of meetings of the NRC held and attendance details for the FY 2025–26 are mentioned below:

Name of Member	Meeting Date					Total meetings heldduring the tenure	No. of meetings attended
	21.05.2025	05.08.2025	10.09.2025	17.10.2025	11.02.2026		
Shri Varadharajan T	Yes	Yes	Yes	Yes	Yes	5	5
Shri Anand Bhatia	Yes	Yes	Yes	Yes	Yes	5	5
Shri Anupum Singh	No	Yes	Yes	No	No	5	2

Shri Varadharajan T, Chairman of the Nomination & Remuneration Committee was present at the Annual General Meeting held on September 18, 2025 to answer queries of the shareholders.

3. PERFORMANCE EVALUATION OF BOARD MEMBERS:

Ministry of Corporate Affairs (MCA) has, vide its notification dated June 05, 2015, notified the exemptions to Government Companies from certain provisions of the Companies Act, 2013 which inter-alia provides that Section 134(3)(p) regarding a statement indicating the manner of formal annual evaluation of Board, shall not apply to Government Companies in case the Directors are evaluated by the Ministry which is administratively in charge of the Company as per its evaluation methodology. Further, the aforesaid circular issued by the MCA has also exempted sub-section (2), (3) & (4) of Section 178 of the Companies Act, 2013 regarding the appointment, performance evaluation and remuneration for Government Companies.

Further, MCA vide its notification dated July 05, 2017 has made an amendment in the Schedule IV of the act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of Non-Independent Directors and Chairman and performance evaluation of the Independent Director by the Board if the concerned department or ministries have specified these requirements.

In this regard, the DPE has already laid down a mechanism for performance appraisal of all Functional Directors. The performance evaluation of Functional Directors is done through a system of Annual Performance Appraisal Report (APAR) by MoR. Further, the performance evaluation of the Company is done through the evaluation of the Memorandum of Understanding (MoU) entered with MoR, and the said evaluation is submitted to DPE through the Administrative Ministry. The MoU targets are cascaded down and form an integral part of the performance appraisal of the individuals and the team. The internal MoU covers various parameters including financial, non-financials and compliances of government guidelines etc.

In respect of Government Nominee Directors, their evaluation is done by the MoR as per the procedure laid down. Since Independent Directors are also appointed by the GoI, their evaluation is also done by the MoR and finally by DPE.

3.3 STAKEHOLDERS' RELATIONSHIP COMMITTEE:

1 TERMS OF REFERENCE

Terms of Reference of the Stakeholders' Relationship Committee includes the following areas as specified under Section 178 of the Companies Act, 2013, along with Regulation 20 of the SEBI LODR:

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a) To look into the various aspect of interest of shareholders, debenture holders and other security holders.

b) To consider and resolve grievances of the security holders of the Company, including complaints in relation to transfer/transmission of shares, non-receipt of the annual report, non- receipt of declared dividends, issue of new/ duplicate certificates and general meetings.

c) Review of measures taken for the effective exercise of voting rights by shareholders.

d) Review of adherence to the service standards adopted in respect of various services being rendered by Registrar to an Issue & Share Transfer Agent.

e) Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders.

f) To carry out any other function as may be required under Companies Act 2013, or DPE Guidelines, or SEBI LODR or other matters, if any, required by the stock exchanges from time to time.

2. Composition, Meeting and Attendance:

The Composition, terms, of reference, quorum, and the scope of Stakeholder's Relationship Committee (SRC) are in accordance with the Companies Act, 2013 and SEBI LODR.

The Committee has been re-constituted as and when there has been a change in directors. The composition of SRC during the year was as follows:

S. No.	Name of SRC members	Designation	Date of appointment	Date of cessation
1.	Shri Anand Bhatia, Govt. Nominee Director	Chairman	04.02.2025	-
2.	Smt. Ragini Advani, Director (Finance)	Member	27.05.2022	-
3.	Shri Varadharajan T, Independent Director	Member	15.05.2025	-
4.	Shri Anupum Singh, Govt. Nominee Director	Member	09.11.2024	15.05.2025

Smt. Pratibha Aggarwal, Company Secretary is the Secretary to the Committee

3. MEETING AND ATTENDANCE:

During FY 2025-26, the Committee met once. Details of meeting and attendance details of the SRC are mentioned below:

Name of Member	Meeting Date 10.09.2025	Total Meeting held during the tenure	No. of Meetings attended
Shri Anand Bhatia	Yes	1	1
Smt. Ragini Advani	Yes	1	1
Shri Varadharajan T	Yes	1	1

Shri Anand Bhatia, Chairman of the Stakeholders and relationship committee was present at the Annual General Meeting held on September 18, 2025 to answer queries of the shareholders.

4. NAME AND DESIGNATION OF COMPANY SECRETARY & COMPLIANCE OFFICER:

Smt. Pratibha Aggarwal, Company Secretary, is the Compliance Officer of the Company in terms of SEBI LODR.

5. DETAILS OF SHAREHOLDER'S COMPLAINTS

The Company as well as the Registrar to an issue and Share Transfer Agent of the Company have attended the Investor's grievances expeditiously. At the beginning of the year i.e., as on April 01, 2025, no complaints was pending and no complaints from shareholders were received during the year 2025- 26. All complaints / grievances were resolved to the satisfaction of the shareholders. The details are as follows:

Nature of Complaint	Pending Complaints (As on 01.04.2025)	Received	Resolved	Pending (As on 31.03.2026)
SEBI	0	0	0	0
BSE	0	0	0	0
NSE	0	0	0	0
NSDL/CDSL	0	0	0	0
Others	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

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3.4 RISK MANAGEMENT COMMITTEE

As per SEBI LODR, the requirement of constituting Risk Management Committee **(RMC)** in the Company became applicable with effect from April 01, 2019; however, the Company was already having Board level Risk Management Committee since 2014.

1. TERMS OF REFERENCE:

The terms of reference of the Risk Management Committee includes:

a) Identification of key risk bearing activities.

b) Classification of gaps with respect to risk potential as compared to best business practices: Minor; significant or critical, substantial or major.

c) Identifying gaps in the current business process for any uncovered potential threat.

d) Setting up risk assessment control systems.

e) Providing guidelines relating to drafting/ modification of Business Operating Procedures, and their documentation.

f) Review of risk assessment reports compiled by Rapid Action Group and giving directions for improvements and Providing feedback on the Rapid Action Group's report on the operational capabilities, and preparedness of IRCON for potential business.

g) Formulate a detailed risk management policy which shall include: A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee; Measures for risk mitigation including systems and processes for internal control of identified risks; Business continuity plan.

h) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

i) Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and action to be taken.

j) Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) who shall be appointed by Chairman and Managing Director by issue of Office Order.

k) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems.

l) Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

m) Coordinate its activities with other committees, in instance, where there is any overlap with activities of such committees, as per the framework laid down by the Board.

n) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if required.

2. Composition, Meeting and Attendance:

The composition, terms of reference, quorum and the scope of RMC are in accordance with the statutory requirements of SEBI LODR.

The Company has a Risk Management Committee comprising of four Board Members, including one Independent Director. A rapid action group comprising of top-level management and Business Unit Heads (Project / Functional Heads) is also in place and the objective of the group is to mitigate key risks-inherent in Business process and maintain productivity and efficiency.

The Committee has been re-constituted as and when there has been a change in directors. The composition of RMC during the financial year was as follows:

S. No.	Name of RMC members	Designation	Date of appointment	Date of cessation
1.	Shri Ajit Kumar Mishra, Director (Works)	Chairman*	15.05.2025	-
2.	Shri Rajesh Naik, Director (Projects)	Member	13.02.2026	-
3.	Smt. Ragini Advani, Director (Finance)	Member	27.05.2022	-
4.	Shri T. Varadharajan, Independent Director	Member	15.05.2025	-
5.	Shri Parag Verma, Director (Works)	Chairman	11.11.2022	30.04.2025
6.	Shri Anand Kumar Singh, Director (Projects)	Chairman**	09.05.2025	31.12.2025
7.	Shri N. C Karmali, Director (Works)	Member	09.05.2025	15.05.2025
8.	Shri Anupum Singh, Govt. Nominee Director	Member	04-02-2025	15.05.2025

*Shri Ajit Kumar Mishra was appointed as member of the Risk Management Committee (RMC) w.e.f. 15.05.2025 and got re-categorized as Chairman of RMC upon re-constitution of RMC w.e.f. 03.02.2026.

**Shri Anand Kumar Singh was appointed as member of the Risk Management Committee (RMC) w.e.f. 07.07.2023 and got re-categorized as Chairman of the RMC upon re-constitution of the RMC w.e.f. 09.05.2025.

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3. During FY 2025-26, two (2) meetings of Risk Management Committee were held. Details of the number of meetings of the RMC held and attendance details are mentioned below:

Name of Member	Meeting Date		Total Meetings held during the tenure	No. of Meetings attended
	30.05.2025	19.12.2025		
Shri Ajit Kumar Mishra	Yes	Yes	2	2
Smt. Ragini Advani	Yes	Yes	2	2
Shri Anand Kumar Singh	Yes	Yes	2	2
Shri T. Varadharajan	Yes	Yes	2	2
Shri Rajesh Naik	NA	NA	NA	NA

3.5 CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY COMMITTEE (CSR COMMITTEE)

1. The terms of reference of the CSR Committee, inter-alia, includes –

a. To oversee the implementation of the Corporate Social Responsibility and Sustainability Policy of the Company and to assist the Board to formulate suitable policies and strategies to take the Corporate Social Responsibility and Sustainability agenda of the Company forward in the desired direction.

b. To appoint a Nodal officer for CSR, not below the rank of a Chief General Manager level official, and his team of officials, as thought appropriate in terms of the Guidelines.

c. To recommend the Corporate Social Responsibility activities, under the Board approved Corporate Social Responsibility and Sustainability Policy of the Company and as per Schedule VII of the Companies Act, 2013 and DPE Guidelines, and put up to the Board for approval/ ratification.

d. To evolve modalities not only promptly identify Corporate Social Responsibility activities but also to get the necessary clearances at the appropriate level and the Board whenever required; for carrying on the identified activities, and to attain the objectives well in time in a streamlined manner.

2. COMPOSITION, MEETINGS AND ATTENDANCE:

The composition, terms of reference, quorum and other matters in relation to the Corporate Social Responsibility & Sustainability Committee (CSR Committee) are as per the requirements specified under Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and DPE Guidelines on CSR and Sustainability, 2014.

The Committee has been reconstituted as and when there has been a change in directors. The composition of CSR Committee during the financial year was as follows:

S. No.	Name of CSR Committee members	Designation	Date of appointment	Date of cessation
1.	Smt. Ragini Advani, Director (Finance)	Chairperson*	09.05.2025	-
2.	Shri Anupum Singh, Govt. Nominee Director	Member	09.11.2024	-
3.	Shri T. Varadharajan, Independent Director	Member	15.05.2025	-
4.	Shri Parag Verma, Director (Works)	Member	01.01.2023	30.04.2025
5.	Shri Anand Bhatia, Govt. Nominee Director	Chairman	04.02.2025	15.05.2025

*Smt. Ragini Advani was appointed as Member of the CSR Committee w.e.f. 09.05.2025 and got re-categorized as Chairperson of the CSR Committee upon re-constitution of the CSR Committee. w.e.f. 15.05.2025.

Smt. Pratibha Aggarwal, Company Secretary is the Secretary to the Committee. The details of the CSR & Sustainability activities of the Company are provided in the Annual Report and placed on the website of the Company.

3 MEETINGS AND ATTENDANCE:

During FY 2025-26, the Committee met two (2) times. Details of meeting and attendance details of the CSR Committee are mentioned below:

Name of Director	Meeting date		Total meeting sheld during the tenure	No. of meetings attended
	05.08.2025	20.03.2026		
Smt. Ragini Advani	Yes	Yes	2	2
Shri Anupum Singh	Yes	Yes	2	2
Shri T. Varadharajan	Yes	Yes	2	2

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3.6 PROJECT PROGRESS REVIEW COMMITTEE:

The Project Progress Review Committee **(PRC)** was formed by the Board of Directors to review the physical progress and allied activities strictly related to physical progress of the on-going projects (except PMC projects) of the Company and to address possible roadblocks in the smooth execution of the projects.

1. COMPOSITION, MEETINGS AND ATTENDANCE:

The Committee has been re-constituted as and when there has been a change in directors. The composition of PRC during the financial year was as follows:

S. No.	Name of PRC members	Designation	Date of appointment	Date of cessation
1.	Shri Anupum Singh, Govt. Nominee Director	Chairman	09.11.2024	-
2.	Shri T. Vardharajan, Independent Director	Member	15.05.2025	-
3.	Shri Ajit Kumar Mishra, Director (Works)	Member	15.05.2025	-
4.	Shri Rajesh Naik	Member	13.02.2026	
5.	Shri Parag Verma, Director (Projects)	Member	21.09.2022	30.04.2025
6.	Shri Anand Kumar Singh, Director (Projects)	Member	07.07.2023	31.12.2025

Smt. Pratibha Aggarwal, Company Secretary is the Secretary to the Committee

2. MEETING AND ATTENDANCE:

No meeting of Project Progress Review Committee was held during the FY 2025–26

3.7 MEETING OF INDEPENDENT DIRECTORS:

As per Schedule IV of the Companies Act, 2013, SEBI LODR to the extent applicable and DPE-OM dated December 28, 2012 (as amended), since the Board was having only one Independent Director, appointed w.e.f. 15th May, 2025, pursuant to the order of Ministry of Railways, no meeting of the Independent Directors was held during the FY 2025–26.

3.8 REMUNERATION OF DIRECTORS:

Being a Government Company, the Whole-Time Directors are appointed by the President of India through the MoR and they draw remuneration as per Industrial Dearness Allowance (IDA) pay scales pre-determined by the GoI on the terms and conditions issued by the GoI.

The Part-Time Official (Non-Executive) Directors nominated on the Board do not draw any remuneration from the Company for their role as a director and they draw their remuneration under Central Dearness Allowance (CDA) pay scales from the GoI as government officials.

Independent (Non-Executive) Directors are paid a sitting fee for attending the meetings of the Board and Committee thereof. During FY 2025-26, the Independent Director was paid a sitting fee of ₹40,000/- for attending the Board Meeting and ₹30,000/- for attending Board Committee Meetings, pursuant to Article 55 of the Articles of Association of the Company.

a. Details of remuneration of Functional Directors during FY 2025–26 are given below:

(in ₹)

S. No	Particulars of Remuneration	Name & Designation of Directors							
		Shri Hari Mohan Gupta Chairman & Managing Director and CEO	Smt. Ragini Advani, Director (Finance)	Shri Parag Verma Director (Works)[1]	Shri N. C. Karmali, Director (Works)[2]	Shri Ajit Kumar Mishra, Director (Works)[3]	Shri Anand Kumar Singh Director (Projects)[4]	Shri Sudhir Singh, Director (Projects)[5]	Shri Rajesh Naik, Director (Projects)[6]
1	**Gross Salary**								
a)	Salary as per provisions contained in Section17(1) of the Income-tax Act, 1961	64,17,872	50,39,701	18,74,798	-	44,88,998	41,05,786	-	6,17,760

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S. No	Particulars of Remuneration		Name & Designation of Directors						
		Shri Hari Mohan Gupta Chairman & Managing Director and CEO	Smt. Ragini Advani, Director (Finance)	Shri Parag Verma Director (Works)[1]	Shri N. C. Karmali, Director (Works)[2]	Shri Ajit Kumar Mishra, Director (Works)[3]	Shri Anand Kumar Singh Director (Projects)[4]	Shri Sudhir Singh, Director (Projects)[5]	Shri Rajesh Naik, Director (Projects)[6]
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	3,19,006	49,429	1,91,059	-	-	4,92,520	-	
c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961								
2	Stock option								
3	Sweat Equity								
4	Commission								
5	Others, please specify:								
	- Performance Linked Incentive	8,97,791	15,58,548	5,12,209	-	-	14,20,945	-	-
	- Retirement Benefits	16,01,988	9,31,821	34,78,072.75	-	9,93,003.25	18,17,989.75	-	2,84,724.5
Total		**92,36,657**	**75,79,499**	**60,56,139**		**54,82,001**	**78,37,241**		**9,02,485**

1 Ceased to be Director (Works) w.e.f. 30.04.2025;

2 Appointed as Director (Works) on Additional Charge w.e.f. 09.05.2025 and ceased to be Director (Works) on additional charge w.e.f. 15.05.2025;

3 Appointed as Director (Works) w.e.f. 15.05.2025;

4 Ceased to be Director (Projects) w.e.f. 31.12.2025;

5 Appointed as Director (Projects) on Additional Charge w.e.f. 02.01.2026 and ceased to be Director (Projects) on additional charge w.e.f. 13.02.2026;

6 Appointed as Director (Projects) w.e.f. 13.02.2026.

b. Details of payments made to Independent Director [Part-Time Non-Official] Director during FY 2025-26:

(in ₹)

Name of the Independent Director/Part-Time (Non-Official Directors)	Sitting Fee		Total
	Board Meetings	Committee Meetings	
Shri T. Vardharajan	280000	480000	760000

3.9 Particulars of Senior Management (As on March 31, 2026) including changes during FY 2025-26

Sr. No.	Employee Name	Designation
1.	Shri Surender Singh	Executive Director
2.	Shri Vijender Singh	Executive Director (w.e.f. 11.08.2025)
3.	Shri Raj Kumar	CVO (w.e.f. 01.10.2025)
4.	Shri Vinod Kumar	Executive Director (w.e.f. 03.11.2025)
5.	Shri Debajyoti Kumar	Executive Director
6.	Shri Jayasankar V.K.	Project Director

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Sr. No.	Employee Name	Designation
7.	Shri Naveen Babu	Executive Director
8.	Shri Ajay Pal Singh	Executive Director (w.e.f. 22.05.2025)
9.	Shri Masood Ahmad Nazar	Project Director (w.e.f. 22.05.2025)
10.	Shri M. Ravi Sankar Chowdary	Project Director (w.e.f. 10.06.2025)
11.	Shri Alin Roy Choudhury	Chief Financial Officer
12.	Smt. Pratibha Aggarwal	Company Secretary
13.	Shri Vivek Varshney	CVO (w.e.f. 08.07.2025 till 01.10.2025)
14.	Shri Dunne Bujji Bhuvan Kumar	Executive Director (w.e.f. 22.05.2025 till 28.02.2026)
15.	Shri Surendra Singh	CVO (till 12.04.2025)
16.	Shri Rajeev Kumar Sinha	Executive Director (till 30.04.2025)
17.	Shri Vijay Mukund Bodele	Project Director (till 30.05.2025)
18.	Shri Vinod Kumar Gupta	Executive Director (till 14.07.2025)
19.	Shri Yogesh Kumar Mishra	Executive Director (till 31.10.2025)

4. GENERAL BODY MEETINGS

4.1 DATE, TIME AND LOCATION OF THE LAST THREE YEARS' ANNUAL & EXTRA-ORDINARY GENERAL BODY MEETINGS HELD:

Financial Year	Date of holding the Meeting	Time	Location/ Venue	Special Resolutions passed
2024–25 (49th AGM)	September 18, 2025	1230 Hours	Through Video Conferencing (Registered office was considered as Venue of the Meeting)	1. Appointment Shri Thangavel Varadharajan as Independent (Part-time Non-Official) Director, not liable to retire by rotation 2. Approval for amendment in borrowing limits of the Company and to provide security in connection with the borrowings, under Section 180 of the Companies Act, 2013.
2023–24 (48th AGM)	September 12, 2024	1230 hours	Through Video Conferencing (Registered office was considered as Venue of the Meeting)	Amendments in Articles of Association of the Company
2022–23 (47th AGM)	September 12, 2023	1230 hours	Through Video Conferencing (Registered office was considered as Venue of the Meeting)	-

4.2 SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT DURING FY 2025–26: NIL

4.3 SPECIAL RESOLUTION PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT

No special resolution is proposed to be conducted through Postal Ballot.

5. MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report, General Meetings, newspaper publications and disclosures through its website. Information, latest updates and

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announcements regarding the Company can be accessed at the Company's website: www.ircon.org includes the following:

- Quarterly / Half-yearly / Annual Financial Results
- Quarterly Shareholding Pattern
- Quarterly Corporate Governance Report
- Transcripts of conferences with analysts
- Intimations made to the Stock Exchanges from time to time.
- The Company's official news releases, other press coverage, presentations made to institutional investors or analysts.

Email ID of the Company Secretary and Compliance Officer and RTA exclusively for the purpose of registering complaints by investors has been displayed on the website under the head "Investor Relations => Investor Contact."

The Company also communicates with its institutional Investors through a combination of analysts briefing and individual discussions and also participation in investor conferences from time to time. Financial Results are discussed by way of conference calls, regularly after the close of each quarter.

During FY 2025-26, Quarterly, Half Yearly and Yearly Results were published as follows:

QUARTER	NEWSPAPER(S)
Q1 ended 30.06.2025	Financial Express (English), The Indian Express (English), Jansatta (Hindi)
Q2 and half year ended 30.09.2025	Financial Express (English), The Indian Express (English), Jansatta(Hindi)
Q3 and nine months ended 31.12.2025	Financial Express (English), The Indian Express (English), Jansatta(Hindi)
Q4 and the year ended 31.03.2026	Financial Express (English), The Indian Express (English), Jansatta (Hindi)

6. GENERAL SHAREHOLDER INFORMATION

6.1 ANNUAL GENERAL MEETING (AGM) OF THE CURRENT YEAR (THROUGH VIDEO CONFERENCING):

Day & Date: Thursday, September, 24th, 2026

Time: 12:30 PM (IST)

Venue (Deemed): Registered Office of the Company at C-4, District Centre, Saket, New Delhi- 110017

Notice of AGM: Our Company, as a corporate entity, is committed to protect and conserve the natural environment in its operations and services. As a responsible corporate citizen, the Company supports the 'Green Initiative' taken by the MCA, enabling electronic delivery of documents to the shareholders at their e-mail addresses registered with the Depository Participants / Registrar to an issue & Share Transfer Agent. The Annual Reports and the Notice of the AGM are being sent to all the members in the manner prescribed or as may be prescribed in the applicable laws. The Notice and Annual Report 2025-26 can also be accessed from the website of the Company (under 'Investor Relations' section) at www.ircon.org and of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. The Notice is also available at website of National Securities Depository Limited at www.evoting.nsdl.com.

6.2 FINANCIAL YEAR

The Company's Financial Year is from 1st April to 31st March.

6.3 Record Date

The Record date has been decided by the Company as Thursday, September 17, 2026 for the final dividend for Financial Year 2025-26.

6.4 PAYMENT OF DIVIDEND

The Board of Directors of the Company has recommended a final dividend at the rate of ₹0.70 per share on the face value of ₹2/- each [i.e.35% of paid-up share capital of ₹188.10 Crore] amounting to ₹65.84 Crore for the financial year ended March 31, 2026.

During the financial year, the Company at its meeting held on February 11, 2026 declared and disbursed an interim dividend at the rate of ₹1.20 per equity share on the face value of ₹2/- each, aggregating to approximately ₹112.86 Crore (i.e. 60 % of the paid-up equity share capital of ₹188.10 Crore) and the same was paid on February 25, 2026.

The final dividend on equity shares will be paid on Monday, October 12, 2026 onwards to those Members whose names appear on the Register of Members of the Company in respect of physical shares and in respect of dematerialised shares to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited (**NSDL**) and Central Depository Services (India) Limited (**CDSL**) as at the close of business hours on Thursday, September 17, 2026.

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6.5 DIVIDEND HISTORY

The details of dividend paid by IRCON in the last ten years are summarised as under

Year	Total Paid-upCapital (₹in Crore)	Total Amount of Dividend Paid (₹ in Crore)	Date of Board Meeting*/ AGM in which Dividend Was Declared	Interim / Final	Payment Date of Dividend
2015–2016	19.796	168.26 (₹85 per share)	19.02.2016*	Interim	14.03.2016
			28.09.2016	Final	21.10.2016
2016–2017	19.796+79.184#	79.06	05.01.2017*	Interim	14.02.2017
	19.796+79.184#	16.10	23.03.2017*	Additional Interim	27.03.2017
	19.796+79.184#	97.25	28.09.2017	Final	24.10.2017
2017-2018	94.05	192.40 (₹20.46 per share)	20.03.2018*	Interim	28.03.2018
			14.09.2018	Final	10.10.2018
2018–2019	94.05	202.64 (₹21.54 per share)	07.02.2019*	Interim	26.02.2019
			03.09.2019	Final	18.09.2019
2019–2020	94.05	126.50 (₹13.45 per share)	11.02.2020*	Interim	02.03.2020
	94.05	96.87 (₹2.06 per share)$	29.09.2020	Final	14.10.2020
2020–2021	94.05	61.13** (₹1.30 per share)	15.02.2021*	Interim	03.03.2021
	188.10***	159.89** (₹1.70 per share)	24.09.2021	Final	12.10.2021
2021–2022	188.10	42.33** (₹0.45 per share)	12.08.2021*	1st interim	06.09.2021
	188.10	65.84** (₹0.70 per share)	12.11.2021*	2nd interim	07.12.2021
	188.10	65.84** (₹0.70 per share)	14.02.2022*	3rd interim	08.03.2022
	188.10	61.13** (₹0.65 per share)	16.09.2022	Final	04.10.2022
2022–2023	188.10	169.29 (₹ 1.80 per share)	08.02.2023*	Interim	28.02.2023
	188.10	₹112.86 (₹ 1.20 per share)	12.09.2023	Final	27.09.2023
2023–2024	188.10	169.29 (₹ 1.80 per share)	08.02.2024*	Interim	27.02.2024
	188.10	122.27 (₹ 1.30 per share)	12.09.2024	Final	27.09.2024
2024–2025	188.10	155.18 (₹ 1.65 per share)	11.02.2025*	Interim	28.02.2025
	188.10	94.05 (₹ 1.00 per share)	18.09.2025	Final	01.10.2025
2025–2026	188.10	112.86 (₹ 1.20 per share)	11.02.2026*	Interim	25.02.2026
	188.10	65.84 (₹ 0.70 per share)	24.09.2026 (Subject to shareholder's approval)	Final	12.10.2026 Onwards

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*Date of Board Meeting in which interim dividend was declared.

** face value of ₹2/- each.

*** subsequent to bonus issue in the ratio of 1:1, paid-up capital increased from ₹94.05 Crore to ₹188.10 Crore w.e.f.23.05.2021.

Interim, additional interim and the final dividend was paid on the Bonus share capital of ₹79.184 Crore (for 70 days proportionately on bonus shares allotted on 05.01.2017).

$ Interim dividend was paid @ ₹13.45 per share at a face value of ₹10 each and final dividend was paid @ ₹2.06 pershare of face value of ₹2/- each.

6.6 DIVIDEND DISTRIBUTION POLICY:

The Company has a Dividend Distribution Policy approved by its Board of Directors. The intent of the policy is to broadly specify the parameters (external and internal factors) that shall be considered while declaring dividend and the circumstances under which shareholders of the Company may/ may not expect dividend and how the retained earnings shall be utilised. The Policy is hosted on the Website of the Company at https://ircon.org/images/file/cosecy/Dividend%20Distribution%20Policy.pdf

6.7 LISTING ON STOCK EXCHANGE:

The Company got listed on September 28, 2018 on the following Stock Exchanges. The payment of the annual listing fee for FY 2025-26 has been made to National Stock Exchange of India Limited and BSE Ltd. The ISIN of Company is INE962Y01021.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED	BSE LIMITED
Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
Scrip Code: IRCON	Scrip Code: 541956

6.8 SECURITIES OF THE COMPANY HAVE NOT BEEN SUSPENDED FROM TRADING DURING FY 2025-26.

6.9 REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT FOR SHARES

During the FY 2025-26, the Registrar to an issue and share Transfer Agent for shares was as follows:

Alankit Assignments Limited,
205-208, Anarkali Complex, Jhandewalan Extension,
New Delhi-110055 Tel No.: 011-42541234/23541234
Email: rta@alankit.com Website: www.alankit.com

6.10 SHARE TRANSFER SYSTEM

In terms of Regulation 40 of the SEBI LODR transfer of securities in physical form are not processed unless the securities are held in the dematerialised mode with a Depository Participant. Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in dematerialised mode only while processing any investor service request viz. issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition

Further, SEBI vide its circular dated 30th January, 2026 on "Ease of Doing Investment and Ease of Doing Business by doing away with requirement of issuance of Letter of Confirmation ('LOC') and to effect direct credit of securities in dematerialisation account of the investor". Under the revised framework, RTA shall directly credit securities to the demat account of the investor, after carrying out necessary due diligence. This will reduce the timeline for credit of securities from approximately 150 days to 30 days, while also mitigating risks associated with loss or pilferage of LOC.

Investor requests must now be accompanied by a latest Client Master List (CML) of the demat account, not older than two months and duly attested by the Depository Participant. The revised framework has come into force from 2nd April 2026. Any LOC issued prior to this date may continue to be used by investors for dematerialisation within the prescribed timelines.

CORPORATE GOVERNANCE REPORT

6.11 Distribution of Shareholding as on March 31, 2026

a. Distribution of shares according to the size of holding as on 31st March 2026:

No. of Equity Share(s) Held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 – 500	1046938	92.33	100281622	10.66
501 – 1000	49812	4.39	37878864	4.03
1001 – 2000	21781	1.92	31992179	3.4
2001 – 3000	6377	0.56	16062071	1.71
3001 – 4000	2686	0.24	9602973	1.02
4001 – 5000	1996	0.18	9341345	0.99
5001 – 10000	2683	0.24	19331915	2.06
10001 – 20000	974	0.09	13869188	1.47
20001 and above	607	0.05	702155583	74.66
TOTAL:	**1133854**	**100.00**	**940515740**	**100.00**

b. Shareholding Pattern as on March 31, 2026

Category	No. of Shares Held	% of Total No. of Shares
Promoters Holding		
President of India	61,29,28,392	65.17
Sub-Total (1)	61,29,28,392	65.1
Non-Promoters Holding		
Mutual Funds	27,14,155	0.29
Foreign Portfolio Investors	4,49,78,052	4.78
Domestic Companies	89,81,823	0.95
Insurance Companies	1,41,14,337	1.50
Resident Individuals	24,28,76,776	25.82
Non-Resident Indians(including Non-Resident Non-Repatriates)	64,30,542	0.68
Others (AIF, Clearing Member, Directors & their Relatives, HUF, Trusts etc.)	74,91,663	0.80
Sub-Total (2)	**32,75,87,348**	**34.83**
Total (1+2)	**94,05,15,740**	**100.00**

c. Shareholders holding more than 1% of shares of the Company:

Category & Shareholder's Name	As on 31st March 2026	
	Voting Strength	No. of Shares Held
Promoter & Promoter Group		
The President of India	65.17	61,29,28,392
Non-Promoter (Body Corporate)		
-	-	-

6.12 Dematerialisation of Shares and Liquidity

The shares of the Company are in compulsory dematerialised form and are admitted with both the Depositories, viz., NSDL and CDSL.

Reconciliation of Share Capital Audit Report of the Company issued by the Practicing Company Secretary has been submitted to Stock Exchanges within the stipulated time.

No. of shares held in the dematerialised and physical mode as on March 31, 2026 are as follows:

Category	No. of Shares	Percentage
DEMAT		
with NSDL	77,35,35,223	82.25
with CDSL	16,69,79,443	17.75
Physical	1074	Negligible
Total	**94,05,15,740**	**100.00**

6.13 OUTSTANDING GDRs/ADRs:

There are no GDRs/ADRs/warrants/convertible instrument outstanding as on March 31, 2026.

6.14 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

Dealing in foreign currencies involve foreign exchange risk and the exchange rate may change unfavourably before the currency is exchanged. In order to minimise or eliminate foreign exchange risk, these exchange rate fluctuations are monitored constantly. However, there is no exchange fluctuation risk, as inwards and outwards is in the same foreign currency. This provides natural hedging against foreign currency fluctuation risk.

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6.15 PLANT LOCATIONS/OPERATING UNITS

The Company is headquartered at Saket, New Delhi and has 49 project offices and 4 regional offices to support and manage business operations throughout India.

Further, the Company has 6 major overseas project offices in Sri Lanka, Bangladesh, Malaysia, Algeria, and Myanmar from where business activities are undertaken.

A list of the operating units/offices is available on the Website of the Company www.ircon.org

6.16 ADDRESS FOR CORRESPONDENCE WITH THE REGISTERED OFFICE

(Regarding Corporate Governance matters covered under this report)

Smt. Pratibha Aggarwal
Company Secretary and Compliance Officer,
Ircon International Limited,
C-4, District Centre, Saket, New Delhi - 110 017,
Telephone: 91-11-26530456,
Fax: 91-11-26522000/ 26854000,
Email: investors@ircon.org,
Website: www.ircon.org.

6.17 CREDIT RATINGS:

During FY 2025-26, credit ratings reaffirmed to Ircon International Limited for various debt instruments by Rating agency are given below:

Instrument- Long-term/Short-term Bank facilities

Rating Agency- Infomerics Valuation and Rating Private Limited

Rating Reaffirmed- IVR AAA/ Stable (IVR Triple A with Stable Outlook)/ IVR A1+ (IVR A One Plus)

7 DISCLOSURES

7.1 RELATED PARTY TRANSACTION

There has been no materially significant related party transaction, pecuniary transactions or relationships between the Company and the Directors, management, subsidiaries or relatives, except for those disclosed in the financial statements for the year ended March 31, 2026, and as reported in the Board's Report in terms of the requirement under Section 134 of the Companies Act, 2013.

The transactions with the related party are in the ordinary course of business on arms' length basis, and the disclosure of the same has been made as per the requirement of Companies Act, 2013 (i.e., Form AOC-2), SEBI LODR and relevant Indian Accounting Standard (in notes to Financial Statements of the Company).

The Company has formulated a Related Party Transaction (RPT) Policy to set out the materiality thresholds for related party transactions and the manner of dealing with the transactions between the Company and its related parties based on the Act and SEBI LODR. The RPT Policy is available at the link: https://www.ircon.org/sites/default/files/2026-05/RPT-Policy-May-2026-for-website.pdf

7.2 Details of non-compliance by the Company, penalties & strictures imposed on the company by any statutory authority, on any matter related to any guidelines issued by Government, during the last three years.

There has been no instance of non-compliance of any statutory regulation or Government guidelines, nor there has been any penalties or strictures imposed on the Company on any matter related to the capital market and guidelines issued by Government except as disclosed in the Secretarial Audit Report or in this Report.

7.3 Code of Conduct

The Company has in place a Code of Conduct for Board Members and for Senior Management and also Key Values for the Company as a whole. Both the Code of Conduct and Key Values came into effect from April 01, 2005 and have been posted on the Website of the Company www.ircon.org. The Code of Conduct provides for transparency ethical conduct, friendly workplace, legal compliance and protection of the Company's property and confidentiality of information.

Declaration signed by the Chairman & Managing Director affirming receipt of compliance with the Code of Conduct and Key Values from the Board of Directors and Members of Senior Management team during FY 2025-26 is placed as **Annexure-1.**

7.4 Code of Conduct for Fair Disclosure for Prevention of Insider Trading

In pursuance of SEBI PIT, IRCON's Board has approved an 'Internal Code for prevention of Insider Trading in dealing with securities of IRCON' with an aim that insiders of the Company shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not in the public domain and thus constitutes insider information.

7.5 Whistle Blower Policy

The Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers and shareholders in an ethical and lawful manner by adopting the highest standard of professionalism, honesty, integrity and ethical behaviour.

The Company has in place a Whistle Blower Policy approved by the Board of Directors under which there is a mechanism for Employees and Directors of the Company to report to the Management, concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Policies and Code of conduct, instances of a leak of unpublished price sensitive information.

The Policy also provides for adequate safeguards against victimisation of employees and directors who avail the mechanism. Complaints under this policy shall be addressed to the Chairman

CORPORATE GOVERNANCE REPORT

and Managing Director of the Company or in exceptional cases, i.e., in respect of a complaint against an officer of E-9 grade, or where complainant apprehends victimisation, to the Chairman of the Audit Committee. Complaints against the Board Level Executives shall be made to the Vigilance Directorate of the MoR, GoI, for further processing. Further, no personnel has been denied access to Audit Committee.

7.6 Compliance of SEBI LODR

During the FY 2025-26, the Company has complied with SEBI (LODR) Regulations except the following:

(i) The composition of the Board was not in compliance with the provisions of Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, Regulation 17(1)(c) of Listing Regulations was not complied during the period from 01.05.2025 to 08.05.2025.

Due to non-appointment of the requisite number of Independent Directors on the Board, the Board meeting held on 29.04.2025 did not meet the quorum requirement under Regulation 17(2A) of the Listing Regulations.

(ii) Due to the absence of the requisite number of Independent Directors on the Board, the Audit Committee and Nomination & Remuneration Committee were not duly constituted throughout the Audit Period, while the Stakeholders' Relationship Committee (SRC), Risk Management Committee (RMC), and Corporate Social Responsibility Committee were not duly constituted during the period from 01.04.2025 to 14.05.2025, resulting in non-compliance with the Listing Regulations.

Consequently, all six Audit Committee Meetings held during the Audit Period were conducted without the requisite quorum.

Since, the appointment of Directors including Independent Directors are made by the Govt. of India through Administrative Ministry (i.e., MoR), the Company has no role to play in it and the Company has been regularly requesting MoR for appointment of requisite number of Independent Directors on the Board of the Company. Subsequently, upon appointment of one Independent Director on the Board of the Company by the Government of India, the Board Committees were re-constituted and Stakeholders Relationship Committee and Risk Management Committee of the Board are in compliance with effect from May 15, 2025.

7.7 Weblink where policy for determining 'material' subsidiaries is disclosed:

https://www.ircon.org/sites/default/files/2025-02/Policy-on-Material-SubsidiariesFinal15012025.pdf

Presently, the Company has the following eleven subsidiaries including ten wholly owned subsidiaries:

Wholly-owned Subsidiaries:

a. Ircon Infrastructure & Services Limited (IrconISL)
b. Ircon PB Tollway Limited (IrconPBTL)
c. Ircon Shivpuri Guna Tollway Limited (IrconSGTL)
d. Ircon Davanagere Haveri Highway Limited (IrconDHHL)
e. Ircon Vadodara Kim Expressway Limited (IrconVKEL)
f. Ircon Gurgaon Rewari Highway Limited (IrconGRHL)
g. Ircon Ludhiana Rupnagar Highway Limited (IrconLRHL)
h. Ircon Akloli-Shrisad Expressway Limited (IrconASEL)
i. Ircon Bhoj-Morbe Expressway Limited (IrconBMEL)
j. Ircon Haridwar Bypass Limited (IrconHBL)

Subsidiary-

k. Ircon Renewable Power Limited (IrconRPL) (76% shareholding)

Material Subsidiary: For the FY 2025-26, there was no material subsidiary of the Company.

7.8 During the year, no funds have been raised through preferential allotment or qualified institutions placement.

7.9 Statutory Auditors Fees:

This includes total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors. The details of payment made to Statutory Auditors during FY 2025-26 on a consolidated basis are mentioned below:

Sr. No.	Particulars of Fees	Amount (₹ in crore)
1	Audit Fee	0.54
2	Tax Audit Fee	0.16
3	Fee for Quarterly Limited Review	0.31
4	Certification Fees	0.12
5	Travelling Expenses	0.03
6	Out of pocket expenses	0.01
	Total	**1.17**

*IRCON and its subsidiaries each has distinct Statutory Auditors appointed by Comptroller and Auditor General of India (C&AG).

7.10 Certificate for non-disqualification of Directors:

Certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors

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of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is placed as **Annexure-2**.

7.11 Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for FY 2025-26:

Number Of Complaints Received During Financial The Year	Number Of Complaints Disposed Off During The Financial Year	Number Of Complaints Pending As On End Of The Financialyear
0	0	0

7.12 Disclosure by Company and its subsidiaries of "Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount"

The Company and its subsidiaries have not provided any Loan and advances in the nature of loans to firms / companies in which directors are interested.

7.13 Details of material subsidiaries of the Company; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Not Applicable

7.14 Company has complied with the requirements of corporate governance report of sub-paras (2) to (10) of schedule V of the SEBI (LODR) regulations.

7.15 Rating on Corporate Governance by Department of Public Enterprises:

The Company has submitted report on Corporate Governance in specified format(s) to MoR and DPE within the stipulated time as required under the DPE Guidelines on the Corporate Governance for CPSEs.

DPE has awarded 'Excellent' grading to IRCON for compliance of DPE Corporate Governance Guidelines during FY 2021-22.

Since then IRCON has secured, based on self-evaluation, an annual score of '100%' which falls under 'Excellent' grade for compliance of DPE Corporate Governance Guidelines for FY 2025-26.

7.16 Presidential Directives for the last three years:

To comply with the requirements of SEBI LODR and Ministry of Finance notification dated 03.08.2018, GoI divested 16% of paid-up share capital of the Company (i.e., 7,52,41,260 equity shares) by way of offer for Sale through stock exchange mechanism on March 03, 2021 and March 04, 2021.

GoI also divested 8.01% of paid-up equity share capital to the public (including eligible employees) through Offer for Sale through stock exchange mechanism in December 2023. After disinvestment, holding of Government of India has been reduced to 65.17%.

7.17 Items of expenditure debited in books of accounts, which are not for the purposes of the business.

During the financial year, there are no items of expenditure debited in books of accounts other than or the business purposes of the Company.

7.18 Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management

During the year, no expenses have been incurred by the Company which are personal in nature for the directors and top management except for the remuneration paid to directors which are as per Government approved pay and perks (details given in para 3.8 of this report and also disclosed in Note No. 33 (b) forming part of the standalone financial statements).

7.19 Details of Administrative and Office expenses as a percentage of total expenses vis-à-vis financial expenses and reasons for the increase.

Other Expenses and Bank & Other Finance charges as a percentage of total expenses vis-a-vis financial expenses as per Standalone Financial Statements are given below:

Particulars	FY 2025-26	FY 2024-25
Other Expenses (Administrative)(₹ in Crore)	64.27	62.36
Bank & Other Finance Charges (₹in Crore)	6.27	7.41
Total Expenses (₹ inCrore)	8180.73	9759.64
Administration expenses/ Totalexpenses (in %)	0.79	0.64
Bank & FinancialCharges/ Total expenses (in %)	0.08	0.08

7.20 The Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI LODR have been made except as disclosed in the Secretarial Audit Report or in this Report.

7.21 Disclosure with respect to Demat Suspense Account/ Unclaimed suspense account

During FY 2025-26, the Company does not have any shares in the Demat suspense account or unclaimed suspense account.

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7.22 Unclaimed Dividend and Underlying Shares thereunder transferred to Investor Education & Protection Fund Authority (IEPFA)

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 ('the Act') all unpaid and unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF') established by the Central Government, after expiry of 7 years from the date of transfer to unpaid dividend account. The details of such unpaid / unclaimed dividend are regularly updated on the website of Company.

Further, as per the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and subsequent amendment thereto ('the Rules'), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority.

Accordingly, Unclaimed Dividend and Underlying Shares thereunder pertaining to Interim Dividend for FY2018-19 were transferred to IEPF Authority in March, 2026. The details of such Shareholders is available on the website of the company www.ircon.org

Shareholders whose Dividend is unclaimed/ unpaid from the FY 2018-19 (final dividend) onwards is available on the website of the company www.ircon.org

7.23 Acceptances of recommendation of the Committees

The recommendations of the Committees of the Board have been considered by the Board while deciding on the matters.

7.24 Disclosure of certain types of agreements binding listed entities

The Company is not aware of agreements (including any rescission, amendment or alteration of such agreements thereto) entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, whether or not the Company is a party to such agreements.

8. AUDIT QUALIFICATIONS

For Audit Qualifications, the Independent Auditor's Report submitted by M/s Ramesh C Agrawal & Company, Chartered Accountants on the financial statements for the year ending March 31, 2026 may be referred to. The Auditors' Report is unmodified.

9. DISCRETIONARY REQUIREMENTS:

9.1 The Board: The Company is headed by an Executive Chairman.

9.2 Shareholders' Rights for half yearly financial results:

The financial results for the half-year ended September 30, 2025 were published in Financial Express (English), The Indian Express (English) and Jansatta (Hindi) on November 13, 2025 and were also put on the Website of the Company. Separate half-year report has, however, not been sent to each house hold of Shareholders. Significant events have been intimated to Stock Exchanges and have also been disclosed on the Company website.

10. COMPLIANCE CERTIFICATE BY CEO/CFO CERTIFICATION

As per Regulation 17(8) of the SEBI LODR, the compliance certificate duly signed by the Chairman and Managing Director & CEO and Chief Financial Officer was placed before the Board of Directors at its meeting held on May 22, 2026 and the same is placed as **Annexure-3** to this Report.

11. COMPLIANCE

This Report duly complies with the legal requirements in respect of data that should be disclosed in a Corporate Governance Report for FY 2025-26. Certificate obtained from a Practicing Company Secretary regarding the compliance of the conditions of Corporate Governance is placed as **Annexure-4** to this Report.

For and on behalf of the Board of Directors

Sd/-
(Saleem Ahmad)
Chairman & Managing Director & CEO
(DIN: 10119432

Date: August 25, 2026
Place: New Delhi

CORPORATE GOVERNANCE REPORT

Annexure-1

DECLARATION BY CHAIRMAN & MANAGING DIRECTOR REGARDING ANNUAL AFFIRMATION TO COMPLIANCE OF CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT DURING THE FINANCIAL YEAR 2025-26.

I, Hari Mohan Gupta, Chairman & Managing Director, Ircon International Limited, do hereby declare that all the Board Members and the Senior Management of the Company have affirmed their compliance of the Code of Business Conduct and Ethics for Board Members and Senior Management of the Company during the financial year ending March 31, 2026.

Sd/-
(Hari Mohan Gupta)
Chairman & Managing Director
(DIN : 08453476)

Place: New Delhi
Date: 27.04.2026

CORPORATE GOVERNANCE REPORT

Annexure-2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Ircon International Limited ("the Company")
Plot No. C – 4, District Centre Saket,
New Delhi – 110017.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Ircon International Limited** having **CIN: L45203DL1976GOI008171** and having registered office at **Plot No. C – 4, District Centre Saket, New Delhi – 110017** (hereinafter referred to as **'the Company'**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations/ representations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2026** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Original Date of appointment in Company	Date of cessation
1.	Mr. Hari Mohan Gupta	08453476	01/07/2024	30/06/2026
2.	Ms. Ragini Advani	09575213	19/04/2022	-
3.	Mr. Ajit Kumar Mishra	11108237	15/05/2025	-
4.	Mr. Rajesh Naik	11543707	13/02/2026	-
5.	Mr. Anand Bhatia	10937265	04/02/2025	-
6.	Mr. Anupum Singh	10637375	06/11/2024	-
7.	Mr. Thangavel Varadharajan	08556664	15/05/2025	-

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For VAP & Associates
Company Secretaries
FRN: P2023UP098500
Peer Review No: 76929/2026

Sd/-
Parul Jain
Managing Partner
M. No. F8323
CP No. 13901
UDIN: F008323H000765552

Place: Ghaziabad
Date: 07.07.2026

CORPORATE GOVERNANCE REPORT

Annexure-3

TO WHOMSOEVER IT MAY CONCERN

Dated: 21.05.2026

We have reviewed the financial statements and the cash flow statement for the year 2025-26 and that to the best of our knowledge and belief:

(A) (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(B) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the code of conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.

(D) We have indicated to the auditors and the Audit committee:

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-
Alin Roy Choudhury
(Chief Financial Officer)

Sd/-
Hari Mohan Gupta
(Chairman & Managing Director and CEO)
(DIN:08453476

CORPORATE GOVERNANCE REPORT

Annexure-4

COMPLIANCE CERTIFICATE ON THE CORPORATE GOVERNANCE

To
The Members,
Ircon International Limited ("the Company")
Plot No. C – 4, District Centre Saket,
New Delhi – 110017.

We have examined the compliance of conditions of Corporate Governance by Ircon International Limited ("the Company") for the financial year ended March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and in Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 issued by the Department of Public Enterprises ("DPE Guidelines").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and DPE Guidelines during the financial year ended March 31, 2026, except:

(i) The composition of the Board was not in compliance with the provisions of Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Clauses 3.1.2 and 3.1.4 of the DPE Guidelines during the Audit Period. Further, Regulation 17(1)(c) of Listing Regulations was not complied during the period from 01.05.2025 to 08.05.2025.

Due to non-appointment of the requisite number of Independent Directors on the Board, the Board meeting held on 29.04.2025 did not meet the quorum requirement under Regulation 17(2A) of the Listing Regulations.

(ii) Due to the absence of the requisite number of Independent Directors on the Board, the Audit Committee and Nomination & Remuneration Committee were not duly constituted throughout the Audit Period, while the Stakeholders' Relationship Committee (SRC), Risk Management Committee (RMC), and Corporate Social Responsibility Committee were not duly constituted during the period from 01.04.2025 to 14.05.2025, resulting in non-compliance with the applicable provisions of the Listing Regulations and the DPE Guidelines.

Consequently, all six Audit Committee Meetings held during the Audit Period were conducted without the requisite quorum

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency and effectiveness with which the management has conducted the affairs of the Company.

For VAP & Associates
Company Secretaries
FRN: P2023UP098500
Peer Review No: 7629/2026

Sd/-
Parul Jain
Managing Partner
M. No. F8323
C.P. No. 13901
UDIN: F008323H000687617

Date: 25.06.2026
Place: Ghaziabad

Business Responsibility and Sustainability Report

Section A

General Disclosure

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the listed entity**	L45203DL1976GOI008171
2.	**Name of the Listed Entity**	Ircon International Limited
3.	**Year of Incorporation**	28-04-1976
4.	**Registered Office Address**	C-4, District Centre, Saket, New Delhi – 110017
5.	**Corporate Address**	C-4, District Centre, Saket, New Delhi – 110017
6.	**E-mail**	investors@ircon.org
7.	**Telephone**	011-26530266
8.	**Website**	www.ircon.org
9.	**Financial year for which reporting is being done**	Financial Year 2025-26 (April 1, 2025, to March 31, 2026)
10.	**Name of Stock Exchange(s) where shares are listed**	1) National Stock Exchange of India Limited (NSE) 2) BSE Limited (BSE)
11.	**Paid-up Capital**	INR 1,88,10,31,480
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Name: Shri S.V. Satyanarayana Rao Designation: GM (Civil) Telephone Number: +91 9560595089 Email Id: svs.rao@ircon.org
13.	**Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities that form a part of its consolidated financial statements, taken together)** The disclosures made under this report are on a standalone basis i.e. only for the entity.	
14.	**Name of assessment or assurance provider**	EKI Energy Services Limited
15.	**Type of assessment or assurance obtained**	Reasonable Assurance

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Construction	Civil Engineering	99.19%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Construction & maintenance of Railways & Rail Bridges.	42102	82.27%
2.	Construction & maintenance of motorways, streets, roads, other vehicular & pedestrian ways, highways, bridges, tunnels and subways.	42101	17.02%

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	-	49	49
International	-	6	6

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	21 states/2 UTs
International (No. of Countries)	5 Countries (Algeria, Sri Lanka, Bangladesh, Myanmar, Malaysia)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports is 3.49% of the total turnover of the entity.

c. A brief on types of customers

IRCON primarily undertakes Infrastructure Projects on a Turnkey basis, operating under the Engineering, Procurement and Construction (EPC) model. The company demonstrates strong capabilities in delivering comprehensive, end-to-end solutions. IRCON has a proven track record of executing a diverse array of high-impact projects, both within India and internationally, with a steadfast commitment to quality, timely delivery, and stakeholder satisfaction.

In India, most of its projects are being executed for prominent government agencies such as Ministry of Railways, National Highways Authority of India (NHAI), National High-Speed Rail Corporation Limited, Chennai Metro Rail Limited, Dedicated Freight Corridor Corporation of India Limited, Airports Authority of India, Rail Land Development Authority, National Capital Region Transport Corporation, Delhi Metro Rail Corporation. This portfolio highlights IRCON's pivotal role in shaping the nation's infrastructure landscape. Internationally, IRCON has ongoing projects in Algeria, Sri Lanka, Bangladesh, Malaysia and Myanmar.

Till date, IRCON has successfully delivered numerous domestic and international projects across a wide range of sectors such as Railway, Highway, Metro, High speed rail, Bridges, Tunnels, Electrical, Mechanical works, Signalling & Telecommunication, Production units, Station buildings, etc. Its persistent commitment to executing turnkey EPC (Engineering, Procurement, and Construction) projects particularly in the Public Sector underscores its reputation for technical excellence and a strong client-centric approach, which remain Central to its operational philosophy.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	793	739	93.19%	54	6.81%
2.	Other than permanent (E)	277	264	95.31%	13	4.69%
3.	**Total Employees (D + E)**	**1070**	**1003**	**93.74%**	**67**	**6.26%**
	WORKERS					
4.	Permanent (F)	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.				
5.	Other than permanent (G)					
6.	Total Workers (F + G)					

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

b.	**Differently abled Employees and workers:**					
S. No	**Particulars**	**Total (A)**	**Male**		**Female**	
			No. (B)	**% (B/A)**	**No. (C)**	**% (C/A)**
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	7	6	85.71%	1	14.29%
2.	Other than permanent (E)	0	0	0	0	0
3.	Total differently abled employee (D+E)	7	6	85.71%	1	14.29%
	DIFFERENTLY ABLED WORKERS					
4.	**Permanent (F)**	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.				
5.	**Other than permanent (G)**					
6.	Total differently abled workers (F+G)					

21.	**Participation/Inclusion/Representation of women**			
	Particulars	**Total (A)**	**No. and percentage of Females**	
			No. (B)	**% (B/A)**
	Board of Directors	7	1	14.29%
	Key Management Personnel	6	2	33.33%

22.	**Turnover rate for permanent employees and workers**									
	Particulars	**FY 2025-26 (Turnover rate in current FY)**			**FY 2024-25 (Turnover rate in previous FY)**			**FY 2023-24 (Turnover rate in the year prior to the previous FY)**		
		Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
	Permanent Employees	8.53%	7.14%	8.44%	8.96%	0.00	8.40%	8.57%	10.42%	8.67%
	Permanent Workers	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable								

V.	**Holdings, Subsidiaries and Associate Companies (including joint ventures)**			
23	**a) Names of holding / subsidiary / associate companies / joint ventures**			
S. No.	**Name of the holding / subsidiary /associate/ companies/joint ventures (A)**	**Indicate whether holding/Subsidiary/ Associate/J oint Venture**	**% of shares held by listed entity**	**Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)**
1	Ircon Infrastructure & Services Limited	Subsidiary	100%	No
2	Ircon Shivpuri Guna Tollway Limited	Subsidiary	100%	No
3	Ircon PB Tollway Limited	Subsidiary	100%	No
4	Ircon Davanagere Haveri Highway Limited	Subsidiary	100%	No
5	Ircon Vadodara Kim Expressway Limited	Subsidiary	100%	No
6	Ircon Gurgaon Rewari Highway Limited	Subsidiary	100%	No
7	Ircon Haridwar Bypass Limited	Subsidiary	100%	No

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

8	Ircon Ludhiana Rupnagar Highway Limited	Subsidiary	100%	No
9	Ircon Bhoj Morbe Expressway Limited	Subsidiary	100%	No
10	Ircon Akloli-Shirsad Expressway Limited	Subsidiary	100%	No
11	Ircon Renewable Power Limited	Subsidiary	76%	No
12	Chhattisgarh East Railway Limited	Joint Venture	26%	No
13	Chhattisgarh East-West Railway Limited	Joint Venture	26%	No
14	Mahanadi Coal Railway Limited	Joint Venture	26%	No
15	Jharkhand Central Railway Limited	Joint Venture	26%	No
16	Bastar Railway Private Limited	Joint Venture	26%	No
17	Indian Railway Stations Development Corporation Limited	Joint Venture	26%	No
18	Ircon-Soma Tollway Private Limited	Joint Venture	50%	No

VI. CSR Details			
24.	**(i)**	**Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No)**	
		Yes, CSR is applicable to Ircon International Limited.	
			FY 2025–26
	(ii)	Turnover (in Rs.)	84,78,85,61,192
	(iii)	Net worth (in Rs.)	66,26,61,90,826

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2025–26			FY 2024–25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. https://pgportal.gov.in/cpgoffice/	89	2	-	78	0	-
Investors (other than shareholders)	NA*	-	-	-	-	-	-
Shareholders	Yes https://scores.sebi.gov.in/	Nil	Nil	-	3	0	-

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Employees & Workers	IRCON's Internal Grievance System https://intranet.ircon.org/	2	2	-	5(Internal Grievance System)	0	-
	Whistle blower Complaints	0	0	-	0	0	-
Customers	NA**	-	-	-	-	-	-
Value Chain Partners	Yes. https://pgportal.gov.in/cpgoffice/	89	2	-	78	0	-
Other (Please specify)	-	-	-	-	-	-	-

* This disclosure is not applicable because there are no investors other than shareholders.

**IRCON primarily operates as an Engineering, Procurement, and Construction (EPC) company executing infrastructure projects for Indian Railways, MoRTH and Govt. entities. Any observations received from these entities are complying on day-to-day basis at projects. Upon satisfactory compliances, a formal project completion certificate is issued by the client. Accordingly, the disclosure relating to customer complaints is not applicable.

Note: The CPGRAMS portal serves as a grievance redressal mechanism for communities and value chain partners. Therefore, grievances received from value chain partners and employees are included in "Communities".

26.	Overview of the entity's material responsible business conduct issues				
	Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.				
S. No.	**Material Issue Identified**	**Indicate whether risk or opportunity (R/O**	**Rationale for identifying the risk/ opportunity**	**In case of risk, approach to adapt or mitigate**	**Financial implications of the risk or opportunity (Indicate positive or negative implications)**
1	Climate Change and Action	Risk	Risk: Climate change poses a significant material risk to IRCON, given the increasing frequency of extreme weather events, rising sea levels, and evolving regulatory landscapes. These factors can adversely impact infrastructure development, causing operational delays, project cost escalations, and potential asset damage. In addition, disruptions across the supply chain and construction timelines may affect project delivery and financial performance. Growing stakeholder expectations and the emphasis on long-term sustainability further necessitate proactive climate risk management.	Implementing energy audits, adopting energy-efficient technologies, and carrying out regular risk assessments.	Negative Implication

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

2	Water Management	Risk/ Opportunity	Risk: IRCON acknowledges the material risks associated with water scarcity, the impacts of climate change on water availability, and the need to comply with evolving regulatory frameworks. These factors can lead to operational disruptions, cost escalations, and reputational risks, especially in water-stressed regions where infrastructure development is planned or underway. Opportunity: Optimizing water use across operations presents a strategic opportunity for IRCON to reduce operational costs and reinforce its environmental responsibility. Proactive compliance with water-related regulations helps ensure uninterrupted project execution, minimizes the risk of penalties or delays, and strengthens stakeholder trust in IRCON's sustainable project delivery approach.	Ensuring compliance with statutory provisions and incorporating judicious use and re-use of water.	Negative/ Positive Implication
3	Waste Management	Risk/ Opportunity	Risk: IRCON recognizes waste management as a key environmental and operational risk, particularly in the context of responsible disposal, recycling, and mitigation of ecological impacts. Ineffective waste handling or non-compliance with applicable regulations can result in project delays, legal liabilities, and reputational harm. Ensuring adherence to waste management standards is essential for maintaining operational continuity and community trust. Opportunity: Adopting a strategic approach to waste management presents IRCON with the opportunity to innovate, minimize waste generation, and enhance resource efficiency. These practices not only support the organization's sustainability objectives but also reinforce its leadership in responsible infrastructure development.	Incorporating an efficient waste collection and disposal mechanism, with regular record keeping.	Negative/ Positive Implication
4	Environment Management & Compliance	Risk	Risk: IRCON acknowledges that non-compliance with environmental regulations poses a material risk, potentially resulting in regulatory penalties, project delays, and reputational damage. Upholding environmental compliance is integral to maintaining stakeholder confidence, ensuring operational continuity, and demonstrating IRCON's commitment to responsible and sustainable infrastructure development. Proactive adherence to applicable environmental standards enables smoother project execution and reinforces trust among regulatory bodies and local communities.	Ensure compliance to all statues as an when required and keeping updated with respective changes made on the same	Negative Implication

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

5	Sustainable Construction & Technological Innovation	Opportunity	Opportunity: For IRCON, integrating sustainable eco-friendly practices into operations presents a strategic opportunity to enhance brand reputation, appeal to environmentally conscious clients, and minimize environmental impact. Optimized resource utilization, and strengthens IRCON's competitive positioning in the infrastructure sector.	-	Positive Implication
6	Sustainable Supply Chain	Risk/ Opportunity	Risk: IRCON recognizes that supply chain disruptions and engagement with non-compliant suppliers can adversely affect project timelines, cost efficiency, and stakeholder confidence. Such risks may lead to operational setbacks and reputational damage, particularly if suppliers fail to meet environmental or social compliance standards. Strengthening supplier due diligence and ensuring alignment with sustainability expectations are essential for resilient and responsible project delivery. Opportunity: Promoting sustainable procurement and supply chain practices offers IRCON the opportunity to reduce environmental impact, foster innovation, and attract clients and investors who prioritize responsible business conduct. By collaborating with like-minded partners and embedding sustainability across the value chain, IRCON can drive industry best practices and reinforce its position as a leader in sustainable infrastructure development.	Ensuring safe and quality procurement of goods.	Negative/ Positive Implication
7	Health & Safety	Risk/ Opportunity	Risk: IRCON acknowledges that inadequate attention to health and safety can result in workplace accidents, legal liabilities, project delays, and reputational harm. Such incidents not only disrupt operations but also undermine stakeholder trust and organizational credibility. Ensuring strict adherence to health and safety standards is critical for maintaining operational integrity and safeguarding workforce well-being. Opportunity: By prioritizing robust health and safety practices, IRCON can foster a safe and supportive work environment, minimize incidents, and attract skilled professionals. Compliance with occupational safety regulations also enhances operational efficiency and stakeholder confidence. Proactive investment in health and safety systems contributes to IRCON's long-term resilience and sustainable growth.	Ensuring the smooth functioning of the Safety protocols and updating the ISO 45001 as and when required.	Negative/ Positive Implication

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

8	Human Rights, Diversity & Inclusion	Risk	Risk: If IRCON fails to adequately address human rights, diversity, and inclusion, it may face risks such as reputational harm, legal challenges, reduced employee productivity, and weakened stakeholder relationships. On the other hand, actively fostering human rights, diversity, and inclusion helps create a positive workplace culture, attracts skilled talent, drives innovation, and reinforces our dedication to social responsibility. Embedding these principles within our core values and daily operations strengthens organizational resilience and sustainability, ultimately supporting long-term success.	Incorporating human rights trainings and awareness programs into the system. Working on improving the assessments regarding human rights issues within the organization.	Negative Implication
9	Employee Engagement & Wellbeing	Opportunity	Opportunity: Employee engagement and well-being offer valuable opportunities for IRCON. Prioritizing these aspects leads to a motivated and committed workforce, resulting in increased productivity, efficiency, and overall success. Supporting employee well-being creates a positive work environment, reduces turnover, and enhances physical and mental health, contributing to improved performance and safety.	-	Positive Implication
10	Community Development	Opportunity	Opportunity: Addressing the needs and expectations of local stakeholders not only enhances IRCON's reputation but also supports smoother project execution and long-term business sustainability. These initiatives are material because they directly impact both the company's operational success and its social license to operate. By prioritizing community development and stakeholder engagement, IRCON aligns its strategy with key material ESG issues, strengthening stakeholder trust and contributing to sustainable growth.	-	Positive Implication
11	Data Privacy & Cyberse-curity	Opportunity	Opportunity: Focusing on the protection of sensitive data and strengthening cybersecurity is identified as a material opportunity for IRCON. These actions reinforce IRCON's position as a reliable partner and foster trust among clients and stakeholders. Adhering to data privacy and cybersecurity regulations minimizes legal risks and increases operational efficiency.	-	Positive Implication

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

12	Risk Management	Risk/ Opportunity	Risk: Inadequate risk management is identified as a material concern for IRCON, as it can lead to project delays, cost overruns, and reputational damage. Through its materiality assessment, IRCON recognizes that a proactive and structured approach to risk management helps mitigate threats, capitalize on opportunities, and support informed decision-making. Opportunity: Strengthening risk management practices is material for IRCON's long-term resilience and sustainable growth, as highlighted in its BRSR disclosures.	Updation of identified risks on regular basis.	Negative/ Positive Implication
13	Business Ethics, Ac-countability & Transpar-ency	Opportunity	Opportunity: IRCON's materiality assessment highlights that adopting ethical practices strengthens its reputation, builds stakeholder trust, and appeals to socially responsible clients and investors. Accountability and transparency foster a positive work environment, enhance risk management, and ensure regulatory compliance. Stakeholders value organizations that uphold these principles, supporting long-term relationships and unlocking future business opportunities.	-	Positive Implication
14	Disaster Management	Risk	Risk: Disaster management has been identified as a material risk for IRCON due to the significant operational, financial, and reputational impacts that natural disasters and emergencies can cause. The materiality assessment highlights that inadequate preparedness could lead to project delays, increased costs, and potential harm to employees and communities. Recognizing this risk allows IRCON to prioritize investments in resilience, contingency planning, and safety measures, thereby safeguarding business continuity and reinforcing stakeholder trust.	Incorporating a disaster management strategy as a part of the organizational SOP.	Negative Implication
15	Corporate Governance	Opportunity	Opportunity: IRCON's materiality assessment identifies corporate governance as a key opportunity, as it drives operational efficiency, strengthens stakeholder trust, and ensures regulatory compliance. By fostering a culture of accountability and ethical conduct, IRCON supports long-term business success and sustainable value creation.	-	Positive Implication

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION B – Management and process disclosures:

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1.	a.	Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	Web Link of the Policies, if available	Link to policies: https://ircon.org/codes-and-policies								
	Code of Business Conduct and Ethics for Board Members and Senior Management		✓	✓	✓	✓	✓	✓	✓	✓	✓
	Internal Code of Conduct for Prevention of Insider Trading in Dealing with Securities of Ircon International Limited		✓								
	Whistle Blower Policy		✓		✓	✓					
	Fraud Prevention and Detection Policy		✓	✓		✓	✓		✓		
	Policy on Preservation of Documents and their Archiving		✓								
	Related Party Transaction Policy		✓								
	Dividend Distribution Policy		✓								
	Sustainable Procurement Policy		✓	✓		✓	✓	✓	✓	✓	
	Quality Policy			✓	✓		✓	✓			
	Equal opportunity policy				✓	✓	✓			✓	
	Human Rights Policy of Ircon International Limited				✓	✓	✓				
	Policy for Prevention, Prohibition and Redressal of sexual harassment at Workplace				✓	✓	✓				
	Safety, Health and Environment Policy			✓	✓		✓	✓			
	Stakeholder Engagement Policy of Ircon International Limited					✓					
	Corporate Social Responsibility & Sustainability Policy									✓	
	Public Advocacy Policy of Ircon International Limited								✓		
	Data Privacy Policy of Ircon International Limited										✓

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

2.	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
4.	**Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle**	P3 & P5: ISO 45001:2018 Occupational Health & Safety Management System P6: ISO 14001:2015 Environmental Management System P2 & P9: ISO 9001:2015 Quality Management System								
5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any**	In line with its commitment to responsible business conduct and sustainable growth, IRCON has the following key commitments and targets to strengthen its ESG performance across its operations and value chain. These commitments are voluntary in nature: 1. **Principle 3:** IRCON is committed to achieving Zero Harm by strengthening its safety management practices across project sites and offices. The Company has set a target of achieving Zero Lost Time Injury Frequency Rate (LTIFR) by FY 2026-27 for employees and workers engaged across its operations. 2. **Principle 5:** The Company has set a target to achieve 100% POSH training coverage for employees as per the training calendar. 3. **Principle 8:** The Company will endeavor to execute its Corporate Social Responsibility (CSR) initiative in aspirational districts and as per DPE theme of FY 2026-27.								
6.	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met**	Though, there was no commitment, however IRCON maintained a Zero Lost Time Injury Frequency Rate (LTIFR) during the reporting period through the implementation of robust occupational health and safety measures, regular safety training, periodic audits, hazard identification, risk assessments and continuous monitoring of safety performance								

Governance, leadership and oversight		
7.	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**	At Ircon International Limited, sustainability continues to remain at the core of our business philosophy and infrastructure development approach. As we progress toward building resilient and future ready infrastructure, we remain committed to conducting our operations in a responsible, ethical, and environmentally conscious manner. Guided by the National Guidelines on Responsible Business Conduct (NGRBC) and aligned with evolving Environmental, Social, and Governance (ESG) expectations, we continue to integrate sustainability considerations across our projects, operations, and stakeholder engagements. As an infrastructure company executing projects of national and international significance, we acknowledge the increasing challenges posed by climate change, evolving stakeholder expectations, and resource constraints. In response, we are taking proactive steps to strengthen climate resilience, enhance operational efficiency and encourage responsible practices throughout our value chain. At IRCON, we believe that ESG integration is not merely a compliance requirement but a strategic imperative that drives long term value creation, operational excellence, and stakeholder trust. Strong governance, transparency, accountability, and ethical conduct continue to guide our decision-making processes and business practices.
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**	Director (Finance) - Smt. Ragini Advani, DIN: 09575213 Nodal Officer - Shri. S.V. Satyanarayana Rao, GM (Civil)

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

9.	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details**	Yes, Corporate Social Responsibility & Sustainability Committee constituted as under (as of 31.03.2026): 1. Chairperson: Smt. Ragini Advani, Director (Finance), DIN: 09575213 2. Member: Shri T. Varadharajan, Independent Director, DIN: 08556664 3. Member: Shri Anupum Singh, Government Nominee (Part-Time Official) Director, DIN: 10637375

10.	**Details of Review of NGRBCs by the Company:**									
	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									
	Subject for Review	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Performance against above policies and follow up action	Yes, by the Committee								
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	Subject for Review	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Performance against above policies and follow up action	As and when required								
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	As and when required								

11.	**Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).**									
	If yes, provide name of the agency.	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Yes. The entity has undertaken an independent assessment/evaluation of the implementation and effectiveness of its policies through an external agency, namely VMC Management Consulting Pvt. Ltd.									

12.	**If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**									
	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	The entity does not consider the principles material to its business (Yes/No)	Not Applicable, The Company has policies covering all nine NGRBC Principles. Therefore, this disclosure is not applicable.								
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
	The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
	It is planned to be done in the next financial year (Yes/No)									
	Any other reason (please specify)									

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION C: Principle wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1.	**Percentage coverage by training and awareness programs on any of the principles in the financial year:**			
	Segment	**Total no. of training and awareness programs held**	**Topics/principles covered under the training and its impact**	**% age of persons in respective category covered by the awareness programs**
	Board of Directors	4	1. Two-Day Executive Development Program on Construction Law and Dispute Resolution. 2. Investigation & Report & Framing of Charge Sheet. 3. Presentation on Regulation 30 of SEBI (LODR). 4. IICA Director's Certification in Risk Governance and Leadership.	57.14%
	Key Management Personnel	5	1. Two-Day Executive Development Program on Construction Law and Dispute Resolution. 2. Investigation & Report & Framing of Charge Sheet. 3. Presentation on Regulation 30 of SEBI (LODR). 4. Presentation on Related Party Transaction. 5. FIDIC Conditions of Contract.	66.67%
	Employees other than BOD and KMPs	12	1. Training on Labour Code, Related Party and Amendments in Ind-As. 2. Two-Day Executive Development Program on Construction Law and Dispute Resolution. 3. Session on AI use in monitoring court cases, filing reply and other HR activities. 4. New Labour Codes. 5. Training Session on EPC Contracts. 6. Health Talk on Stroke Prevention. 7. Effective Contract Management and Dispute Resolution. 8. Health Talk on Dengue & Other Vector Borne Disease. 9. Quality Management System. 10. Project Quality Council Meeting. 11. Securities Market Awareness Session. 12. Health Talk on Healthy Eating & Oil Lees Cooking.	45.51%
	Workers*	Not Applicable		

* IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.

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2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies / judicial institutions in the financial year, in the following format.
(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NIL				
Settlement					
Compounding fee					

Non-Monetary

	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL		
Punishment	NIL			

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
As there were no instances requiring monetary or non-monetary action as disclosed in question 2, there were no appeals or revisions preferred during the reporting period. Accordingly, this disclosure is not applicable.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

IRCON follows the comprehensive Central Vigilance Manual (CVM), which serves as its guiding framework for ensuring integrity and ethical conduct within IRCON. As a result, while it does not have a separate anti-bribery or anti-corruption policy, its adherence to the CVM effectively addresses these principles by promoting transparency, accountability, and zero tolerance for corrupt practices.

The CVM is a comprehensive guide that outlines principles, procedures, and best practices for preventing and controlling corruption and bribery. It provides a framework for IRCON employees and officers to avoid corruption, ensure ethical conduct, and follow disciplinary protocols. The manual focuses on transparency, integrity, and accountability, and guides the implementation of anti-corruption measures and internal controls. It covers various risk areas, such as procurement and financial management. By following the CVM, IRCON aims to build a strong anti-corruption framework, foster public trust, and uphold a culture of integrity within the organization.

In addition, IRCON has implemented a Fraud Prevention and Detection Policy to address any suspected fraud by employees, vendors, suppliers, contractors, or consultants. This policy applies to anyone conducting business with IRCON. The company also has a Whistle Blower Policy, which allows employees to report any ethical concerns.

IRCON has also adopted a Code of Conduct for all Board Members and Senior Management. The company is considering the introduction of a formal anti-bribery policy to further strengthen its commitment to ethical practices.

As a listed Public Sector Enterprise, IRCON complies with the Ethics, Transparency, and Accountability policies outlined by SEBI Regulations, the Companies Act, Department of Public Enterprises (DPE) Guidelines, and other relevant government directives. These policies apply to IRCON and its subsidiaries. Joint Venture Companies associated with IRCON have their own set of principles and procedures, which are generally in line with government policies.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

	Relevant Web-links: • Central Vigilance Manual: https://vigilance.delhi.gov.in/sites/default/files/generic_multiple_files/vmnew.pdf • Fraud Prevention and Detection Policy: https://ircon.org/sites/default/files/2025-02/FPDC%20Policy%20CMD.pdf • Whistle Blower's Policy: https://ircon.org/sites/default/files/2025-02/Whistle-Blower-Policy.pdf

5.	**Number of directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**		
		FY 2025-26 (Current Financial Year)	**FY 2024-25 (Previous Financial Year)**
	Directors	NIL	NIL
	KMPs	NIL	NIL
	Employees	NIL	NIL
	Workers*	NA	NA

* IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.

6.	**Details of complaints with regard to conflict of interest**				
		FY 2025-26 (Current Financial Year)		**FY 2024-25 (Previous Financial Year)**	
		Number	**Remark**	**Number**	**Remark**
	Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
	Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7.	**Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**
	Not Applicable, since no fines, penalties or actions were imposed by regulatory, law enforcement or judicial authorities on cases related to corruption and conflicts of interest.

8.	**Number of days of accounts payables (Accounts payable *365)/ Cost of goods/services procured) in the following format:**		
		FY 2025-26 (Current Financial Year)	**FY 2024-25 (Previous Financial Year)**
	Number of days of accounts payables	55.13	47.59

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

9.	**Open-ness of business:** **Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:**			
	Parameter	**Metrics**	**FY 2025-26 (Current Financial Year)**	**FY 2024-25 (Previous Financial Year)**
	Concentration of Purchases	a. Purchase from trading houses as % of total purchases	Nil	Nil
		b. Number of trading houses where purchases are made from	Nil	Nil
		c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
	Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	Nil	Nil
		b. Number of dealers/ distributors to whom sales are made	Nil	Nil
		c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	Nil	Nil
	Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	0.09%	0.08%
		b. Sales (Sales to related parties/ Total Sales)	74.00%	82.01%
		c. Loans & advances (`Loans & advances given to related parties/ Total loans & advances)	21.95%	21.23%
		d. Investments (Investments in related parties/ Total investments made)	88.42%	87.55%

Note : Sales to related parties includes 47.04% in FY 2025-26 and 49.92% in FY 2024-25 of total Sales, from Ministry of Railways and RLDA.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1.	**Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**			
		FY 2025-26	**FY 2024-25**	**Details of improvements in environmental and social impacts**
	R&D	Nil	Nil	-
	Capex	Nil	Nil	-

2.	**a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
	No, though sustainable procurement policy is in place.
	b. If yes, what percentage of inputs were sourced sustainably?
	Nil

3.	**Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**	
	a) Plastic waste	Not Applicable, IRCON is primarily engaged in the execution of infrastructure projects and does not manufacture, sell, or place products in the market that can be reclaimed at the end of their useful life for reuse, recycling, or disposal.
	b) E- waste	
	c) Hazardous Waste	
	d) other waste	

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

4.	**Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
	Not Applicable, IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion. The Company neither manufactures products nor retains responsibility for the operation and maintenance of the assets. Therefore, Extended Producer Responsibility (EPR) of products/services is not applicable to the Company.

Leadership Indicators

1.	**Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**					
	NIC Code	**Name of Product / Service**	**% of total Turnover contributed**	**Boundary for which the Life Cycle Perspective /assessment was conducted**	**Whether conducted by independent external agency (Yes/No)**	**Results communicated in public domain (Yes/ No) If yes, provide the web-link.**
	Not Applicable, IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion.					

2.	**If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**		
	Name of Product / Service	**Description of the risk / concern**	**Action Taken**
	IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion. The disclosure relating to significant social or environmental concerns and/or risks arising from the production or disposal of products/services identified through LCA is not applicable to the Company.		

3.	**Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**		
	Indicate input material	**Recycled or re-used input material to total material**	
		FY 25-26 Current Financial Year	**FY 24-25 Previous Financial Year**
	IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion. Accordingly, the disclosure relating to the percentage of recycled or reused input material is not applicable to the Company.		

4.	**Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**						
		FY 25-26 Current Financial Year			**FY 24-25 Current Financial Year**		
		Re-Used	**Recycled**	**Safely Disposed**	**Re-Used**	**Recycled**	**Safely Disposed**
	Plastics (including packaging)	IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion.					
	E-waste						
	Hazardous waste						
	Other waste						

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

5.	Reclaimed products and their packaging materials (as percentage of products sold) for each product category.	
	Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion.	

Principle 3: Businesses should respect and promote the well- being of all employees including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Daycare facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	739	739	100%	739	100%	0	0	739	100%	0	0
Female	54	54	100%	54	100%	54	100%	0	0	0	0
Total	793	793	100%	793	100%	54	100%*	739	100%*	0	0
Other than Permanent employees											
Male	264	264	100%	264	100%	0	0	0	0	0	0
Female	13	13	100%	13	100%	13	100%	0	0	0	0
Total	277	277	100%	277	100%	13	100%*	0	0	0	0

* The percentage is calculated based on the gender-wise employee distribution.

b. Details of measures for the well-being of workers

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Daycare facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.										
Female											
Total											
Other than Permanent workers											
Male	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.										
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.12%	0.11%

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI**	NA			NA		
Others: Retirement Benefits like NPS, Medical, etc.	100%	NA	Y	100%	NA	Y

* IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.

** Employees of IRCON are not covered in ESI.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, IRCON complies with the Rights of Persons with Disabilities Act, 2016 by designing its office spaces to support accessibility and inclusivity for employees and workers with disabilities. The company has introduced several features to achieve this objective.

The following are notable features:

1. **Sensor-equipped Automated Doors:** IRCON has installed automated doors with sensors, facilitating easy access for individuals with mobility challenges. These doors automatically open when triggered by the presence of a person, ensuring convenience and smooth entry.
2. **Lift Facilities:** To ensure vertical accessibility, IRCON has installed lifts that adhere to accessibility standards. These lifts enable employees and workers with mobility limitations to effortlessly access different floors of the office building, promoting ease of movement and convenience.
3. **Provision of Wheelchairs:** IRCON provides wheelchairs for required employees and workers with mobility challenges. These wheelchairs are available within the office premises and can be used by individuals who require them to move around the workplace comfortably. This provision promotes inclusivity and ensures that employees with mobility limitations can navigate the office environment with ease. A provision for a liaison is made at the premises as per the requirements of the employee.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, IRCON has a dedicated Equal Opportunity Policy in accordance with the Rights of Persons with Disabilities Act, 2016 (including subsequent amendments thereafter). This policy guarantees that all employees, regardless of race, gender, age, disability, religion, or any other protected attribute; are provided equal access to employment opportunities, benefits, and career advancement. It strictly prohibits discrimination, harassment, or bias in any aspect of employment, including recruitment, hiring, training, promotions, compensation, and termination. The policy also ensures that employees with disabilities receive necessary accommodations and support to access job opportunities and perform their roles effectively. Additionally, a strong grievance redressal mechanism is in place to address any discrimination concerns raised by individuals with disabilities within the organization.

Web Link – https://ircon.org/sites/default/files/2025-02/Equal_Opportunity_Policy_pdf.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.	
Female*	0	0		
Total	**100%**	**100%**		

*No female employee has availed maternity leave during the FY 2025-26.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

<table>
<tr><td>6.</td><td colspan="2">Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief. Yes/No (If yes, then give details of the mechanism in brief)</td></tr>
<tr><td rowspan="5"></td><td colspan="2">Yes/No (If yes, then give details of the mechanism in brief) | Yes</td></tr>
<tr><td>Permanent Workers</td><td rowspan="2">Not Applicable, Grievances, if received can be lodged through the Centralized Public Grievance Redress and Monitoring System (CPGRAMS), ensuring an accessible and transparent grievance redressal process</td></tr>
<tr><td>Other than Permanent Workers</td></tr>
<tr><td>Permanent Employees</td><td>Yes.

The Company has an Internal Grievance/Suggestions System for employees to raise concerns, grievances, and suggestions, which are reviewed and addressed by the relevant departments. In addition, grievances can also be lodged through the Centralized Public Grievance Redress and Monitoring System (CPGRAMS), ensuring an accessible and transparent grievance redressal process.</td></tr>
<tr><td>Other than Permanent Employees</td><td>Yes.

IRCON has robust mechanisms in place to receive and address grievances from employees and workers. The organization utilizes CPGRAMS (Centralized Public Grievance Redress and Monitoring System), a government initiative for the effective resolution and tracking of public grievances. Each grievance submitted through CPGRAMS is thoroughly reviewed by the relevant department to ensure timely redressal.

Additionally, IRCON provides a dedicated grievance redressal mechanism on its intranet, featuring a specific link and an escalation matrix for employees. This internal platform allows employees to submit grievances directly, monitor the progress of their complaints, and ensures that concerns are escalated and resolved efficiently. These systems reflect IRCON's commitment to transparency and prompt grievance resolution for all categories of employees.</td></tr>
</table>

<table>
<tr><td>7.</td><td colspan="7">Membership of employees and worker in association(s) or Unions recognized by the listed entity</td></tr>
<tr><td rowspan="9"></td><td>Category</td><td colspan="3">FY 2025-26</td><td colspan="3">FY 2024-25</td></tr>
<tr><td></td><td>Total employees/ workers in respective category (A)</td><td>No. of employees/ workers in respective category, who are part of association(s) or Union (B)</td><td>% (B / A)</td><td>Total employees / workers in respective category (C)</td><td>No. of employees / workers in respective category, who are part of association(s) or Union (D)</td><td>% (D / C)</td></tr>
<tr><td>Total Permanent Employees</td><td colspan="6" rowspan="3">The Company does not have any employees who are members of associations or unions recognized by the Company. Accordingly, the percentage of employees covered under such associations or unions is reported as Nil.</td></tr>
<tr><td>Male</td></tr>
<tr><td>Female</td></tr>
<tr><td>Total Permanent Workers</td><td colspan="6" rowspan="3">IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.</td></tr>
<tr><td>Male</td></tr>
<tr><td>Female</td></tr>
</table>

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

8. Details of training given to employees and workers

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health & safety measures		On skill upgradation		Total (D)	On health & safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees*										
Male	1003	146	14.56%	547	54.54%	1117	94	8.41%	539	48.25%
Female	67	29	43.28%	56	83.58%	65	32	49.23%	50	76.92%
Total	1070	175	16.36%	603	56.36%	1182	126	10.66%	589	49.83%
Workers										
Male	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.									
Female										
Total										

* It includes permanent and other than permanent employees.

9. Details of performance and career development reviews of employees and worker

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	739	739	100%	779	779	100%
Female	54	54	100%	55	55	100%
Total	793	793	100%	834	834	100%
Workers						
Male	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.					
Female						
Total						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, IRCON has established and implemented an Occupational Health and Safety (OHS) Management System in accordance with ISO 45001:2018, valid until 27.12.2027. The organization has identified and defined the necessary processes and their application across all functions, including determining the inputs and outputs for each process and developing an Inter-relation Matrix to illustrate their relationships. The sequence and interaction of these processes have been established, and appropriate criteria and methods-such as monitoring, measurement, and performance indicators-are utilized to ensure effective operation and control. Resources have been allocated, and roles and responsibilities have been clearly assigned. Risks and opportunities are systematically addressed, and processes are regularly evaluated and improved to achieve their intended outcomes. IRCON maintains documented information to support process operations and retains documentation to ensure adherence to planned processes in line with the ISO standards of ISO 45001:2018.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

IRCON employs a structured approach to identify work-related hazards and assess risks for both routine and non-routine activities. This is achieved through the implementation of a well-defined Occupational Health & Safety (OH&S) Manual, which outlines systematic procedures for hazard identification and risk assessment. The core process involves Hazard Identification and Risk Assessment (HIRA), where hazards are regularly identified, evaluated, and prioritized based on their potential impact.

In addition, safety inspections are conducted at defined intervals to proactively detect and address hazards in the workplace. Comprehensive training programs are organized at project sites to ensure that all employees and contractors are aware of potential risks and safe work practices. Compliance with all relevant legal and regulatory requirements is strictly maintained and forms an integral part of the risk assessment process.

These processes are continuously monitored and improved to ensure their effectiveness, with all procedures and controls supported by the OH&S Management System, which is valid until 27.12.2027.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

	c.	**Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**
		Yes, as IRCON is an ISO 45001:2018 certified organization, we follow the practices of conducting Comprehensive training programs at project sites to ensure that all employees and workers are aware of potential risks and safe work practices. These processes are continuously monitored and improved to ensure their effectiveness, with all procedures and controls. Tool Box talk and pep Talks are conducted at project sites by the safety officer on regular basis and effectiveness of the same was observed during execution of work by the workers/supervisors.
	d.	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
		Yes, IRCON ensures that employees have access to non-occupational medical and healthcare services. The company offers a comprehensive range of benefits to both permanent and non-permanent staff, including reimbursement for outdoor and indoor medical treatments, approval for medical advances, ambulance charges, and complete health checkup benefits. Additionally, IRCON has established a medical trust to provide further assistance to employees in various situations

11.	**Details of safety related incidents**			
	Safety Incident/Number	**Category**	**FY 2025-26**	**FY 2024-25**
	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
		Workers	NIL	NIL
	Total recordable work-related injuries	Employees	NIL	NIL
		Workers	NIL	NIL
	No. of fatalities	Employees	NIL	NIL
		Workers	NIL	NIL
	High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
		Workers	NIL	NIL

12.	**Describe the measures taken by the entity to ensure a safe and healthy workplace.**
	IRCON implements a comprehensive and structured approach to workplace health and safety by regularly identifying hazards, conducting risk assessments, and organizing safety drills for various scenarios. Stringent safety measures, including the enforcement of Safety related Standard Operating Procedures (SOPs) and comprehensive training programs, are in place at project sites to safeguard employees and workers. Scheduled medical checkups monitor employee health, while the company follows the Industrial Safety Hierarchy-prioritizing elimination, substitution, engineering controls, and administrative controls to systematically mitigate risks. Hazards are first eliminated or replaced with safer alternatives when possible; engineering and administrative controls are then applied, and personal protective equipment (PPE) is provided as needed. Through consistent application of these measures, IRCON fosters a strong culture of safety and responsibility, ensures regulatory compliance, and supports the long-term well-being of its workforce.

13.	**Number of Complaints on the following made by employees and workers**						
		FY 2025-26			**FY 2024-25**		
		Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
	Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
	Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

14.	**Assessment for the year**	
	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
	Health and safety practices	27.16%
	Working Conditions	27.16%

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

15.	**Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**
	The following are the corrective actions taken to address safety-related incidents: 1) IRCON is executing the installation and commissioning of Kavach towers, Kavach is an indigenous Automatic Train Protection (ATP) system. Key Features of Kavach: a) Automatic braking in case of signal passing at danger (SPAD) or over speeding. b) Collision prevention through continuous train monitoring in a Centralized Kavach Monitoring Centre. c) Real-time communication between trains, stations, and signaling systems. d) Safe operations during fog and low-visibility conditions. e) Kavach enhances passenger safety, minimizes human error, and provides a cost-effective, indigenous solution for modernizing railway operations in India. 2) Slope Stabilization and Protection: IRCON providing concrete grid beam and concrete cladding walls for slope stabilization measures in hilly areas to enhance the safety and stability of execution zones during the movement of workers and machinery. This has significantly reduced the risk of fatalities and contributed to safer working hours.

Leadership Indicators

1.	**Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**
	(A) Employees – Yes (B) Workers – IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.

2.	**Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**
	IRCON has instituted multiple mechanisms to ensure that statutory dues such as Provident Fund (PF), Employees' State Insurance (ESI), and other applicable levies are duly deducted and deposited. Key measures include: 1. Measures to ensure deduction of statutory dues is duly incorporated in the General Conditions of Contract (GCC) and Special Conditions of Contract (SCC), in accordance with applicable laws. 2. Labour-related compliance details—including PF, ESI, safety measures, and workforce particulars—are submitted and monitored through the Shramik Kalyan Portal, which facilitates real-time oversight and documentation of statutory compliance. 3. IRCON ensures compliance with applicable central and state government statutory regulations through periodic internal audits.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		**No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**	
	FY 2025-26 (Current Financial Year)	**FY 2024-25 (Previous Financial Year)**	**FY 2025-26 (Current Financial Year)**	**FY 2024-25 (Previous Financial Year)**
Employees	NIL	NIL	NIL	NIL
Workers*	NA	NA	NA	NA

* IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1.	Describe the processes for identifying key stakeholder groups of the entity.
	The process of identifying key stakeholder groups at IRCON begins with clearly defining the company's purpose and role within the industry. Both internal and external stakeholders are then identified, considering their interests and concerns. Primarily engaged in the infrastructure sector, IRCON engages with a diverse range of stakeholders, including investors, shareholders, employees, workers, clients, employers, vendors, sub-contractors, consultants, the community, and end users of infrastructure. The selection of clients or employers is typically based on business interests, while vendors, sub-contractors, and consultants are chosen according to project requirements and contract terms. Responsibility for the end use of infrastructure usually lies with the client or employer, unless otherwise specified in the contract. IRCON emphasizes building constructive relationships with all stakeholders through ongoing engagement, transparency, and accountability. By understanding and addressing stakeholder needs and concerns, IRCON is able to foster trust, enhance client satisfaction, collaborate effectively with government agencies, and generate value for both shareholders and other stakeholders, ultimately driving better project outcomes.

2.	List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.				
	Stakeholder Group	**Whether identified as Vulnerable & Marginalized Group (Yes/ No)**	**Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other**	**Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)**	**Purpose and scope of engagement including key topics and concerns raised during such engagement**
	Shareholder	No	• Annual reports • Press releases & shareholder meetings • Stock exchange intimations • Emails, SMS, newspapers, postal services, and website.	Annual, Periodic, quarterly	• Financial Performance • Payment of Dividend • Business Performance • Corporate Governance
	Employees	No	• Internal HR communications, web portals, circulars and office orders • Meetings, emails, calls, notice board • Training and appraisals • Cultural events	Regularly	• Information • Events • Training • Business activities
	Vendors/ Contractors	Yes	• Meetings • Procurement portals • Emails	As and when required	• Project Execution • Business activities
	Clients	No	• Meetings • Procurement portals • Emails	Need-based	Business activities
	Community	Yes	• Onsite community meetings • Local campaigns	Need-based	Feedback

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	793	319	40.23%	834	112	13.43%
Other than permanent	277	42	15.16%	348	3	0.86%
Total Employees	1070	361	33.74%	1182	115	9.73%
Workers						
Permanent	IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.					
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	739	-	-	739	100%	779	-	-	779	100%
Female	54	-	-	54	100%	55	-	-	55	100%
Other than permanent										
Male	264	-	-	264	100%	338	-	-	338	100%
Female	13	-	-	13	100%	10	-	-	10	100%
Workers										
Permanent										
Male	Not Applicable, IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.									
Female										
Other than permanent										
Male	Not Applicable, IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.									
Female										

3. Details of remuneration/salary/wages

a. Median remuneration/ wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	44,88,998	1	65,98,249
Key Managerial Personnel	4	50,16,342	2	48,73,569
Employees other than BoD and KMP	931	17,32,104	64	14,57,334
Workers*	NA			

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

NOTE:

1. KMP includes CMD, Whole Time Directors, CS and CFO as on 31.03.2026.
2. BOD includes CMD and Whole Time Directors only as on 31.03.2026.
3. Median salary (Gross Salary as per salary register) for the F.Y. 2025-26 is calculated for the Indian regular employees who have drawn salary as on 31.03.2026.
4. The above-mentioned data also includes Gross salary of employees who have joined IRCON on deputation and proceeded on deputation from IRCON to SPV & JV of IRCON. Employees on Contract/Service Contract/Foreign Employees are excluded from the above data.

*IRCON does not employ any workers. Accordingly, the disclosure relating to workers is not applicable.

b.	**Gross wages paid to females as % of total wages paid by the entity, in the following format:**		
		FY 2025-26(Current Financial Year)	**FY 2024-25 (Previous Financial Year)**
	Gross wages paid to females as % of total wages	5.78%	5.18%

4.	**Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**
	Yes, CGM (HRM) is the focal point responsible for addressing human rights impacts or issues caused or contributed to by the business.

5.	**Describe the internal mechanisms in place to redress grievances related to human rights issues.**
	IRCON has put in place robust mechanisms to address human rights-related grievances, guided by its dedicated Human Rights Policy and statutory requirements. Employees and stakeholders can submit and track grievances through CPGRAMS or directly to the relevant department's Competent Authority. The company strictly prohibits discrimination, child or forced labour, and ensures fair payment, freedom of association, and safe, accessible workplaces. Specialized committees, such as the Internal Complaints Committee for sexual harassment, further support grievance redressal. All complaints are handled confidentially, with protection against retaliation, and IRCON regularly reviews and improves these processes to uphold a culture of respect, inclusivity, and accountability.

6.	**Number of Complaints on the following made by employees and workers:**						
		FY 2025-26			**FY 2024-25**		
		Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
	Sexual Harassment	Nil	Nil	-	Nil	Nil	-
	Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
	Child Labor	Nil	Nil	-	Nil	Nil	-
	Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
	Wages	Nil	Nil	-	Nil	Nil	-
	Other human rights related issues	Nil	Nil	-	Nil	Nil	-

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

7.	**Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**		
		FY 2025-26 (Current Financial Year)	**FY 2024-25 (Previous Financial Year)**
	Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
	Complaints on POSH as a % of female employees / workers	NIL	NIL
	Complaints on POSH upheld	NIL	NIL

8.	**Mechanisms to prevent adverse consequences to the complaints in discrimination and harassment cases.**
	To safeguard complainants in cases of discrimination and harassment, IRCON employs several measures. These include maintaining strict confidentiality of complainants' identities and details, enforcing strong non-retaliation policies, and providing whistleblower protection for anonymous reporting. The company also conducts independent and unbiased investigations, offers disciplinary action and support for complainants as needed, and provides ongoing training and awareness programs. Additionally, external reporting mechanisms are available, and regular reviews and evaluations are conducted. Through these steps, IRCON ensures a safe and supportive environment for reporting complaints, addressing issues effectively, and protecting complainants from adverse consequences.

9.	**Do human rights requirements form part of your business agreements and contracts? (Yes/No)**
	Yes

10.	**Assessments for the year:**	
		% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
	Child Labour	100%
	Forced/involuntary labour	100%
	Sexual harassment	100%
	Discrimination at workplace	100%
	Wages	100%
	Others-please specify	-

11.	**Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**
	As per the General Contract Conditions terms 'Claim on Account of Violation of Labour Law', provisions are established.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 6: Businesses should respect and make efforts to protect & restore the environment

Essential Indicators

1.	**Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**		
	Parameter	**FY 2025-26**	**FY 2024-25**
	From renewable sources		
	Total electricity consumption (A)	791.91 GJ	309.74 GJ
	Total fuel consumption (B)	-	-
	Energy consumption through other sources (C)	-	-
	Total energy consumed from renewable sources (A+B+C)	791.91 GJ	309.74 GJ
	From non-renewable sources		
	Total electricity consumption (D)	11504.55 GJ	12416.07 GJ
	Total fuel consumption (E)	753.60 GJ	545.78 GJ
	Energy consumption through other sources (F)	-	-
	Total energy consumed from non-renewable sources (D+E+F)	12258.15 GJ	12961.85 GJ
	Total energy consumed (A+B+C+D+E+F)	13050.06 GJ	13271.59 GJ
	Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations) GJ/INR	0.00000015	0.00000013
	Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) GJ/USD	0.0000031	0.0000027
	Energy intensity in terms of physical output		
	Energy intensity (optional) – the relevant metric may be selected by the entity	-	-
	Note 1: For the calculation of intensity, adjusted purchasing power parity (PPP), conversion factor 20.34 and 20.66 as per IMF has been applied for FY 2025-26 and FY 2024-25, respectively https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/TWN **Note 2:** The figures for FY 2025-26 have been derived considering only the data pertaining to the offices of IRCON. Accordingly, the figures for the previous financial year have been restated on a comparable basis. There is no significant variation in the total energy consumption between the two financial years.		
	Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, EKI Energy Services Limited		

2.	**Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**
	No, IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion, It does not own or operate energy-intensive manufacturing plants or industrial facilities that are notified as designated consumers under the PAT Scheme of the Government of India.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

3.	**Provide details of the following disclosures related to water, in the following format:**		
	Parameter	**FY 2025-26**	**FY 2024-25**
	Water withdrawal by source (in kilolitres)		
	(i) Surface water	0.00	0.00
	(ii) Groundwater	0.00	0.00
	(iii) Third party water	21662.27	15744.24
	(iv) Seawater / desalinated water	0.00	0.00
	(v) Others	0.00	0.00
	Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	21662.27	15744.24
	Total volume of water consumption (in kilolitres)	15349.27	8746.80
	Water intensity per rupee of turnover (Total water consumption/ turnover) (KL/INR)	0.00000018	0.00000009
	Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (KL/USD)	0.000004	0.000002
	Water intensity in terms of physical output		
	Water intensity (optional) – the relevant metric may be selected by the entity	-	-
	Note 1: For the calculation of intensity, adjusted purchasing power parity (PPP), conversion factor 20.34 and 20.66 as per IMF has been applied for FY 2025-26 and FY 2024-25, respectively. https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/TWN **Note 2:** During FY 2025-26, water withdrawal and consumption for offices were estimated based on a standard water consumption methodology wherever measurement of water was not available. Water withdrawal was calculated using a norm of 45 litres per head per working day. **Note 3:** The figures for FY 2025-26 have been derived considering only the data pertaining to the Offices of IRCON. Accordingly, the figures for the previous financial year have been restated on a comparable basis. The variation in total water consumed/withdrawal during FY 2025-26 is attributable to higher water consumption at the Offices of IRCON.		
	Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency Yes, EKI Energy Services Limited		

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

4.	**Provide details of the following details related to water discharged:**		
	Parameter	**FY 2025-26**	**FY 2024-25**
	Water discharge by destination and level of treatment (in kilolitres)		
	(i) To Surface water		
	- No treatment	0.00	0.00
	- With treatment - please specify level of treatment (Primary & Secondary)	0.00	0.00
	(ii) To Groundwater		
	- No treatment	0.00	0.00
	- With treatment - please specify level of treatment (Primary)	0.00	0.00
	(iii) To Seawater		
	- No treatment	0.00	0.00
	- With treatment - please specify level of treatment	0.00	0.00
	(iv) Sent to third parties		
	- No treatment	0.00	0.00
	- With treatment - please specify level of treatment (Primary)	6313.00	6997.44
	(v) Others		
	- No treatment	0.00	0.00
	- With treatment - please specify level of treatment (Secondary)	0.00	0.00
	Total water discharged (in kiloliters)	**6313.00**	**6997.44**
	Note 1: During FY 2025-26, water discharge for office operations were estimated based on a standard water discharge methodology wherever measurement of water was not available. Water discharge was estimated at 20 litres per head per working day. **Note 2:** The figures for FY 2025-26 have been derived considering only the data pertaining to the Offices of IRCON. Accordingly, the figures for the previous financial year have been restated on a comparable basis. The variation in total water discharged during FY 2025-26 is attributable to higher water consumption at the Offices of IRCON.		

5.	**Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**
	Yes, IRCON has implemented a Zero Liquid Discharge (ZLD) system at its corporate office in New Delhi. Under this system, all wastewater generated is treated through Sewage Treatment Plant (STP), and the same is reused in flushing and horticulture work.

6.	**Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**			
	Parameter	**Please specify unit**	**FY 2025-26**	**FY 2024-25**
	NOx	$\mu g/m^3$	37.05	37.40
	SOx	$\mu g/m^3$	39.55	33.80
	Particulate matter (PM2.5)	$\mu g/m^3$	54.45	24.00
	Particulate matter (PM10)	$\mu g/m^3$	94.40	38.00
	Persistent organic pollutants (POP)	-	-	-
	Volatile organic compounds (VOC)	-	-	-
	Hazardous air pollutants (HAP)	-	-	-
	Others - please specify	-	-	-
	Note: The figures for FY 2025-26 have been derived considering only the data pertaining to IRCON Corporate Office. Accordingly, the figures for the previous financial year have been restated on a comparable basis. The year-on-year variation in the reported air emission parameters is attributable to differences in ambient air quality measurements recorded at the Offices of IRCON during the reporting period.			
	Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, EKI Energy Services Limited			

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

7.	**Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity**			
	Parameter	**Unit**	**FY 2025-26**	**FY 2024-25**
	Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	204.13	218.85
	Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2425.13	2510.51
	Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total scope 1 and scope 2 GHG emission / Revenue from operations)	MT/INR	0.00000003	0.00000003
	Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	MT/USD	0.0000006	0.0000006
	Total Scope 1 and Scope 2 emission intensity (optional) in terms of physical output.	-	-	-
	Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	–	-	-
	Note 1: For the calculation of intensity, adjusted purchasing power parity (PPP), conversion factor 20.34 and 20.66 as per IMF has been applied for FY 2025-26 and FY 2024-25, respectively https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/TWN **Note 2:** The figures for FY 2025-26 have been derived considering only the data pertaining to the Offices of IRCON. Accordingly, the figures for the previous financial year have been restated on a comparable basis. There is no significant variation in the total emissions between the two financial years.			
	Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, EKI Energy Services Limited			

8.	**Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**
	IRCON is committed to reducing its Greenhouse Gas emissions through various innovation technologies i.e., use of New Track Laying & Linking Machine, etc., in the execution of works, which reduces overall greenhouse gas emissions. Furthermore, IRCON has been using renewable energy at its corporate office.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

9.	**Provide details related to waste management by the entity**		
	Parameter	**FY 2025-26**	**FY 2024-25**
	Total Waste generated (in metric tons)		
	Plastic waste **(A)**	0.18	0.00
	E-waste **(B)**	0.00	0.30
	Bio-medical waste **(C)**	0.00	0.00
	Construction and demolition waste **(D)**	1.82	9.00
	Battery waste **(E)**	0.00	0.26
	Radioactive waste **(F)**	0.00	0.00
	Other Hazardous waste. Please specify, if any. **(G)**	0.00	0.00
	Other non-hazardous waste generated **(H).** Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
	Paper, Cardboard, Plywood Waste	7.70	6.50
	Total (A+ B + C + D + E + F + G + H)	9.70	16.06
	Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/INR)	0.0000000001	0.0000000002
	Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/USD)	0.000000002	0.000000003
	Waste intensity in terms of physical output	-	-
	Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
	For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
	Category of waste		
	(i) Recycled	0.00	0.00
	(ii) Re-used	0.00	0.00
	(iii) Other recovery operations	0.00	0.00
	Total	0.00	0.00
	For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
	Category of waste		
	(i) Incineration	0.00	0.00
	(ii) Landfilling	0.00	0.00
	(iii) Other disposal operations	9.70	16.06
	Total	9.70	16.06
	Note 1: For the calculation of intensity, adjusted purchasing power parity (PPP), conversion factor 20.34 and 20.66 as per IMF has been applied for FY 2025-26 and FY 2024-25, respectively https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/TWN **Note 2:** The figures for FY 2025-26 have been derived considering only the data pertaining to the offices owned by IRCON. Accordingly, the figures for the previous financial year have been restated on a comparable basis. Waste generated through construction and demolition was 9.00 MT in FY 2024-25 and reduced to 1.82 MT in FY 2025-26.		
	Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, EKI Energy Services Limited		

10.	**Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**
	IRCON is committed to minimizing environmental impact by adopting practices focused on optimal resource use, waste segregation, recycling, and responsible disposal of hazardous materials. The company operates a fully functional water treatment plant at its corporate office to ensure proper treatment of wastewater before discharge. Continuous improvement and strict regulatory compliance are central to IRCON's approach, underscoring its dedication to sustainability and safety.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

11.	**If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required**		
	Location of operations/offices	**Type of operations**	**Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any**
	Not Applicable, The Company did not have any offices or operational facilities located in or around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, or coastal regulation zones) that required environmental approvals or clearances.		

12.	**Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year**					
	Name and brief details of project	**EIA Notification No.**	**Date**	**Whether conducted by independent external agency (Yes/No)**	**Results communicated in public domain (Yes/No)**	**Relevant Web link**
	EIA of projects have been done before awarding of project to IRCON. EIA related monitoring has been done by IRCON during the execution of work, as per the frequency defined.					

13.	**Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.**				
	S. No.	**Specify the law/ regulation / guidelines which was not complied with**	**Provide details of the non-compliance**	**Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts**	**Corrective action taken, if any**
		Nil			

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do in a manner that is responsible and transparent

Essential Indicators

1.	**a. Number of affiliations with trade and industry chambers/ associations**		**9**
	b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.		
	S. No.	**Name of the trade and industry chambers/ Associations**	**Reach of trade and industry chambers/ associations (State/ national)**
	1	Confederation of Indian Industry (CII) Northern Region	National
	2	National Real Estate Development Council (NAREDCO)	National
	3	PHD Chamber of Commerce & Industry (PHDCCI)	National
	4	Project Export Promotion Council of India (PEPC)	National
	5	National Highways Builders Federation of India (NHBFI)	National
	6	Construction Industry Development Council (CIDC)	National
	7	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
	8	Engineering Export Promotion Council (EEPC)	National
	9	BRICS Chamber of Commerce and Industry	National

2.	**Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**		
	Name of authority	**Brief of the case**	**Corrective action taken**
	No case to report		

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1.	**Details of social impact assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**					
	Name and brief details of project	**SIA Notification No.**	**Date of notification**	**Whether conducted by independent external agency (Yes / No)**	**Results communicated in public domain (Yes / No)**	**Relevant Web link**
	Not applicable, Social Impact Assessments for projects are conducted by the project proponents/authorities before the award of projects to IRCON, wherever required under applicable laws. Therefore, no SIA was undertaken by the Company during the reporting year.					

2.	**Provide information on project(s) for which ongoing rehabilitation and resettlement (R&R) is being undertaken by your entity**					
	Name of Project for which R&R is ongoing	**State**	**District**	**No. of Project Affected Families (PAFs)**	**% of PAFs covered by R&R**	**Amounts paid to PAFs in the FY (In INR)**
	Not Applicable, IRCON functions as an executing agency/EPC contractor and is not responsible for rehabilitation and resettlement activities, which are undertaken by the project owner or relevant government authority. Therefore, no R&R projects are being undertaken by the Company.					

3.	**Describe the mechanisms to receive and redress grievances of the community**
	CPGRAMS, the Centralized Public Grievance Redress and Monitoring System, is a key initiative by the Indian central government to improve governance through efficient resolution of public grievances. IRCON uses this online platform to promptly address community grievances, monitor their status, and ensure each case is thoroughly reviewed by the relevant department. Timely and appropriate actions are taken to resolve issues, reflecting IRCON's commitment to responsive and effective public engagement via the CPGRAMS portal.

4.	**Percentage of input material (inputs to total inputs by value) sourced from suppliers**		
	Particulars	**FY 2025-26**	**FY 2024-25**
	Directly sourced from MSEs/ small producers	38.36%	26.56%
	Directly from within India	41.19%	55.77%

5.	**Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**		
	Location	**FY 2025-26**	**FY 2024-25**
	Rural	4.27%	6.22%
	Semi-urban	1.31%	1.01%
	Urban	31.77%	32.05%
	Metropolitan	62.65%	60.72%

(Place to be categorized as per RBI Classification system - rural/ semi-urban/urban/metropolitan)

Leadership Indicators

1.	**Provide details of actions taken to mitigate any negative social impacts identified in the social impact assessments**	
	Details of negative social impact identified	**Corrective action taken**
	Not Applicable, Social Impact Assessments for projects are conducted by the project proponents/authorities before the award of projects to IRCON, wherever required under applicable laws. Therefore, no SIA was undertaken by the Company during the reporting year.	

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

2.	**Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies**
	Nil

3.	a.	**Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**
		Yes.
	b.	**From which marginalized /vulnerable groups do you procure?**
		Procurement is done from MSE including SC/ST and Women Entrepreneurs.
	c.	**What percentage of total procurement (by value) does it constitute?**
		The percentage of total procurement from MSEs owned by SC/ST entrepreneurs was 1.85%. The percentage of total procurement from MSEs owned by women entrepreneurs was 3.56%. The overall percentage of MSE Procurement was 38.36%.

4.	**Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**			
	Intellectual Property based on traditional knowledge	**Owned/ Acquired (Yes/ No)**	**Benefit shared (Yes / No)**	**Basis of calculating benefit share**
	Not Applicable, the Company did not own or acquire any intellectual property based on traditional knowledge during FY 2025–26. Accordingly, no benefits arose from such intellectual property, and no benefit-sharing arrangement was required during the reporting period.			

5.	**Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**		
	Name of authority	**Brief of the Case**	**Corrective action taken**
	Not Applicable, the Company has not been involved in any intellectual property-related disputes concerning the use of traditional knowledge. Accordingly, no adverse orders have been received, and no corrective actions were required during FY 2025–26.		

6.	**Details of beneficiaries of CSR Projects:**		
S. No	**CSR Project**	**No. of persons benefitted from CSR Projects**	**% of beneficiaries from vulnerable and marginalized groups**
1.	Advancing Rail Infrastructure through Bridge and Tunnel Engineering by M/s Gati Shakti Vishwavidyalaya (A Central University sponsored by the Ministry of Railways, Govt. of India)	Not Yet Determinable – Project under implementation; beneficiary assessment will be undertaken upon completion of the project.	

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1.	**Describe the mechanisms in place to receive and respond to consumer complaints and feedback**
	Not Applicable, IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion. Therefore, the disclosure relating to mechanisms for receiving and responding to consumer complaints and feedback is not applicable to the Company. Any project-related issues, feedback, or contractual concerns are addressed through established client engagement and project management mechanisms as per contractual arrangements.

2.	**Turnover of products and/ services as a percentage of turnover from all products/service that carry information about**	
		As a percentage to total turnover
	Environmental and social parameters relevant to the product	Not Applicable, IRCON is primarily an EPC infrastructure company that executes projects as per client specifications and hands over the completed assets to the respective clients upon completion. IRCON does not manufacture or sell products and does not provide consumer-facing products/services requiring environmental and social labeling relating to safe usage, recycling, or disposal.
	Safe and responsible usage	
	Recycling and/or safe disposal	

3.	**Number of consumer complaints**						
		FY 2025-26			**FY 2024-25**		
		Received during the year	**Pending resolution at end of year**	**Remarks**	**Received during the year**	**Pending resolution at end of year**	**Remarks**
	Data privacy	IRCON primarily operates as an infrastructure company. The Company does not have end-consumer customer base and does not market consumer products & services.			IRCON primarily operates as an infrastructure company. The Company does not have end-consumer customer base and does not market consumer products & services.		
	Advertising						
	Cyber-security						
	Delivery of essential services						
	Restrictive Trade Practices						
	Unfair Trade Practices						
	Other						

4.	**Details of instances of product recalls on account of safety issues**		
		Number	**Reasons for recall**
	Voluntary recalls	Not Applicable. IRCON does not manufacture or sell products to consumers.	
	Forced recalls		

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

5.	**Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**
	Yes, IRCON has a comprehensive framework and a dedicated policy for managing cyber security and data privacy risks. The policy outlines different categories of cyber incidents, assigns associated roles and responsibilities, and establishes procedures for identifying, exchanging information about, responding to, and remediating malicious cyber incidents that could impact critical business functions and processes. The framework emphasizes the need for a coordinated and thorough approach to address cyber security incidents and breaches. IRCON's policy is based on the 'Cyber Crisis Management Plan for countering cyber-attacks and cyber terrorism' developed by CERT-In, MeitY, Government of India. This plan recognizes the evolving nature of cyber threats, including the emergence of new vulnerabilities that require regular policy updates and response strategies. It includes regular assessments of threats and risks to critical business functions and services, and it determines suitable response and mitigation measures accordingly. The policy covers all organizational units within IRCON, such as corporate offices, regional offices, and project offices, and extends to key business functions like finance, accounts, human resources, operations, procurement, plant maintenance, contract management, and IT. Additionally, IRCON follows the Railway Board's IT Security Policy to further strengthen its cyber security framework. For more details, the policy can be accessed at: Web Link of Data Privacy Policy: https://ircon.org/sites/default/files/2025-02/IRCON-Data_Privacy_Policy_V2.pdf

6.	**Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**
	Not Applicable, as disclosed above, IRCON does not manufacture or sell products to consumers and does not operate a consumer-facing business model. Consequently, matters relating to consumer advertising, customer data privacy complaints, product recalls, and penalties or regulatory actions concerning the safety of products/services are not applicable to the Company. Therefore, no corrective actions were required or undertaken during the reporting period in relation to these matters.

7.	**Provide the following information relating to data breaches:**	
	a. Number of instances of data breaches	There are no instances of data breaches reported during FY 2025-26.
	b. Percentage of data breaches involving personally identifiable information of customers	No instances of data breaches were reported during the reporting period. Accordingly, there were no data breaches involving personally identifiable information of customers.
	c. Impact, if any, of the data breaches	As no data breaches were reported during FY 2025-26, there was no resulting impact on the Company, or its other stakeholders.

Note: The figures, in this report, for the previous financial year have been restated, wherever necessary, to ensure comparability with the figures reported for the current financial year.

For and on behalf of the Board of Directors

Sd/-
(Saleem Ahmad)
Chairman & Managing Director & CEO
(DIN: 10119432

Date: August 25, 2026
Place: New Delhi

Independent Assurance Statement

To,

The Board of Directors
Ircon International Limited
C-4, District Centre, Saket,
New Delhi – 110017, India

Independent Reasonable Assurance Statement of Ircon International Limited on Business Responsibility and Sustainability Report (BRSR) Core Key Performance Indicators for FY 2025-26

Introduction and Objective

Ircon International Limited ("the Company" or "IRCON"), a Navratna Central Public Sector Enterprise under the Ministry of Railways, Government of India, has prepared its Business Responsibility and Sustainability Report ("BRSR") for the financial year 1st April 2025 to 31st March 2026 ("FY 2025-26"), in accordance with the format prescribed by the Securities and Exchange Board of India (SEBI) under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

EKI Energy Services Limited ("EKI" or "the Assurance Provider") appointed by the Company to provide independent reasonable assurance on the BRSR Core Key Performance Indicators ("BRSR Core KPIs") disclosed by the Company for FY 2025-26, in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

The purpose of this engagement is to provide the Company's stakeholders with reasonable assurance on the reliability, accuracy, and completeness of the BRSR Core KPIs disclosed by the Company, in fulfilment of SEBI's mandatory reasonable assurance requirement applicable to BRSR Core disclosures.

Respective Responsibilities

The preparation and presentation of the BRSR, including the identification of material topics, data collection, consolidation, computation, and disclosure of the BRSR Core KPIs, are the sole responsibility of the management of IRCON. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation of BRSR Core KPIs.

EKI's responsibility is to independently examine the BRSR Core KPIs and to express a reasonable assurance conclusion thereon, based on the procedures performed in accordance with ISAE 3000 (Revised). This assurance engagement does not extend to an audit of financial information, nor to operational, legal, or regulatory matters outside the defined scope of assurance.

Scope of Assurance

The scope of the assurance engagement was limited to the BRSR Core Key Performance Indicators disclosed by IRCON for the reporting period 1st April 2025 to 31st March 2026 (FY 2025-26), as listed in Appendix 1 to this statement, covering the nine (9) BRSR Core attributes prescribed by SEBI across the Environment, Social, and Governance dimensions.

The reporting scope and boundary for the BRSR Core KPIs cover IRCON offices and Corporate Office at Saket, New Delhi.

The verification process involved a detailed review of underlying data, calculation methodologies, and supporting documentation, together with interactive discussions with the personnel responsible for ESG data ownership, consolidation, and reporting across the Company's locations.

Our verification procedures, commensurate with a reasonable level of assurance, included:

- Assessment of the appropriateness and consistent application of measurement and computation methodologies used to arrive at the BRSR Core KPI values disclosed;
- Detailed and substantive testing of source data and supporting documentation, including calculation sheets, log books, meter readings, invoices, registers, on a sample as well as extended basis appropriate to a reasonable assurance engagement;
- Site visits to selected location for on-ground verification of processes, systems, and controls governing the generation and reporting of BRSR Core KPI data;

- Evaluation of data collection, consolidation, and internal control mechanisms.
- Independent recalculation of quantitative indicators using authoritative external references, including the IPCC 2006 Guidelines, the IPCC Sixth Assessment Report (AR6), and the Central Electricity Authority (CEA) CO2 Baseline Database (User Guide Version 21.0, November 2025).
- Reconciliation of data and calculations shared by the Company against the values disclosed in the BRSR, followed by verification against primary source-level evidence to obtain a higher degree of assurance consistent with a reasonable assurance engagement;
- Identification, communication, and closure verification of data, gaps observed during the course of the engagement, prior to finalisation of this statement.

Level of Assurance and Standard Applied

The assurance engagement was conducted in accordance with the requirements of ISAE 3000 (Revised). A reasonable level of assurance was applied to the BRSR Core KPIs disclosed by the Company for FY 2025–26, as outlined in Appendix 1 to this statement.

A reasonable assurance engagement involves performing procedures to obtain sufficient and appropriate evidence to reduce assurance engagement risk to an acceptably low level, and is more extensive in nature, timing, and extent than a limited assurance engagement. Our procedures included, but were not limited to, testing of source documentation, on-site verification, independent recalculation, and evaluation of internal control mechanisms across the Company's reporting locations.

Limitations of the Engagement

There are inherent limitations in any assurance engagement, including the application of professional judgement and, where applicable, the use of testing on a sample basis for certain underlying data. Consequently, the engagement cannot provide an absolute guarantee that all misstatements or omissions, if any, have been identified. Non-financial data is also subject to more inherent limitations than financial data, given the nature and methods used for determining, calculating, and estimating such data.

Exclusions

The assurance engagement did not cover:

- Data or information relating to periods outside the reporting boundary of 1st April 2025 to 31st March 2026;
- Financial data and financial statements audited or reviewed by the Company's statutory auditors;
- BRSR disclosures other than the BRSR Core KPIs listed in Appendix 1 to this statement;
- The Company's statements or claims that are qualitative or forward-looking in nature, including expressions of opinion, belief, inference, aspiration, expectation, aim, or future intention.

Observations

Based on the procedures performed, the BRSR Core KPIs of IRCON for FY 2025–26, as defined within the scope of this assurance engagement, are found to be reliable and prepared in accordance with the Company's stated reporting criteria and the BRSR Core framework prescribed by SEBI.

During the course of the assurance process, certain data clarifications were raised with the Company's process owners. These were reviewed and addressed by the IRCON team.

Assurance Conclusion

In our opinion, based on the procedures performed and the evidence obtained, the BRSR Core Key Performance Indicators of IRCON for the financial year 1st April 2025 to 31st March 2026, as listed in Appendix 1 to this statement, present fairly, in all material respects, and are prepared in accordance with the BRSR Core framework prescribed by the Securities and Exchange Board of India and the Company's stated internal reporting criteria and processes.

Independence and Competence

EKI Energy Services Limited conducted this assurance engagement for IRCON as an independent third-party assurance provider. We have no financial or other conflicting interest in IRCON that could compromise our independence or objectivity in the conduct of this engagement.

EKI Energy Services Limited (EKI) is an independent professional services company specialising in climate change, carbon management, and sustainability. With over 18 years of experience, EKI provides comprehensive services in sustainability strategy development, carbon offset management, and non-financial reporting assurance. It is the only publicly listed carbon credit management company in India, serving over 3,000 clients across 40+ countries, with an operational presence in more than 14 nations. EKI is an IMS-certified company, is CDP-reported, and has extensive experience in conducting third-party verification of sustainability reports and ESG disclosures, including BRSR and GRI-based reporting. The firm demonstrates a strong technical understanding of internationally recognised standards and assurance frameworks, including ISAE 3000 (Revised) and the SEBI BRSR framework.

Purpose and Use of this Statement

Our work has been undertaken to enable us to express a reasonable level of assurance on the BRSR Core KPIs of IRCON for the financial year ended 31st March 2026, to the management of IRCON in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume responsibility or liability to any party other than IRCON for our work, for this statement, or for the conclusions we have reached.

Appendix 1

The BRSR Core Key Performance Indicators considered during the engagement, based on the SEBI BRSR Core framework, are presented below in Table 1:

Table 1: BRSR Core KPIs Covered for Assurance

Sr. No.	BRSR Core Attribute	BRSR Cross-Reference	KPI / Parameter Assured
1	Green-house Gas (GHG) Footprint	Principle 6, Q7	Total Scope 1 Emissions (CO2, CH4, N2O)
			Total Scope 2 Emissions (purchased energy)
			GHG Emission Intensity (Scope 1 + 2)
2	Water Footprint	Principle 6, Q3	Total Water Consumption
			Water Consumption Intensity
		Principle 6, Q4	Water Discharge by Destination & Treatment Level
3	Energy Footprint	Principle 6, Q1	Total Energy Consumed & % from Renewable Sources
			Energy Intensity
4	Embracing Circularity (Waste Management)	Principle 6, Q9	Waste Generated by Category (Plastic, E-waste, Bio-medical, C&D, Battery, Radioactive, Hazardous, Non-hazardous)
			Waste Intensity
			Waste Recovered (Recycled / Reused / Recovered) & Disposed (Incineration / Landfill / Other)
5	Enhancing Employee Wellbeing & Safety	Principle 3, Q1(c)	Spending on Employee/Worker Wellbeing (% of revenue)
		Principle 3, Q11	Safety Incidents — LTIFR, Permanent Disabilities, Fatalities
6	Enabling Gender Diversity in Business	Principle 5, Q3(b)	Gross Wages Paid to Females (% of total wages)
		Principle 5, Q7	Complaints on POSH (reported, % of female employees, upheld)

Sr. No.	BRSR Core Attribute	BRSR Cross-Reference	KPI / Parameter Assured
7	Enabling Inclusive Development	Principle 8, Q4	Input Material Sourced from MSMEs / Small Producers within India (% of purchases)
		Principle 8, Q5	Job Creation in Smaller Towns (wages to persons in smaller towns as % of total wage cost)
8	Fairness in Engaging with Customers & Suppliers	Principle 9, Q7	Data Breaches — loss/breach of customer data (% of total breaches / cyber events)
		Principle 1, Q8	Number of Days of Accounts Payable
9	Open-ness of Business	Principle 1, Q9	Concentration of Purchases with Trading Houses / Dealers/ Related Parties
			Share of Related Party Transactions (RPTs) — Purchases, Sales, Loans & Advances, Investments

For and on behalf of EKI Energy Services Ltd.

Sd/-
Engagement Leader
Arun Victor Paulraj
Vice President
EKI Energy Services Ltd.
Place: Indore, Madhya Pradesh, India
Date: 18-08-2026

Sd/-
Technical Reviewer
Mukesh Bhalse
Assistant Vice President
EKI Energy Services Ltd.
Place: Indore, Madhya Pradesh, India
Date: 18-08-2026

ANNUAL REPORT ON CSR & SUSTAINABILITY

1. **Brief outline on CSR & Sustainability Policy of the Company.**

   The Company has adopted a Corporate Social Responsibility and Sustainability Policy (CSR Policy) that is aligned with its corporate vision and the applicable regulatory framework. The policy outlines the principles, structures, and processes for the planning, approval, implementation, monitoring, and evaluation of CSR activities.

   The CSR Committee of the Board is responsible for reviewing and approving CSR proposals submitted by the Project Implementation Unit (PIU)-level CSR Committees. These projects are executed through eligible Non-Governmental Organizations (NGOs) and specialized agencies that are registered with the Ministry of Corporate Affairs (MCA) and possess a valid CSR Registration Number, as per statutory requirements.

   The PIU level Committees are also actively involved in project-level monitoring and provide regular updates to ensure effective implementation.

   During the financial year 2025-26, the Company has approved a CSR Activity for Advancing Rail Infrastructure through Bridge and Tunnel Engineering being implemented by M/s Gati Shakti Vishwavidyalaya (A Central University sponsored by the Ministry of Railways, Govt. of India) at the Cost of ₹15.31 Crore and company has spent a total of ₹15.45 Crore on CSR activities against the allocated budget of ₹15.45 Crore, thereby fulfilling the obligations under Section 135 of the Companies Act, 2013.

2. **Composition of CSR Committee:**

S. No	Name of CSR Committee Members	Designation	Date of appointment	Date of cessation
1.	Smt. Ragini Advani*	Chairperson	15-05-2025	-
2.	Shri Varadharajan T	Member	15-05-2025	-
3.	Shri Anupum Singh	Member	09-11-2024	-
4.	Shri Parag Verma	Member	01-01-2023	30-04-2025
5.	Shri Anand Bhatia	Chairman	04-02-2025	15-05-2025

*Smt. Ragini Advani was nominated as Member of CSR Committee w.e.f. 09-05-2025 and designated as Chairperson of the Committee (w.e.f. 15-05-2025).

During the financial year 2025-26, the Corporate Social Responsibility (CSR) Committee met two times.

The details of meetings & attendance are as follows:

Name of Member	Meeting Date		Total meetings held during the tenure	No. of meetings attended
	5th August, 2025	20th March, 2026		
Smt. Ragini Advani	Yes	Yes	2	2
Shri Varadharajan T	Yes	Yes	2	2
Shri Anupum Singh	Yes	Yes	2	2

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

   These can be accessed at the following web link:

   a) CSR committee: https://ircon.org/investor-relations/board-committee

   b) CSR Policy: https://ircon.org/sites/default/files/2026-01/Updated_CSR_policy_june_2024.pdf

   c) CSR projects: https://ircon.org/sites/default/files/2026-06/CSR-Activity-in-2025-26.pdf

4. The executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

   Not applicable for the financial year 2025-26 as there were no CSR projects having outlays of one crore rupees or more and which have been completed not less than one year.

5. (a) Average net profit of the company as per sub-section (5) of section 135: **₹7,72,32,02,094/-**

   (b) Two percent of average net profit of the company as per section 135(5): **₹15,44,64,042/-**

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

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

   (e) Total CSR obligation for the financial year [(b)+(c)- (d)]: **₹15,44,64,042/-**

6.

(a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects):	**15,31,00,000**
(b) Amount spent in Administrative Overheads:	**13,87,877**
(c) Amount spent on Impact Assessment, if applicable.:	**Nil**
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]:	**15,44,87,877**

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13,87,877	15,31,00,000	28-04-2026	NIL	NIL	NIL

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Core)
(i)	Two percent of average net profit of the company as per section 135(5)	15,44,64,042
(ii)	Total amount spent for the Financial Year	15,44,87,877
(iii)	Excess amount spent for the financial year [(ii)-(i)]	23,835
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	23,835*

*An amount of ₹23,835/- has been incurred in excess of the prescribed CSR obligation. This excess expenditure shall not be carried forward or adjusted as set off against CSR requirements of succeeding financial years, and will be treated as additional voluntary spend for FY 2025 26.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Nil

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any Amount (in ₹)
					Amount (In ₹)	Date of Transfer		
1.	2024-25	2,25,02,767	NA	1,09,95,539	NA		1,15,07,228	Nil
2.	2023-24	NA	NA	NA	NA		NA	NA
3.	2022-23	NA	NA	NA	NA		NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

   Yes No ✓

   If yes, enter the number of Capital assets created/acquired:- **NA.**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: Not Applicable.

Sd/-
Hari Mohan Gupta
Chairman and Managing Director
(DIN 08453476)

Sd/-
Ragini Advani
Director (Finance) & Chairperson,
CSR & Sustainability Committee
(DIN 09575213)

Date: June 29, 2026
Place: New Delhi

FORM – MR 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Ircon International Limited
Plot No. C – 4, District Centre Saket,
New Delhi – 110017.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ircon International Limited (CIN: L45203DL1976GOI008171)** (hereinafter called "the Company"/ "IRCON"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

A. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

B. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2026 according to the provisions of:

   (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   (iii) The Depositories Act, 1996 and the Regulations and Bye Laws framed there under to the extent of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;

   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:

      a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Amendments thereof;

      b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018, to the extent applicable **(No such event during the Audit Period)**

      c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendment thereof;

      d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and amendment thereof **(No such event during the Audit Period);**

      e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(No such event during the Audit Period);**

      f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(No such event during the Audit Period);**

      g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment thereof;

      h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(No such event during the Audit Period);**

      i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (upto 14th December, 2025) and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 (from 15th December, 2025) regarding the SEBI Act and dealing with client to the extent of securities issued.

   (vi) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 issued by Department of Public Enterprises ('DPE Guidelines').

   (vii) We further report that, having regards to the compliance system prevailing in the Company for the specifically applicable laws to the Company as identified by the Management, are being verified on the basis of periodic certificate under internal Compliance system submitted to the Board of Directors of the Company.

C. We have also examined compliance with the applicable clauses of the following:

   (i) Secretarial Standards ('SS') with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) Listing Agreements entered by the Company with the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE).

D. During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

(i) *The composition of the Board was not in compliance with the provisions of Section 149(4) of the Act, Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Clauses 3.1.2 and 3.1.4 of the DPE Guidelines during the Audit Period. Further, Regulation 17(1)(c) of Listing Regulations was not complied during the period from 01.05.2025 to 08.05.2025.*

Due to non-appointment of the requisite number of Independent Directors on the Board, the Board meeting held on 29.04.2025 did not meet the quorum requirement under Regulation 17(2A) of the Listing Regulations.

(ii) Due to the absence of the requisite number of Independent Directors on the Board, the Audit Committee and Nomination & Remuneration Committee were not duly constituted throughout the Audit Period, while the Stakeholders' Relationship Committee (SRC), Risk Management Committee (RMC), and Corporate Social Responsibility Committee were not duly constituted during the period from 01.04.2025 to 14.05.2025, resulting in non-compliance with the applicable provisions of the Act, Listing Regulations, and the DPE Guidelines.

Consequently, all six Audit Committee Meetings held during the Audit Period were conducted without the requisite quorum.

During the Audit Period, the NSE and the BSE levied fine (s) for noncompliance of Regulations 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/(2A) and 21(2) of the Listing Regulations. As per the information and explanation provided by the management, upon appointment of an Independent Director on the Board of the Company, the SRC and RMC were duly reconstituted w.e.f. 15.05.2025. Subsequently, the Company submitted applications to NSE and BSE to waive off the fines imposed for non-compliance with Regulations 20(2)/20(2A) and 21(2). Thereafter, NSE and BSE granted the waiver of the said fines.

As per the information and explanation provided by the management, the appointment of Directors, on the Board of the Company, is made by the Ministry of Railways ('Administrative Ministry'). The Company is regularly requesting the Administrative Ministry to appoint Independent Directors on the Board of the Company.

E. **We further report that**

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors *except as enumerated in para D(i) above regarding Independent Directors.* The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda generally sent at least seven days in advance, besides in some cases where Board Meeting notice/agenda were circulated on shorter notice with the consent of Board of Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(iii) All decisions at Board Meetings and Committee Meetings are carried out by unanimously/majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

F. **We further report that** based on the information provided and review of compliance reports taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

G. **We further report that** based on the information provided, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above-mentioned laws during the audit period

Note:

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

For VAP & Associates
Company Secretaries
FRN: P2023UP098500
Peer Review No: 7629/2026

Sd/-
Parul Jain
Managing Partner
M. No. F8323
C.P. No. 13901
UDIN: F008323H000681809

Date: 24.06.2026
Place: Ghaziabad

Annexure – 'A'

ANNEXURE TO SECRETARIAL AUDIT REPORT

To
The Members,
Ircon International Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.

4. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.

5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.

6. The compliance by the Company of applicable financial laws such as direct and indirect tax laws has not been reviewed in this Audit since the same have been subject to review by statutory auditors and other designated professionals and the contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.

7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.

8. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.

9. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For VAP & Associates
Company Secretaries
FRN: P2023UP098500
Peer Review No: 7629/2026

Sd/-
Parul Jain
Managing Partner
M. No. F8323
C.P. No. 13901
UDIN: F008323H000681809

Date: 24.06.2026
Place: Ghaziabad

REPLIES TO THE OBSERVATIONS CONTAINED IN THE SECRETARIAL AUDIT REPORT AND COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE FOR THE YEAR 2025-26

Sl. No	Observations contained in the Secretarial Audit Report 2025-26	Management Reply
1.	The composition of the Board was not in compliance with the provisions of Section 149(4) of the Act, Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Clauses 3.1.2 and 3.1.4 of the DPE Guidelines during the Audit Period. Further, Regulation 17(1)(c) of Listing Regulations was not complied during the period from 01.05.2025 to 08.05.2025 Due to non-appointment of the requisite number of Independent Directors on the Board, the Board meeting held on 29.04.2025 did not meet the quorum requirement under Regulation 17(2A) of the Listing Regulations.	Ircon International Limited (IRCON) is a Government Company as defined under provisions of Section 2(45) of the Companies Act 2013. As per the Articles of Association of IRCON, the President of India is vested with the power to appoint Directors (including Independent Directors/ Women Director) on the Board of the Company. All Directors in IRCON are appointed by the Government of India through its Administrative Ministry, Ministry of Railways (MoR); hence, IRCON has no role to play in the appointment of any Director (including Independent Director/ Woman Director) unless nominated by the Government. To comply with the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines ("applicable provisions") related to composition of the Board of Directors, IRCON has been continuously requesting MoR for the appointment of requisite number of Independent Directors (including Woman Independent Director) on the Board of IRCON to ensure compliances. Since, Chairman of IRCON is executive, considering the approved positions of executive and non-executive directors, 6 independent directors are required, in order to comply with the statutory requirements of composition of the Board of IRCON. Due to cessation of three Independent Directors on the Board of the Company w.e.f. 8th November, 2024 and one Independent Director on 28th December, 2024, there was no Independent Director on the Board of the Company as on 31st March, 2025. Subsequently, upon nomination of one Independent Director by MoR, w.e.f 15th May, 2025, there were Four functional Directors, Two Government Nominee Directors and one Independent Director on the Board of the Company as on 31st March, 2026. Hence, the non-compliance related to composition of Board of Directors was due to non-appointment of Independent Directors (including Woman Independent Director) by the Government of India and Company has no role to play in this matter.
2.	Due to the absence of the requisite number of Independent Directors on the Board, the Audit Committee and Nomination & Remuneration Committee were not duly constituted throughout the Audit Period, while the Stakeholders' Relationship Committee (SRC), Risk Management Committee (RMC), and Corporate Social Responsibility Committee were not duly constituted during the period from 01.04.2025 to 14.05.2025, resulting in non-compliance with the applicable provisions of the Act, Listing Regulations, and the DPE Guidelines. Consequently, all six Audit Committee Meetings held during the Audit Period were conducted without the requisite quorum.	Due to cessation of three Independent Directors on the Board of the Company w.e.f. 8th November, 2024 and one Independent Director on 28th December, 2024, there was no Independent Director on the Board of the Company and thus the composition of Audit Committee (AC), Nomination and Remuneration Committee (NRC), Stakeholders Relationship Committee (SRC), Risk Management Committee (RMC) and Corporate Social Responsibility Committee (CSR) were not in compliance up to 14th May 2025. Subsequently, upon nomination of one Independent Director by MoR, w.e.f 15th May, 2025, the aforementioned committees were reconstituted. Accordingly, SRC, RMC & CSR were properly reconstituted, as per applicable provisions. Thereafter, upon filing a waiver application by the Company, NSE and BSE had granted the waiver of the fines levied for non-compliance with Regulations 20(2)/20(2A) & 21(2) for SRC and RMC, respectively. Further, to comply with the applicable provisions related to composition of AC and NRC, IRCON has been continuously requesting MoR for the appointment of requisite number of Independent Directors on the Board of IRCON to ensure such compliances.

Best Regards

Sd/-
(Saleem Ahmad)
Chairman & Managing Director & CEO
(DIN: 10119432)

Date: August 25, 2026
Place: New Delhi

FORM NO. AOC-2

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188 (1) of the Companies Act, 2013, including certain arms-length transactions under fourth proviso thereto

[Pursuant to Section 134(3)(h) of the Companies Act, 2013, read with Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL
2. Details of material contracts or arrangements or transactions at arm's length basis : As follows

Sl. No.	Corporate Identity Number (CIN) & Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts/ arrangements/ transactions, including actual/ expected contractual amount	Date of approval by the Board	Amount received/ paid as advances by IRCON,if any
1.	**Ircon Shivpuri Guna Tollway Limited (IrconSGTL)** A wholly owned subsidiary Company (CIN: U45400DL 2015GOI280017)	Awarding of Engineering Procurement Construction (EPC) Agreement for Execution of four laning of Shivpuri-Guna section of NH-46 from Km 236.000 to Km 332.100 in the State of Madhya Pradesh- Stage-II to be executed on BOT (Toll) on DFBOT Pattern under NHDP Phase-IV (Stage-II) by IrconSGTL to IRCON. Also, execution of Major Maintenance (Bituminous Overlay) and three years Routine Maintenance of Project Highway.	**Date:** EPC agreement dated 30.11.2015 & Addendum-I dated 18.03.2016 & Addendum-II dated 22.07.2016. **For Maintenance (For Routine & Major Maintenance)-** LOA dated 22.06.2023. **Duration:** **Stage-I –** Completion period 910 days from date of appointment. COD was granted on 06.06.2018. **Stage-II –** Completion Period: 12 months from the letter of award or handing over of site, whichever is later. COD was granted w.e.f. 10.05.2024 Major & Routine Maintenance work has been awarded to Ircon International Limited vide LOA dated 22.06.2023 with completion period of 12 months for major maintenance and 3 years for Routine Maintenance w.e.f 15.05.2023. The Major Maintenance work has been completed as on 30.06.2025 and Routine Maintenance has been completed as on 15.05.2026.	**EPC Contract –** ₹642.00 Cr. **For Major and routine maintenance:** Actual cost plus 5% basis on works and reimbursement of other expenses on actual basis.	Not Applicable	Nil

Sl. No.	Corporate Identity Number (CIN) & Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts/ arrangements/ transactions, including actual/ expected contractual amount	Date of approval by the Board	Amount received/ paid as advances by IRCON,if any
2.	**Ircon Davanagere Haveri Highway Limited (IrconDHHL)** A wholly owned subsidiary Company (CIN: U45500DL 2017GOI317401)	1. Awarding of Engineering Procurement Construction (EPC) contract of Davanagere Haveri Highway Project from km 260+000 to km 338+923 of NH-48 (old NH-4) under Bharatmala Pariyojna in the State of Karnataka to IRCON. 2. Short -Term Routine Maintenance & Engineering Improvement of Davanagere – Haveri Section in the state of Karnataka.	**Date:** EPC Agreement dated 04.01.2018. **Duration:** Completion period is 30 months from Appointed date or handing over of land by IrconDHHL whichever is later. EOT granted up to 31.10.2024 vide IrconDHHL letter dated 16.06.2023. Additionally, the balance work in hindered land is yet to be completed for which Extension has been requested from the Authority/NHAI. Accordingly, EOT to IRCON shall be granted as per terms of EPC Agreement on back-to-back basis. For O&M work – LOA dt. 22.12.2023 and agreement dt. 07.03.2024. **Duration –** The work has been initially awarded to IRCON for 02 years i.e. upto 31.01.2026. Further EOT has been granted vide letter dt. 19.01.2026 by Ircon DHHL for additional 01 year i.e. upto 31.01.2027.	**Consideration:** ₹916.93 Crore plus GST For Maintenance - ₹8.08 Crore plus 5% actual expenditure and GST.	Not Applicable	NIL

Sl. No.	Corporate Identity Number (CIN) & Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts/ arrangements/ transactions, including actual/ expected contractual amount	Date of approval by the Board	Amount received/ paid as advances by IRCON,if any
3.	**Ircon Vadodara Kim Expressway Limited (IrconVKEL)** A wholly owned subsidiary Company (CIN: U74999DL 2018GOI334028)	Engineering Procurement Construction (EPC) Contract for construction of eight lane Access Controlled Expressway from Km 323+000 to Km 355+000 km under Bharatmala Pariyojna in the state of Gujarat from IrconVKEL to IRCON. Also, execution of Operation & Maintenance works for initial 04 years after PCOD (dated 25.08.2022) in Vadodara Kim Expressway Project.	**Date:** EPC Agreement dated 09.11.2018 as modified vide Addendum 1 entered on 10.08.2019 and Addendum 2 entered on 03.01.2020. For Maintenance – LOA Dated 15.05.2023. **Duration:** Completion period is 730 days reckoned from Appointed Date. Further, extended up to 30.05.2022 vide IrconVKEL letter dated 27.05.2022. Project duration was further extended as per terms of settlement agreement between NHAI & SPV signed on dated: 31.10.2023. PCC has been issued w.e.f. 25.08.2022 and COD was issued dated 09.01.2024. **For Maintenance –** 04 years from date of COD/ PCC w.e.f. 26.08.2022.	**Consideration:** ₹1,543 Crore plus GST (Original) ₹1,760 Crore plus GST (Revised) For Maintenance -₹43.29 Crore incl. GST & Escalation for four years	Not Applicable	NIL
4.	**Ircon Gurgaon Rewari Highway Limited (IrconGRHL)** A wholly owned subsidiary Company (CIN: U45309DL 2020GOI374941)	Awarding of Engineering Procurement Construction (EPC) Contract by IrconGRHL of work of upgradation of Gurgaon-Pataudi-Rewari section of NH- 352W (design length 46.110 km) as Feeder route under Bharatmala Pariyojna in the State of Haryana from IrconGRHL to IRCON.	**Date:** EPC Agreement dated 30.06.2021 and Supplementary Agreement No. 1 dated 17.08.2022 & Supplementary Agreement No. 2 dated 30.03.2023. Supplementary Agreement No. 3 dated 14.07.2023. Supplementary Agreement No. 4 dated 25.09.2024. Supplementary Tripartite Agreement dated 04.02.2025. **Duration:** Completion period is 730 days reckoned from the Appointed date. EOT for 1042 days (upto 30.09.2026 excl. Grace period) was recommended by PIU, NHAI. Under review with NHAI HQ .	**Consideration**: ₹606.054 Crore plus GST	Not Applicable	Advance Received- ₹24.60 Crore Repayment of Advance- ₹26.97 Crore

Sl. No.	Corporate Identity Number (CIN) & Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts/ arrangements/ transactions, including actual/ expected contractual amount	Date of approval by the Board	Amount received/ paid as advances by IRCON,if any
5.	**Ircon Akloli-Shirsad Expressway Limited (IrconASEL)** A wholly owned subsidiary Company (CIN: U45309DL 2021GOI391629)	Awarding of Engineering Procurement Construction (EPC) contract for construction of Eight Lane Access Controlled Expressway in Shirsad to Akloli Section-SPUR of Vadodara Mumbai Expressway from Km 3.000 to Km 20.200 in the State of Maharashtra under Bharatmala Pariyojna from IrconASEL to IRCON	**Date:** EPC Agreement dated 02.09.2022. Supplementary Agreement dated 27.03.2026. **Duration:** Completion period is 548 days reckoned from the Appointed date. EOT-1 granted for 416 days and Settlement Agreement signed on 31.12.2024, making revised scheduled completion is 30.06.2025. EOT upto 28.02.2026 (Excl. 90 days) recommended by IE and approved by NHAI pending signing of Settlement Agreement II. PCC recommended by NHAI/ HQ Committee w.e.f. 15.04.2026. Final issuance of PCC is under process at NHAI level.	**Consideration:** ₹1,060.23 Crores Plus GST	Not Applicable	Repayment of Advance:- ₹14.39 Crore
6.	**Ircon Ludhiana Rupnagar Highway Limited (IrconLRHL)** A wholly owned subsidiary Company (CIN: U45309DL 2021GOI391675)	Awarding of Engineering Procurement Construction (EPC) contract for Construction of Four / Six lane Greenfield Ludhiana – Rupnagar National Highway No. 250K from Junction with NE-5 village near Manewal; (Ludhiana) to Junction with NH-205 near Bheora Village (Rupnagar) including spur to Kharar with Ludhiana Bypass under Bharatmala Pariyojna in the State of Punjab; Package-3 (Design Ch. 66+440 to Design Ch. 90+500 and spur to Kharar Design Ch. 0+000 to Design Ch. 19+200 – Total length= 43.26 km) from IrconLRHL to IRCON	**Date:** EPC Agreement dated 02.09.2022 Supplementary Agreement dated 27.03.2026. **Duration:** Completion period is 730 days reckoned from the Appointed date. EOT upto 30.09.2026 granted by SPV to IRCON. EOT was requested by SPV for 548 days (upto 17.08.2026) However, EOT was granted by NHAI for 290 days up to 02.12.2025 by NHAI without any settlement agreement, however, the same is disputed by IRCON. Request for EOT upto 31.03.2027 (excl. grace period) on account of persistent issues submitted to IE/NHAI.	**Consideration:** ₹993.86 Crores Plus GST COS: ₹12.48 Cr. + GST Royalty: ₹73.04 Cr. + GST	Not Applicable	Advance Received -₹14.72 Crore

Sl. No.	Corporate Identity Number (CIN) & Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts/ arrangements/ transactions, including actual/ expected contractual amount	Date of approval by the Board	Amount received/ paid as advances by IRCON,if any
7.	**Ircon Bhoj Morbe Expressway Limited (IrconBMEL)** A wholly owned subsidiary Company (CIN: U45203DL 2022GOI392148)	Awarding of Engineering Procurement Construction (EPC) contract for Construction of Eight Lane Access Controlled Expressway in Bhoj to Morbe Section – SPUR of Vadodara Mumbai Expressway from Km 69.800 to Km 79.783 in the state of Maharashtra under Bharatmala Pariyojna (Phase-II- Package-XVII) from IrconBMEL to IRCON	**Date:** EPC Agreement dated 02.09.2022 Supplementary Agreement dated 27.03.2026. **Duration:** Completion period is 910 days reckoned from the Appointed date. EOT upto 05.06.2026 (excl. 90 days grace period) recommended by IE & PIU NHAI. In process with NHAI HQ.	**Consideration:** ₹1,321.25 Crores Plus GST	Not Applicable	Repayment of Advance-₹8.33 Crore
8.	**Ircon Haridwar Bypass Limited (IrconHBL)** A wholly owned subsidiary Company (CIN: U45209DL 2022GOI392406)	Awarding of Engineering Procurement Construction (EPC) contract for upgradation and four Laning of Haridwar Bypass Package-1 From Km.0+000 (Km 188+100 of NH-58) to Km. 15+100 (km 5+100 of NH-74) in the State of Uttarakhand from IrconHBL to IRCON	**Date:** EPC Agreement dated 02.09.2022 **Duration:** Completion period is 730 days reckoned from the Appointed date. EOT-I for 296 days approved Settlement Agreement signed on 15.10.2024. Revised Completion date: 19.11.2025 (As per terms of Settlement Agreement including 90 days Grace Period). Further, EOT-II upto 223 days upto 01.04.2026 approved by NHAI and Settlement Agreement was signed on 18.11.2025. Further, EOT-III of 164 days i.e., 13.09.2026 (excl. 90 days grace period) is recommended by IE and is under review with NHAI.	**Consideration:** ₹910.70 Crores Plus GST	Not Applicable	Advance Received-₹2.51 Crore Repayment of Advance-₹3.84 Crore
9.	**Chhattisgarh East Railway Limited (CERL)** A Joint Venture Company (CIN: U45203CT 2013GOI000729)	Award of work of execution of East Corridor Rail Project in Chhattisgarh by CERL to IRCON	**Date:** Project Execution Agreement dated 18.01.2014 **Duration:** Till the Railway corridor becomes operational in line with the Concession Agreement.	IRCON would be paid actual cost of work plus specified percentage of contract addition towards overheads and profit.	Not Applicable	Advance received of ₹52.51 Crore Repayment of advance ₹51.63 Crore

Sl. No.	Corporate Identity Number (CIN) & Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts/ arrangements/ transactions, including actual/ expected contractual amount	Date of approval by the Board	Amount received/ paid as advances by IRCON,if any
10.	**Chhattisgarh East-West Railway Limited (CEWRL)** A Joint Venture Company (CIN: U45203CT 2013GOI000768)	Award of execution of East- West Corridor Rail Project in Chhattisgarh by CEWRL to IRCON	**Date:** Project Execution Agreement dated 05.04.2014 **Duration:** Till the Railway corridor becomes operational in line with the Concession Agreement.	IRCON would be paid actual cost of work plus specified percentage of contract addition towards overheads and profit.	Not Applicable	Advance received of ₹134.73 Crore Repayment of advance- ₹155.08 Crore
11.	**Mahanadi Coal Railway Limited (MCRL)** A Joint Venture Company (CIN: U60100OR 2015GOI019349)	Award of work for preparation of feasibility report, Detailed Project Report, Design, and construction of identified project lines and Sidings by MCRL to IRCON	**Date:** Project Execution Agreement dated 19.04.2016 **Duration:** Till the Railway corridor becomes operational in line with the Concession Agreement.	IRCON would be paid a percentage of cost of project for FR & DPR and actual cost of work plus specified percentage of contract addition towards overheads and profit for construction.	Not Applicable	Nil
12.	**Jharkhand Central Railway Limited (JCRL)** A Joint Venture Company (CIN: U45201JH 2015GOI003139)	Award of work for preparation of feasibility report, Detailed Project Report, Design, and construction of identified project lines and Sidings by JCRL to IRCON	**Date:** Project Execution Agreement dated 28.03.2016 **Duration:** Till the Railway corridor becomes operational in line with the Concession Agreement.	IRCON would be paid a percentage of cost of project for FR & DPR and actual cost of work plus specified percentage of contract addition towards overheads and profit for construction.	Not Applicable	Advance received ₹168.09 Crore Repayment of advance ₹251.41 Crore
13.	**Bastar Railway Private Limited (BRPL)** A Joint Venture Company (CIN: U74900CT 2016PTC007251)	Award of work for preparation of feasibility report, Detailed Project Report, Design, and construction of identified project lines and Sidings by BRPL to IRCON	**Date:** Project Execution Agreement has been entered on 19.07.2017 **Duration:** Till the Railway corridor becomes operational in line with the Concession Agreement.	IRCON would be paid a percentage of cost of project for FR & DPR and actual cost of work plus specified percentage of contract addition towards overheads and profit for construction.	Not Applicable	Nil

Note:

1. All the above said transactions have been approved by the Audit Committee of IRCON.
2. Apart from above said transactions, other transactions & arrangements entered into between IRCON or any of its subsidiaries on one hand and a related party of the IRCON or any of its subsidiaries on the other hand in the ordinary course of business for an amount not exceeding ₹1 Crore for each contract / agreement / transaction for the Financial Year 2025-26 on aggregated basis, as approved by the Audit Committee are as follows (i) Rendering or availing of Services for Machinery, Manpower and other resources at market rates on arm's length basis; (ii) leasing / rental of space on arm's length basis; and/or (iii) entering into unforeseen transactions of sale / purchase of goods or materials or availing or rendering of services on arm's length basis.
3. Loans to, investments made in and guarantees provided in connection with the loan of subsidiary and JV Companies etc. The members may refer to the financial statements which sets out the Related Party Disclosure pursuant to IND AS-24 and also the transactions during the financial year.

For and on behalf of the Board of Directors

Sd/-
(Saleem Ahmad)
Chairman & Managing Director and CEO
(DIN: 10119432)

Date: August 25, 2026
Place: New Delhi

Standalone Financial Statements 2025–26

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of Ircon International Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements including a summary of the material accounting policies and other explanatory information in which are incorporated the Returns for the year ended on that date audited by branch auditors of the Company's branches at Algeria, Bangladesh, Sri Lanka and Myanmar (hereinafter referred to as the "Standalone Ind AS Financial Statements").

We have audited the financial statements of the three (3) foreign branches situated at South Africa, Malaysia and Sri Lanka (Indian part) for the year ended 31st March, 2026. However, we have not visited any foreign branch and the relevant information for the audit purpose was provided to us by the management at corporate level.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules made there under, 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 obtained by us and other auditors in terms of their reports referred to in the "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Emphasis of Matters

Reference is invited to footnote no.(ii)(a) and (ii)(b) of Note no. 8.1 of the Standalone Ind AS Financial Statements wherein it has been stated that financial statements of the jointly controlled entities i.e. Ircon-Soma Tollway Private Limited (ISTPL) and Indian Railway Stations Development Corporation Ltd. (IRSDC) have been prepared on liquidation basis and that the Company does not foresee any impairment in the value of investments held by it in ISTPL and IRSDC.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

Key Audit Matter	How our audit addressed the matter
Revenue Recognition in terms of Ind AS 115 "Revenue from Contracts with Customers" Accounting Standard on Revenue which prescribes five steps revenue recognition model. The Company recognizes revenue for a performance obligation satisfied over time after estimating its progress towards complete satisfaction of the performance obligation. The recognition of revenue requires assessments and judgments to be made on changes in work scope, claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied. The company measures the performance obligation by applying input method. In the contracts where performance obligation cannot be measured by input method, the output method is applied, which faithfully depict the Company's performance towards complete satisfaction of the performance obligation. During order fulfillment, contractual obligations may need to be reassessed. In addition, change orders or cancellations have to be considered. As a result, total estimated project costs may exceed total contract revenues and therefore require immediate recognition of the expected loss. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The application of the revenue accounting standard involves certain key judgements relating to – i. identification of distinct performance obligations; ii. determination of transaction price of the identified performance obligations; iii. the appropriateness of the basis used to measure revenue recognized at a point in time or over a period of time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Revenue recognition from these judgements were identified as a Key Audit Matter and required a higher extent of audit effort. Refer Note no. 39 to the Standalone Ind AS Financial Statements.	- Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. We evaluated the effectiveness of control over the preparation of information that are designed to ensure the completeness and accuracy. We selected a sample of contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and satisfaction of performance obligations. We also examined costs included within WIP balances on a sample basis and tested their recoverability through comparing the net realizable values as per the agreements with estimated cost to complete. - We performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract and whether the performance obligation is being satisfied over the period of time or at a point in time: • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations. • Checked whether the performance obligation is being satisfied over the period of time or at a point in time. • Performed analytical procedures for reasonableness of revenues disclosed

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

Contingent Liabilities There are a number of litigations pending before various forums against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases. Refer Note no. 37 of the Standalone Financial Statements, read with Accounting Policy No. 2.2.16.	We have obtained an understanding of the Company's procedure in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedure: • Reviewing the current status and material developments of legal matters. • Examining recent orders from competent authorities and/or communication received from various authorities, judicial forums and follow-up action thereon. • Review and analysis of evaluation of the contentions of the company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.
System Environment and Internal Controls The Company has SAP system in place and only FI-CO, Payroll, Financial Control, Human Capital Management, Employee Self Service / Manager Self Service (ESS / MSS) etc modules are in use throughout organisation. However, Project Systems (PS), Materials Management (MM) and Document Management System (DMS) modules have been developed and rolled out partially. SD module is configured and is in advanced stage for invoicing. The IT system in the company is not fully automated and manual interventions are in place in preparing and reporting of financial statements. This required a high degree of auditor judgement in evaluating the audit evidence and a higher extent of audit effort.	Our procedures included but were not limited to: • Discussing with management and IT department on the IT environment and consideration of the key financial processes to understand where IT systems were integral to the financial reporting process. • Testing the design of the key IT controls relating to financial reporting systems of the company. • We also tested the company's controls around system interfaces. • We applied substantive audit procedures to ensure that areas where there are manual controls are operating effectively. • Our audit planning and procedures also include the various reports which the system generates and without which it is difficult for us to collect the data of the various heads of the Balance sheet.

Information Other than Standalone Ind AS 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 Company's Annual Report but does not include consolidated financial statements, the Standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on Standalone Ind AS 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 Standalone Ind AS 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 Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 Ind AS 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 accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

free from material misstatement, whether due to fraud or error.

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

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 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 Ind AS 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 financial controls 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 system with reference to Standalone Ind AS Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 Standalone Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Statements.

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 financial controls that we identify during our audit.

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

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

Other Matters

- We did not audit the financial statements / financial information of four (4) foreign branches included in the Standalone Ind AS Financial Statement of the company whose financial statements/financial information reflect total assets of ₹ 861.95 crores (Previous year ₹ 923.62 crores) as at 31st March 2026, total revenue of ₹ 378.16 crores (Previous Year ₹ 357.35 crores) and total PBT of ₹ 157.95 crores (previous year ₹ 74.63 Crores), for the year ended on that date. The financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to us and our opinion in so far as it relates

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

to the amounts and disclosure included in respect of these branches, is based solely on the reports of such branch auditors.

- The financial statements include profit/(loss) of ₹ 0.00 Crores (Previous Year ₹ 0.08 Crores, the company's share in three (3) integrated joint operations (unincorporated) accounts of which have been audited by other firms of Chartered Accountants and profit/(loss) of ₹ 0.33 Crores (Previous Year ₹ 0.45 Crores) the company's share in one (1) joint operation accounts of which have been certified by the management for the year ended 31st March 2026.
- Reference is invited to Note no. 46 of the Standalone Ind AS Financial Statements regarding amendments made in the IndAS-1, IndAS-7, IndAS-12 and IndAS-21. As explained by the Management there is no financial impact of such amendments.

Our opinion is not modified in respect of these matters.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

   As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our Audit has been received from branches not visited by us.

   c. The reports on the accounts of branch offices of the Company audited under section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   d. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   e. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015 (as amended).

   f. Being a government company, provision of section 164(2) of the Act are not applicable pursuant to the notification No. G.S.R.463(E) dated 5 June 2015, issued by the Central Government.

   g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   h. Being a government company, provision of section 197 of the Act are not applicable vide notification no. G.S.R. 463 (E) dated 5th June 2015, issued by the Central Government.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note no.37 to the Standalone Ind AS Financial Statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts Refer Note no.19.2 to the Standalone Ind AS Financial Statements. The Company did not have any derivative contracts.

      iii. There has been no delay in transferring the amount required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note no. 45 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      b) The Management has represented that, to the best of its knowledge and belief as disclosed in Note no. 45 to the accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

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 ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the 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 misstatement.

v. As stated in Accounting Policy No. 2.2.15 to the standalone Ind AS Financial Statements

a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent applicable.

b) The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Act.

c) The Board of Directors of the company has proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act to the extent applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

The audit trail has been preserved by the Company as per the statutory requirements for record retention

3. As required by Section 143(5) of the Act and as per directions issued by Comptroller and Auditor General of India, we report that:

S. No	CAG Directions	Auditors' Replies
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The investments for the post-retirement benefits of the employees have been made by the Com-pany through Trusts. The valuation approach and valuation methodologies adopted by the said Trusts are appropriate. The Investments made by the Company for the post-retirement benefits have been made through two Trusts, namely;(i) IRCON Employee Contributory Provident Fund Trust and (ii) IRCON Medical Trust. The investments made by the said Trusts in Government Securities, Treasury Bills, Corpo-rate and other debt instruments have been valued at book value whereas the investments in Mutual Funds are valued at Net Asset Value (NAV). The valuation is reasonable and in compliance with the applicable regulations.

2.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organization empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	2.1. The Company has a system in place to process all the accounting transactions through IT System except billing to the client for which no financial implications were observed. 2.2. Based on the audit procedures performed by us, reports of reviews conducted by the expert agencies appointed by the management, there are no material weakness in such IT Systems and Controls, which may result in material misstatement of the financial statements of the entity. 2.3. The Company has undertaken a cyber secu-rity assessment through CERT-In empanelled agency to identify gaps over infrastructure, applications and process around business application runs and no material discrepancy was ob-served.
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	No funds (grants/ subsidy etc.) were received or are receivable for specific schemes from the Central/ State government or its agencies during the year.
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a)whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	4.1 The Company has identified the key risk areas and has formulated a risk management policy to mitigate these risks. The said policy has been duly approved by the Board of Directors. As informed by the management, the policy has not been specifically benchmarked against any global framework; however, it incorporates principles considered appropriate to the Company's operations and risk profile. 4.2. The Company has identified its data assets which mainly comprise softwares, in accordance with the applicable financial reporting framework. Such data assets have also been valued in accordance with the applicable financial reporting framework.
5.	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERTIN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Based on the information and explanations given to us, secretarial audit report of the Company and audit procedures performed by us, the Company is complying with the referred laws to the extent applicable, except as delineated in the ensuing paragraph. Due to non-appointment of independent directors, the requirement of quorum for the meeting of Board of Directors (BOD) as per SEBI (LODR) Regulations, 2015, could not be complied for a part of the year. For the same reason, the composition of BOD and some of the committees of BOD was not in accordance with the provisions of Companies Act, 2013, the Department of Public Enterprises (DPE) guidelines on Corporate Governance and the SEBI (LODR) Regulations as applicable.

For Ramesh C Agrawal & Company
Chartered Accountants
Firm Registration No: 001770C

Sd/-
CA Paritosh Agarwal
(Partner)
Membership No: 436238
UDIN:26436238OFJEPN2212

Date : 22-05-2026
Place: New Delhi

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

"Annexure A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ircon International Limited of even date)

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

(i). In respect of the company's Property, Plant and Equipment and Intangible Assets:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment were physically verified by the management during the year. There is a regular program of verification, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verifications.

c) According to the information and explanations given to us and on the basis of our examination of records of the company, we report that, the title/lease deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statement included under Property, plant and equipment are held in the name of the Company as at the balance sheet date. However, in some cases where the company is the lessee and the lease agreements are not executed in favor of the Company as disclosed in additional disclosure of Note No. 07 Right-of- use Assets.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or Intangible Assets or both during the year.

e) No proceedings have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Transactions Act,1988 and rules made thereunder.

ii. a) The inventory (excluding stocks lying with third parties) has been physically verified by the management at reasonable intervals during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the coverage and procedure of such verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on comparison of physical verification with book records.

b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has been sanctioned working capital demand loan of ₹ 1000.00 crore during the year from bank on the basis of security of current assets and the quarterly returns/statements submitted with bank are generally in agreement with the books of account of the company.

iii. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investment in, provided security to companies, firms, limited liability partnerships or any other parties during the year, except investment in Subsidiaries & Joint Venture of the company.

The Company has provided guarantee, granted unsecured loans and advances in nature of loans during the year to companies and other parties details of which are stated below. The company has not provided guarantees or granted loans or advances in the nature of loans during the year to firms, limited liability partnerships.

a) A. Based on the audit procedures carried out by us and as per the information and explanations given to us, the company has granted loans, advances in the nature of loans and guarantees to subsidiaries and joint ventures as below:

(₹ in Crores)

	Guarantees	Loans	Interest Free Loan
Aggregate amount granted / provided during the year			
-Subsidiaries*	0.20	Nil	125.43
-Joint Ventures*	Nil	Nil	188.53
Balance Outstanding as at the balance sheet date			
-Subsidiaries*	804.61	269.44	900.14
Joint Ventures*	2,415.32	Nil	586.81

*As per the Companies Act

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

(B) Based on the audit procedure carried out by us and as per the information and explanations given to us, the Company has granted advances in the natures of loans to other parties as below:

(₹ in Crores)

	Advance in the nature of loans- Employee advances
Aggregate amount granted / provided during the year - Other Parties	 0.29
Balance Outstanding as at the balance sheet date - Other Parties	 0.48

b) In our opinion the investment made and guarantees provided and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans granted to Companies & Employees, the schedule of repayment of principal and receipt of interest has been stipulated and the repayment or receipts are regular as per stipulation.

d) In respect of loan granted by the company, there is no overdue amount more than 90 days remaining outstanding as at the balance sheet date.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, no loan or advances in the nature of loans granted by the company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties except in case of one of its subsidiary Ircon PB Tollway Ltd. (IPBTL) where loan repayment schedule has been revised.

f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the companies Act, in respect of loans, investments, guarantees and security.

v. The Company has not accepted any deposits within the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, and rules made there under,

vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, in respect of Road & Infrastructure projects of the Company. We have broadly reviewed the records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made any detailed examination of the records with a view to determine whether they are accurate or complete.

vii.

a) The Company is generally regular in depositing undisputed statutory dues including provident fund, income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable with the appropriate authorities. Employees State Insurance is not applicable to the Company. According to the information and explanation given to us, there are no undisputed statutory dues which were outstanding as on 31.03.2026 for a period of more than six months from the date the same become payable.

b) Details of Statutory dues referred to in sub-clause (a) above which have not been deposited as on 31.03.2026 on account of dispute are given below:

S. No.	Name of the Statute	Nature of the Dues	Amount in (Crores)*	Period to which the amounts related	Forum where dispute is pending
1	Sales Tax	UP TRADE TAX UP-01	3.89	2004-05 to 2007-08	The Deputy Commissioner Commercial Taxes (The As-sessing Authority), Khand-9 Bareilly,UP
2	Sales Tax	UPTT-UP-01 (Entry Tax)	0.16	2007-08	The Deputy Commissioner Commercial Taxes (The As-sessing Authority), Khand-9 Bareilly,UP
3	Sales Tax	UPVAT ACT-UP-01	3.41	2007-08 & 2008-09	The Deputy Commissioner Commercial Taxes (The As-sessing Authority), Khand-9 Bareilly,UP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

S. No.	Name of the Statute	Nature of the Dues	Amount in (Crores)*	Period to which the amounts related	Forum where dispute is pending
4	Sales Tax	UPVAT ACT-UP-01 (Entry Tax)	0.15	2007–08 to 2009–10	The Deputy Commissioner Commercial Taxes (The As-sessing Authority), Khand-9 Bareilly,UP
5	Sales Tax	UPVAT ACT-UP-01	0.01	2010–11	The Deputy Commissioner Commercial Taxes (The As-sessing Authority), Khand-9 Bareilly,UP
6	Sales Tax	Sales Tax-BE-08	0.26	2007–08 to 2009–10	The Additional Commissioner Appeal, Noida
7	Sales Tax	Sales Tax-BE-08 Entry Tax	0.003	2014–15	The Additional Commissioner Appeal, Noida
8	Sales Tax	UPTT-UP-05	0.10	2006–07 to 2007–08	The Additional Commissioner (First Appeal), Jhansi, UP
9	Sales Tax	UPTT-UP-05	0.01	2005–06	High Court Allahabad
10	Sales Tax	Sales Tax 2010-11– GED	0.05	2010–11	Asst Commercial Tax Officer, Margoa , Goa
11	Uttar Pra-desh VAT Act,2008	Demand raised for sales tax	0.08	1982–83 and 1989–90	Appellate Authority, Deputy Commissioner, Jhansi, UP
12	Sales Tax	Sales Tax GED GOA	0.50	2011–12 to 2014–15	Asst Commercial Tax Officer, Margoa, Goa
13	Sales Tax	Demand Raised	1.19	2006–07	The Commercial Tax Appellate Tribunal Chandigarh
14	Service Tax	Service Tax Demand	0.55	2015–16 to 2017–18	CESTAT Allahabad
15	Service Tax	Service Tax Demand	0.56	2015–16	The Commissioner Appeals, Jodhpur 342003, Rajasthan
16	Uttar Pra-desh sales Tax Act 1948	UP sales tax – section 3 kha	1.24	2005–06 & 2006–07	Appeal pending before Com-mercial Tax Appellate Tribunal, Kanpur Bench, UP
17	Uttar Pra-desh VAT Act,2008	UP VAT (Regu-lar)section 28(2)	0.12	2015–16 to 2017–18	Adjustment letter submitted to assessing authority- Deputy Commissioner Commercial Taxes, Noida UP
18	Uttar Pra-desh sales Tax Act 1948	UP Entry Tax – GB Nagar	0.05	2002–03 & 2003–04	Allahabad High Court
19	Jammu & Kashmir GST Act, 1962	Sales Tax	14.36	1999–00 to 2005–06	J&K High Court, Jammu and Deputy Commissioner Com-mercial Sales Taxes (appeals), Srinagar
20	Sales Tax MRO	Sales Tax – MRO	3.51	1995–96 & 1996–97	Bombay High Court
21	Sales Tax-MRO	Sales Tax – MRO	3.97	2010–11 & 2011–12	Joint Commissioner Sales Tax Appeal, Mumbai

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

S. No.	Name of the Statute	Nature of the Dues	Amount in (Crores)*	Period to which the amounts related	Forum where dispute is pending
22	Central Ex-cise Act, 1944	Levy of Excise Duty on Brack-et/ Cantilever Assemblies	0.66	1998-99	CESTAT (Dept. Appeal)
23	DGFT Cases FDTR Act, 1992	Duty Drawback	2.89	1991-1992	Appeal in Delhi High Court
24	CGST Act	GST Penalty	0.19	2017-18 to 2020-21	Commissioner Appeal(II), Central Goods and Service Tax, Janakpuri New Delhi
25	Service Tax	Service Tax on Agency Fees	12.91	2010-11 to 2014-15	CESTAT, Kolkata
26	Service Tax	Service Tax on Agency Fees	5.60	2009-10 to 2013-14	Supreme Court of India, Delhi
27	Service Tax	Service Tax on Agency Fees	2.06	2016-17 to 2017-18	CESTAT, Kolkata
28	Bihar VAT Act	Bihar VAT	0.003	2010-11	Office of the Joint Commissioner of commercial Taxes (Appeals) Central Division Patna
29	Bihar VAT Act	Bihar VAT	1.8	2012-13	SLP Filed in Supreme Court
30	Bihar VAT Act	Bihar VAT	33.46	2013-14	SLP Filed in Supreme Court
31	Bihar VAT Act	Bihar VAT	25.54	2014-15	SLP Filed in Supreme Court
32	Service Tax	Service Tax	2.16	2015-16	CESTAT, Kolkata
33	Bihar VAT Act 2005	Regular as-sessment under section 31	0.92	2015-16	SLP Filed in Supreme Court
34	Service Tax	Service Tax Jagdalpur	2.84	2016-17 to 2017-18	Appeal Filed before Commissioner of Central and Customs Appeal, Chhattisgarh
35	Bihar VAT Act 2005	Regular as-sessment under section 31	19.63	2016-17	SLP Filed in Supreme Court
36	UP VAT	UP VAT (Regular) sec-tion 28(2)	0.54	2012-13	Deputy Commissioner, Raibareilly Sec-2, UP
37	UP VAT	UP VAT (Regular) sec-tion 28(2)	19.35	2013-14	Deputy Commissioner, Raibareilly Sec-2, UP
38	GST	UPGST	0.05	2021-22	Deputy Commissioner Appeal
39	Income Tax Act	Traces Demand	0.02	2007-08 to 2024-25	TDS CPC, Aaykar Bhawan, Sec-3 Vaishali, Ghaziabad

*As compiled by the management and relied upon by us.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

c) The Company did not have any term loan whose utilization was outstanding during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) According to the information and explanations given to us and the procedures performed by us and on an overall examination of the financial statement of the Company, we report that no fund raised on short- term basis during the year have been used for long term purposes by the Company.

e) On an overall examination of the financial statement of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and joint ventures.

f) The Company has not raised any loans during the year on the pledge of securities held in its Subsidiaries or Joint Venture Companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 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 or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. a) No fraud by the company or any fraud on the company has been noticed or reported during the year.

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.

c) We have taken into consideration the whistleblower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.

xii. The Company is not a Nidhi Company as specified in the Nidhi Rules, 2014.Thus, the requirements under para 3(xii) (a), (b) & (c) of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, where applicable and the details have been disclosed in notes to the financial statements, etc 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 the nature of its business.

b) We have considered, the internal audit reports of the company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, are not applicable.

xvi. a) The Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934 (2 of 1934). Hence, clauses 3(xvi)(a) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, clause 3(xvi)(c) of the Order is not applicable.

d) According to the information and explanations provided to us there is no Core Investment Company as a part of the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Hence, clause 3(xviii) of the order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. a) There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in schedule VII to the Companies Act in compliance with second proviso to sub section (5) of Section 135 of the said Act. Hence, reporting under clause 3(xx)(a) of the Order is not applicable.

b) In respect of ongoing projects, the Company has transferred the unspent CSR amount as at the Balance Sheet date to a Special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the said Act.

For Ramesh C Agrawal & Company
Chartered Accountants
Firm Registration No: 001770C

Sd/-
CA Paritosh Agarwal
(Partner)
Membership No: 436238
UDIN:26436238OFJEPN2212

Date : 22-05-2026
Place: New Delhi

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Ircon International Limited for the year ended 31st March, 2026

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Ircon International Limited "the Company" as of 31st March, 2026 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 over financial reporting 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, "based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". However, internal control needs further strengthening in respect of the following areas identified as on 31st March 2026 based on our audit.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

The Company has an integrated ERP system which was not used at its full potential. Further, Project Systems (PS), Materials Management (MM) and Document Management System (DMS) modules have been developed and rolled out partially.

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

Other Matters

Our aforesaid report under section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to branches, is based on the corresponding report of other auditors.

We have considered the identified areas and reported above in determining the nature, timing and extent of audit procedures applied in our audit of the standalone financial statement of the company for the year ended 31st March, 2026 and these areas do not affect our opinion on the Standalone financial statement of the company.

For Ramesh C Agrawal & Company
Chartered Accountants
Firm Registration No: 001770C

Sd/-
CA Paritosh Agarwal
(Partner)
Membership No: 436238
UDIN:26436238OFJEPN2212

Date : 22-05-2026
Place: New Delhi

STANDALONE BALANCE SHEET
As at 31st March 2026

(₹ in crore)

Particulars			Note No.	As at 31st March 2026	As at 31st March 2025
I.	**ASSETS**				
1	**Non-Current Assets**				
	(a)	Property, Plant and Equipment	3	258.27	209.22
	(b)	Capital Work-in-Progress	4	14.77	33.66
	(c)	Investment Property	5	533.94	541.98
	(d)	Intangible Assets	6	3.93	8.27
	(e)	Intangible Assets under Development	6	–	–
	(f)	Right-of-use Assets	7	9.16	6.28
	(g)	Financial Assets	8		
		(i) Investments	8.1	2,800.56	2,444.31
		(ii) Loans	8.2	252.68	246.16
		(iii) Other Financial Assets	8.3	58.37	36.69
	(h)	Deferred Tax Assets (Net)	9	148.35	141.15
	(i)	Other Non-Current Assets	10	233.57	273.62
	Total Non-Current Assets			**4,313.60**	**3,941.34**
2	**Current Assets**				
	(a)	Inventories	11	11.99	90.51
	(b)	Financial Assets	12		
		(i) Investments	12.1	366.87	410.70
		(ii) Trade Receivables	12.2	1,667.77	1,649.31
		(iii) Cash and Cash Equivalents	12.3	2,020.36	1,977.85
		(iv) Bank Balances other than Cash and Cash Equivalents	12.4	2,146.23	2,146.06
		(v) Loans	12.5	17.86	27.54
		(vi) Other Financial Assets	12.6	2,742.35	2,152.70
	(c)	Current Tax Assets (Net)	13	26.78	89.09
	(d)	Other Current Assets	14	1,877.14	2,015.84
				10,877.35	**10,559.60**
	Assets held for Sale		15	-	
	Total Current Assets			**10,877.35**	**10,559.60**
	Total Assets			**15,190.95**	**14,500.94**
II.	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a)	Equity Share Capital	16	188.10	188.10
	(b)	Other Equity	17	6,442.29	6,049.33
	Total Equity			**6630.39**	**6,237.43**
2	**Liabilities**				
(i)	**Non-Current Liabilities**				
	(a)	Financial Liabilities	18		
		(i) Lease Liabilities	18.1	1.97	2.51

STANDALONE BALANCE SHEET
As at 31st March 2026

(₹ in crore)

Particulars			Note No.	As at 31st March 2026	As at 31st March 2025
		(ii) Trade Payables	18.2		
		- Total Outstanding Dues of Micro Enterprises and Small Enterprises		–	–
		– Total Outstanding Dues of Creditors Other than of Micro Enterprises and Small Enterprises		–	–
		(iii) Other Financial Liabilities	18.3	745.53	561.49
	(b)	Provisions	19	212.09	204.78
	(c)	Other Non-Current Liabilities	20	830.54	862.39
	Total Non-Current Liabilities			**1,790.13**	**1,631.17**
(ii)	**Current Liabilities**				
	(a)	Financial Liabilities	21		
		(i) Borrowings	21.1	103.00	–
		(ii) Lease Liabilities	21.2	1.17	0.88
		(iii) Trade Payables	21.3		
		- Total Outstanding Dues of Micro Enterprises and Small Enterprises		35.51	33.71
		- Total Outstanding Dues of Creditors Other than of Micro Enterprises and Small Enterprises		1,145.64	1,191.18
		(iv) Other Financial Liabilities	21.4	2,472.76	2,737.21
	(b)	Other Current Liabilities	22	2,694.57	2,396.69
	(c)	Provisions	19	299.74	264.17
	(d)	Current Tax Liability (Net)	23	18.04	8.50
	Total Current Liabilities			**6,770.43**	**6,632.34**
	Total Equity and Liabilities			**15,190.95**	**14,500.94**
III	Summary of Material Accounting Policies		2		
IV	Notes forming part of Financial Statements		1 – 47		

As per our Report of even date attached

For Ramesh C Agrawal and Company
Chartered Accountant
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
M. No. 436238

Place : New Delhi
Date : 22nd May, 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

STANDALONE STATEMENT OF PROFIT AND LOSS

For The Year Ended 31st March 2026

(₹ in crore)

	Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
I.	**Revenue :**			
	Revenue from operations	24	8,478.86	10,193.14
II.	Other income	25	499.72	484.31
III.	**Total Income (I + II)**		**8,978.58**	**10,677.45**
IV.	**Expenses:**			
	Materials and stores consumed	26 (i)	826.96	663.39
	Project Expenses	26 (ii)	6,992.77	8,731.99
	Employee Benefits Expenses	27	242.03	256.24
	Finance Costs	28	6.27	7.41
	Depreciation, Amortisation and Impairment	29	48.43	38.25
	Other Expenses	26 (ii)	64.27	62.36
	Total Expenses (IV)		**8,180.73**	**9,759.64**
V.	Profit Before exceptional items and Tax (III – IV)		**797.85**	**917.81**
VI.	Exceptional items		–	–
VII.	**Profit before tax (V + VI)**		**797.85**	**917.81**
VIII.	Tax expenses:			
	(1) Current tax	9		
	– For the Period		187.14	222.35
	– For earlier years (net)		(0.54)	(24.32)
	(2) Deferred tax (net)		(7.20)	(17.81)
	Total Tax Expense		**179.40**	**180.22**
IX	**Profit for the year from continuing operation (VII - VIII)**		**618.45**	**737.59**
X	**Other Comprehensive Income**	30		
	A. (i) Items that will not be reclassified to profit or loss		4.72	0.09
	(ii) Income Tax relating to Items that will not be reclassified to profit or loss		(1.19)	(0.02)
	B. (i) Items that will be reclassified to profit or loss		1.00	7.31
	(ii) Income Tax relating to Items that will be reclassified to profit or loss		(0.25)	(1.84)
			4.28	**5.54**
XI	**Total Comprehensive Income for the year (IX +X) (Comprising profit/(loss) and other comprehensive income for the year, net of tax)**		**622.73**	**743.13**
XII	Earnings Per Equity Share:			
	(For Continuing Operation)			
	(1) Basic (in ₹)	35	6.58	7.84
	(2) Diluted (in ₹)		6.58	7.84
	Face Value Per Equity Share (in ₹)		2.00	2.00
XIII	Summary of Material Accounting Policies Information	2		
XIV	Notes to Financial Statements	1 – 47		

As per our Report of even date attached

For and on behalf of Board of Directors

For Ramesh C Agrawal and Company
Chartered Accountant
FRN : 001770C

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Paritosh Agarwal
Partner
M. No. 436238

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

Place : New Delhi
Date : 22nd May, 2026

STANDALONE STATEMENT OF CASH FLOWS
For The Year Ended 31st March 2026

(₹ in crore)

Particulars		For the year ended 31st March 2026	For the year ended 31st March, 2025
CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax		**797.85**	**917.81**
Adjustment for :			
Interest on Unwinding of Financial Instruments (Net)		(16.68)	(16.26)
Amortisation of Financial Instruments (Net)		(0.45)	(0.37)
Depreciation, Amortization and Impairment		48.43	38.25
Profit on Sale of Assets (Net)		(0.57)	(0.04)
Profit on Sale of Mutual Funds		(50.35)	(49.25)
Finance Cost		4.67	5.70
Gain/Loss on Changes of Fair Value of Mutual Funds		(1.63)	(1.01)
Interest Income		(234.47)	(263.38)
Dividend Received from Subsidiary and Joint Venture Company		(66.46)	(111.33)
Reclassification of Exchange Gain/Loss to Profit and Loss		(27.31)	-
Effect of Exchange Differences on Translation of Foreign Currency Cash & Cash Equivalents		(87.57)	(21.66)
Operating Profit Before Current /Non - Current Assets and Liabilities	**(1)**	**365.46**	**498.46**
Adjustment for :			
Decrease / (Increase) in Trade Receivables		(18.46)	(702.85)
Decrease / (Increase) in Inventories		78.52	(47.88)
Decrease / (Increase) in Loans, Other Financial Assets & Other Assets		(418.43)	101.90
(Decrease) / Increase in Trade Payables		(43.74)	370.52
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		389.67	(391.49)
	(2)	**(12.44)**	**(669.80)**
Cash Generated from Operations	**(1+2)**	**353.02**	**(171.34)**
Income Tax Paid (net of refunds)		(275.92)	(270.25)
NET CASH FROM OPERATING ACTIVITIES	**(A)**	**77.10**	**(441.59)**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment including CWIP		(59.13)	(71.30)
Acquisition of Intangible Assets and Intangible Assets under Development		(1.01)	(3.71)
Purchase / Proceeds of Investment Property		(0.70)	(11.28)
Sale of Property, Plant and Equipments & Intangible Assets		2.02	0.96
Sale of Mutual Funds		11,745.18	10,631.21
Purchase of Mutual Fund		(11,774.56)	(10,304.45)
Sale of Government Security		-	1.51
Loan to Subsidiaries		-	(16.63)
Repayment of Loan from Subsidiary and Joint Venture Company		18.17	74.58
Interest Received		233.59	275.85
Dividend Received from Subsidiary and Joint Venture Company		66.46	111.33
Investment in Subsidiary and Joint Venture Company		(355.09)	(293.57)
Redemption of Bonds		125.20	-
Bank Balance Other than Cash and Cash Equivalents		(15.16)	454.20
NET CASH FROM INVESTING ACTIVITIES	**(B)**	**(15.03)**	**848.70**
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of Lease Liabilities		(6.83)	(1.00)
Finance Cost Paid		(0.83)	(1.34)
Receipt of Working Capital Demand Loan		103.00	-
Final Dividend paid		(94.05)	(122.27)
Interim Dividend paid		(112.86)	(155.19)
NET CASH FROM FINANCING ACTIVITIES	**(C)**	**(111.57)**	**(279.80)**

STANDALONE STATEMENT OF CASH FLOWS

For The Year Ended 31st March 2026

Particulars		For the year ended 31st March 2026	For the year ended 31st March, 2025
Effect of Exchange Differences on Translation of Foreign Currency Cash & Cash Equivalents	(D)	92.01	21.66
NET INCREASE IN CASH & CASH EQUIVALENTS	**(A+B+C+D)**	**42.51**	**148.97**
CASH AND CASH EQUIVALENTS (OPENING) (Refer Note 2, 5)	**(E)**	**1,977.85**	**1,828.88**
CASH AND CASH EQUIVALENTS (CLOSING) (Refer Note 2, 5)	**(F)**	**2,020.36**	**1,977.85**
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	**(F – E)**	**42.51**	**148.97**

Note:

1. The above Cash flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) – 7 on Statement of Cash Flows.
2. Reconciliation of Cash and Cash Equivalents and Components of Cash and Cash Equivalents included in the above Standalone Statement of Cash Flows :

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025
Cash on hand	0.04	0.05
Cheques/drafts in hand	–	–
Remittance in Transit	–	–
Balances with banks:		
– On current accounts	743.50	592.75
– Flexi Accounts	171.65	212.41
– Deposits with original maturity of less than 3 months	1,105.17	1,172.64
Total Cash and Cash Equivalents as per Balance Sheet and Standalone Statement of Cash Flows	**2,020.36**	**1,977.85**

3. Reconciliation between the Opening and Closing Balances in the Balance Sheet for Liabilities arising from Financing Activities:

(₹ in crore)

Particulars	Current Borrowings	Lease Liabilities
As at 1st April, 2024	–	**3.24**
(a) Cash Flows during the year	–	(1.00)
(b) Non Cash Changes due to :		
– Addition to Lease Liability	–	0.88
– Interest cost on Lease Liabilities	–	0.27
As at 31st March, 2025	–	**3.39**
(a) Cash Flows during the year	103.00	(6.83)
(b) Non Cash Changes due to :		
– Addition to Lease Liability (Net)	–	6.27
– Interest cost on Lease Liabilities	–	0.31
Interest accrued (net of interest paid)	0.30	–
As at 31st March, 2026	**103.30**	**3.14**

4. Previous year's figures have been regrouped / reclassified and restated wherever applicable.
5. Earmarked and restricted balances are mentioned in Note 12.3 and 12.4.
6. Figures in brackets represent outflow of cash.

As per our Report of even date attached

For Ramesh C Agrawal and Company
Chartered Accountant
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
M. No. 436238

Place : New Delhi
Date : 22nd May, 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

STANDALONE STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March 2026

A. Equity Share Capital

For the year ended 31st March, 2026

(₹ in crore)

Particulars	Amount
Balance as at 1st April, 2024	**188.10**
Changes in equity share capital during the year	-
Balance as at 31st March, 2025	**188.10**
Changes in equity share capital during the year	-
Balance as at 31st March, 2026	**188.10**

B. Other Equity

For the year ended 31st March, 2025

(₹ in crore)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1st April, 2024	**3,333.71**	**2,224.59**	**4.93**	**20.43**	**5,583.66**
Profit for the year	-	737.59	-	-	**737.59**
Other Comprehensive Income					**-**
Remeasurement of Defined Benefit Plans	-	0.07	-	-	**0.07**
Foreign Exchange Translation Difference	-	-	-	5.47	**5.47**
Exchange Gain/ Loss reclassified to profit and loss	**-**	**-**	**-**	**-**	**-**
Total Comprehensive Income for the period	**-**	**737.66**	**-**	**5.47**	**743.13**
Dividend Paid	-	(277.46)	-	-	(277.46)
Bonus Issue	-	-	-	-	-
Balance as at 31st March, 2025	**3,333.71**	**2,684.79**	**4.93**	**25.90**	**6,049.33**

For the year ended 31st March, 2026

(₹ in crore)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1st April, 2025	**3,333.71**	**2,684.79**	**4.93**	**25.90**	**6,049.33**
Profit for the year	-	618.45	-	-	**618.45**
Other Comprehensive Income					**-**
Remeasurement of Defined Benefit Plans	-	3.53	-	-	**3.53**
Foreign Exchange Translation Difference	-	-	-	0.75	**0.75**
Exchange Gain/Loss Reclassified to Profit and Loss				(22.86)	**(22.86)**
Total Comprehensive Income for the period	**-**	**621.98**	**-**	**(22.11)**	**599.87**
Dividend Paid	-	(206.91)	-	-	**(206.91)**
Balance as at 31st March, 2026	**3,333.71**	**3,099.86**	**4.93**	**3.79**	**6,442.29**

As per our Report of even date attached

For and on behalf of Board of Directors

For Ramesh C Agrawal and Company
Chartered Accountant
FRN : 001770C

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Paritosh Agarwal
Partner
M. No. 436238

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

Place : New Delhi
Date : 22nd May, 2026

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

1. Corporate Information

Ircon International Limited is a public sector construction company, with emphasis on infrastructure projects, domiciled in India (CIN: L45203DL1976GOI008171) and is incorporated under the provisions of the Companies Act applicable in India with specialization in execution of Railway projects on turnkey basis and otherwise. After commencing business as a railway construction company, it diversified progressively to roads, buildings, electrical substation and distribution, airport construction, commercial complexes, as well as metro rail works. The Company caters to both domestic and international markets. The Company is an ISO certified Company for Quality, Environment and Occupational Health and Safety Management systems; a Schedule 'A' public sector company and a Nav Ratna company. The registered office of the Company is located at C-4, District Centre, Saket, New Delhi- 110017 and the shares of the Company are listed on National stock exchange and BSE.

The presentation and functional currency of the Company is Indian Rupees (INR). Figures in financial statements are presented in crore, by rounding off up to two decimals except for per share data and as otherwise stated.

The standalone financial statements are approved for issue by the Company's Board of Directors in their meeting held on 22nd May 2026.

2. Material Accounting Policies Information

2.1 Basis of preparation

(i) Statement of compliance

The Standalone Financial Statements of the Company have been prepared on going concern basis following accrual system of accounting and in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

(ii) Basis of measurement

The Standalone Financial Statements have been prepared under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Provisions, where the effect of time value of money is material are measured at present value
- Certain financial assets and liabilities measured at fair value
- Defined benefit plans and other long-term employee benefits

2.2 Summary of material accounting policies Information

A summary of the material accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.2.1 Current vs non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined twelve months as its operating cycle for the purpose of classification of its assets and liabilities as current and non-current in the balance sheet.

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

2.2.2 Property, plant and equipment

Property, plant and equipment are initially stated at their cost.

The cost of an item of property, plant and equipment includes:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;

b) Cost directly attributable to the acquisition of the asset which incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) Incidental expenditure during the construction period is capitalised as part of the indirect construction cost to the extent the expenditure is directly related to construction or is incidental there to.

d) Present value of the estimated costs of dismantling & removing the items & restoring the site to the original condition on which it is located if recognition criteria are met.

Freehold land is carried at historical cost.

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the assets 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 of the item can be measured reliably. Cost of replacement, major inspection, repair of significant parts for long-term construction projects are capitalised if the recognition criteria are met.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values and is charged to the Statement of Profit and Loss. Depreciation on property, plant and equipment, excluding freehold land and leasehold

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

land acquired on perpetual lease is provided on straight line basis over the estimated useful lives of the assets as specified under part C of schedule II of the Companies act, 2013. However, in case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical evaluation, taking into account the nature of those classes of assets, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from the asset. The estimated useful life as per the technical evaluation viz-a-viz Schedule II of the Companies Act, 2013 has been disclosed in the notes to accounts. The residual values is not more than 5% of the original cost of assets.

Each part of an item of Property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

Property plant and equipment acquired during the period, individually costing up to ₹5000/- are fully depreciated, by keeping ₹1 as token value for identification. However, Mobile phones provided to employees are charged to statement of profit and loss irrespective of its value.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

2.2.3 Capital work in progress

Property, plant and equipment that are not yet ready for their intended use on the reporting date are disclosed as "capital work in progress". Capital work in progress is carried at cost less accumulated impairment loss, if any. The cost comprises of direct cost and related incidental expenses.

2.2.4 Investment properties

Investment property comprises of completed property, property under construction and property held under a lease. Investment properties are measured initially at cost, including transaction costs. Subsequently investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent cost is added if recognition criteria is met.

The Company depreciates building component of investment property on straight line basis over 60 years from the date of original purchase/ completion of construction. Leasehold land acquired on perpetual lease is not amortised. Depreciation methods and useful lives are reviewed at each financial year end.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair value determined based on an annual evaluation performed by an accredited external independent valuer applying valuation model acceptable internationally.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

2.2.5 Intangible assets

Intangible assets are initially measured at cost. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets underdevelopment".

Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Software cost up to ₹1 Lakhs in each case is fully amortised in the period of purchase, by keeping ₹1 as token value for identification.

The cost of capitalised software is amortised over a period 36 months from the date of its acquisition. The residual values is not more than 5% of the original cost of assets.

Amortisation methods and useful lives are reviewed at each financial year end.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

2.2.6 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

2.2.7 Investment in equity instruments of subsidiaries and joint ventures

Investment in equity instruments of subsidiaries and joint ventures are stated at cost as per Ind AS 27 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is assessed for recoverability and in case of permanent diminution provision for impairment is recorded in statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount of investments is recognised to the statement of profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Interests in joint operations

The Company as a joint operator recognises in relation to its interest in a joint operation, its share in the assets/liabilities held/ incurred jointly with the other parties of the joint arrangement. Revenue is recognised for its share of revenue from the sale of output by the joint operation. Expenses are recognised for its share of expenses incurred jointly with other parties as part of the joint arrangement.

2.2.8 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on First in First out (FIFO) basis.

Construction costs incurred for future contract activities are recognised as assets if it is probable that they will be recovered during the contract period and classified as construction work-in-progress under inventories.

Loose tools are expensed in the period of purchase.

2.2.9 Revenue recognition

The Company operates in construction industry and it earns revenue primarily from the Engineering, Procurement and Construction ('EPC') business. The contracts with the customers are of construction of railways, construction of roads & highways, construction of commercial and residential buildings, electrification work and others. The type of work in these contracts involve geotechnical investigations, topographical surveys, resource-planning, preparation of DPR, construction, engineering, designing, supply of materials, redevelopment of system, installation, project management, operations and management etc. ("together called as construction related services"). The company provides these construction services on a fixed-sum turnkey basis as well as on cost plus basis.

Revenue from contract with customers is recognised when control of the goods or services ("performance obligation") 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 ("transaction price").

a) Revenue from construction related services

The Company's contracts with the Customers for the construction related services are accounted for as a single performance obligation as contract is negotiated as a package with a single commercial objective and involves complex integration of construction and maintenance services.

Revenue is recognised over the time using input method (i.e. percentage-of-completion method) which is consistent with the transfer of control to the customer because there is a direct relationship between the Company's effort (i.e., cost incurred) and the transfer of service to the customer. Under input method, contract revenue is recognised as revenue by reference to the stage of completion as at the reporting date. The stage of completion is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. In cases where the input method does not reliably depicts the progress towards completion of performance obligation, then output method is used to recognise revenue.

Any expected losses on contracts in progress are charged to statement of profit & Loss, in total, in the period the losses are identified.

Revenue is measured at the transaction price that is allocated to the performance obligation and is adjusted for variable considerations. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, incentives, if any. The Company recognises revenue for variable consideration when it is probable that a significant reversal in the amount cumulative revenue recognised will not occur. The company estimates the amount of revenue to be recognised on variable consideration using most likely amount method. Consequently, amounts allocated to a satisfied performance obligation are recognised as revenue, or as a reduction of revenue, in the period in which the transaction price changes.

The Company recognises asset from the costs incurred to fulfill the contract such as initial contract expenses on new projects for mobilisation which will be used in satisfying the contract and are expected to be recovered. The asset is amortised over the contract tenure on a systematic basis that is consistent with the transfer of control to the customer of the goods or services to which the asset relates i.e., stage of completion of the contract as at the end of reporting period. Site mobilisation expenditure to the extent not written off valued at cost.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

b) Contract balances

Contract assets: If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

consideration that is conditional. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company hold the trade receivable with the objective of collecting the contractual cash flows and therefore measure them subsequently at amortised cost using the effective interest rate method less loss allowance, if any.

Contract liabilities: If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

c) Other operating income

- The Rental income of the Company mainly arises from leasing of machinery, unutilised office space and investment properties. These rental incomes are accounted for on straight-line basis over the lease terms.
- Other operating income represents income earned from the activities incidental to business and is recognised when performance obligation is satisfied and right to receive the income is established as per terms of contract.

d) Other income

- Dividend income is recognised when the right to receive payment is established.
- Interest income is recognised using Effective Interest rate method.
- Miscellaneous income is recognised when performance obligation is satisfied and right to receive the income is established as per terms of contract.

2.2.10 Borrowing cost

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and are charged to statement of profit and loss in the period in which they are incurred except when it meets the criteria for capitalisation as part of qualifying assets as per Ind AS 23.

2.2.11 Taxes

Tax expense comprises current tax and deferred income tax.

a) Current Income Tax

Current tax is determined as the tax payable in respect of taxable income for the period and is computed in accordance with relevant tax regulations. Current income tax is recognised in statement of profit and loss except to the extent it relates to items recognised outside profit or loss in which case it is recognised either in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred Tax

Deferred tax is provided for temporary taxable/ deductible difference arising on the difference of tax base and accounting base of assets/liabilities using the liability method and are measured at the enacted tax rates or substantively enacted tax rates at reporting date.

Deferred tax is recognised in statement of profit and loss except to the extent it relates to items recognised outside profit or loss, in which case it is recognised (either in other comprehensive income or in equity).

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 profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.2.12 Foreign currencies

Functional and presentation currency

The functional currency and presentation currency of the Company is Indian Rupees.

Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the reporting date are reported in the functional currency using the closing rate (Closing selling rates

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are not retranslated and are reported using the exchange rate at the date of the transaction.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise and are presented on net basis.

Foreign Operations

Financial statements of foreign operations whose functional currency is different from Indian Rupees are translated into Indian Rupees as follows:

a) assets and liabilities (both monetary and non-monetary) are translated at the closing rate at the date of Balance Sheet;

b) income and expenses are translated at average exchange rate for the reporting period, unless exchange rate fluctuate significantly during the period, in which case, the exchange rates at the dates of transaction are used; and

c) all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to statement of profit and loss on disposal of such foreign operations.

2.2.13 Employee benefit

a) Short-term employee benefits

Employee benefits such as wages and salaries, short term compensated absences, and Performance Related Pay (PRP) falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the statement of profit and loss in the period in which the employee renders the related services.

b) Post-employment benefits

Defined Contribution Plan: The Company has defined contribution plans which include an employee pension scheme and a post-retirement medical benefit scheme.

The pension scheme was initially administered through a separate trust, Ircon Defined Contribution Superannuation Pension Scheme 2009 Trust, and has subsequently been transferred to the National Pension System (NPS).

The post-retirement medical benefit scheme is administered through a trust fund (Ircon Medical Trust) to which the Company contributes in accordance with the Department of Public Enterprises (DPE) guidelines.

The Contributions to these defined contribution plans are recognised as an expense in the statement of profit and loss in the period in which the contributions become due. The Company has no further payment obligations once the contributions are made to such Schemes/Trust.

Defined Benefit Plan: The Company's liability towards gratuity and provident fund are in the nature of defined benefit plans.

The gratuity is funded by the Company and is managed by a separate trust (Ircon Employees Group Gratuity Trust). The contributions to the gratuity trust for the period are recognised as expense and are charged to statement of profit and loss. The Company pays fixed contribution to the recognised provident fund at predetermined rates to a separate trust (Ircon Contributory Provident Fund Trust), which invests the funds in permitted securities. The contributions to the fund for the period are recognised as expense and are charged to statement of profit and loss. The obligation of the company is to make such fixed contributions and to ensure a minimum rate of return to the members as specified by the Government of India.

The Company's net obligation in respect of defined benefit plans is measured separately for each plan at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

The calculation is performed by an independent actuary using the projected unit credit method and provided for if the circumstances indicate that the Trusts may not be able to generate adequate returns to cover the interest rates notified by the Government.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to statement of profit and loss.

c) Other long-term employee benefits

The Company treats leave encashment expected to be carried forward beyond twelve months and leave travel concession as long-term employee benefit for measurement purposes. The obligation recognised in respect of these long-term benefits is measured at present value of the obligation based on actuarial valuation using the projected unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the statement of profit and loss as employee benefit expenses.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

2.2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes unrestricted cash and short-term deposits with original maturities of three months and less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.2.15 Dividend

Annual Dividend distribution to the Company's equity shareholders is recognised as liability in the period in which dividend is approved by the shareholders. Any interim dividend is recognised as liability on approval by the Board of Directors. Dividend payable is recognised directly in equity.

2.2.16 Provisions, contingent assets 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.

Provisions recognised by the Company include provisions for Maintenance, Demobilisation, Legal Cases, Corporate Social Responsibility (CSR), Onerous Contracts and others.

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.

These provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent assets

Contingent assets are not recognised though are disclosed, where an inflow of economic benefits is probable.

2.2.17 Leases

If the contract conveys the right to control the use of an identified asset for a period in exchange for consideration, it is treated as lease.

a) Company as a lessee

The Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of

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interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in financial liabilities.

iii) Short term lease and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term lease contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

b) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. 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.

2.2.18 Financial instruments

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a) Financial assets

Initial recognition and measurement

All financial assets (excluding trade receivables which do not contain a significant financing component, being measured at transaction price) are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of financial asset. Transaction costs directly attributable to the acquisition of financial assets carried at fair value through profit or loss (FVTPL) are expensed in statement of profit and loss.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories based on the Company's business model and the cash flow characteristics of the asset:

- **Financial assets at amortised cost**

After initial measurement, the financial assets that are held for collection of contractual cash flows where those cash flow represent solely payments of principal and interest (SPPI) on the principal amount outstanding are measured at amortised cost using the effective interest rate (EIR) method. Interest income from these financial assets is included in other income.

- **Financial assets at fair value through other comprehensive income (FVTOCI):**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss (FVTPL). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost or financial assets measured at FVTOCI.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

Under simplified approach, impairment loss allowance is recognised based on lifetime ECLs at each reporting date.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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The balance sheet presentation of impairment for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance. The impairment allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet i.e., as a liability.
- Debt instruments measured at FVTOCI: For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance is recognised in other comprehensive income as the 'accumulated impairment amount'.

<u>Derecognition of financial assets</u>

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

The difference between the carrying amount and the amount of consideration received / receivable is recognised in the statement of profit and loss.

b) Financial liabilities

<u>Initial recognition and measurement</u>

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities includes trade payables, borrowings and other financial liabilities etc.

<u>Subsequent measurement</u>

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss.**

The company has not designated any financial liabilities at FVTPL.

- **Financial liabilities at amortised cost**

<u>Borrowings, trade payables and other financial liabilities</u>

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortised cost using the EIR method. 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.

<u>Derecognition of financial liabilities</u>

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable contractual legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.2.19 Fair value measurement

The Company measures financial instruments at fair value at each reporting period.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy and are disclosed accordingly in the financial statements.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

2.2.20 Earnings per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding

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For The Year Ended March 31, 2026

during the period are adjusted for the effect of all dilutive potential equity shares. The Company does not have any dilutive potential equity shares.

2.2.21 Non – current asset held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment, investment property and intangible assets are not depreciated or amortised once classified as held for sale. Assets classified as held for sale/distribution are presented separately in the balance sheet.

If the criteria stated by IND AS 105 "Non-current Assets Held for Sale" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale. The depreciation reversal adjustment related property, plant and equipment, investment property and intangible assets is charged to statement of profit and loss in the period when non-current assets held for sale criteria are no longer met.

2.2.22 Prior Period Adjustment

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate do not exceed 0.50% of total operating revenue as per last audited financial statement of the Company.

2.2.23 Significant accounting estimates and judgments

The preparation of Standalone Financial Statements requires the management to make judgements, accounting 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.

This policy provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Significant areas of estimation and judgements as stated in the respective accounting policies that have the most significant effect on the financial statements are as follows:

Allowances for uncollected trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not to be collectible.

Defined benefit plans

The costs of post-retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes.

Impairment of financial assets

The impairment provision for financial assets is based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the

NOTES TO STANDALONE FINANCIAL STATEMENTS
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conditions prevailing in the respective domicile of the companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets

The entity assesses at each reporting date whether there is an indication that an asset may be impaired. Determining the recoverable amount of the assets is judgmental and involves the use of significant estimates and assumptions. The estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and do not reflect unanticipated events and circumstances that may occur.

Non-current asset held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification.

Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Revenue recognition

The Company's revenue recognition policy is central to how the Company values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of Contracts, which require, assessments and judgements to be made on changes in scope of work and claims and variations.

There are several long term and complex projects where the Company has incorporated significant judgements over contractual entitlements. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract:

- Determination of stage of completion
- Estimation of project completion date
- Provisions for foreseeable losses
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviewed at each reporting date and adjust to reflect the current best estimates.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

3. Property, Plant and Equipment

(₹ in crore)

Particulars	Freehold Land	Freehold Buildings/ Flats- Residential	Freehold Buildings/ Flats-Non-Residential	Plant & Machinery	Survey Instru-ments	Computers	Office Equip-ments (i)	Furniture & Fixtures (ii)	Caravans, Camps and Temparory Sheds	Vehicles	Total
Gross Carrying Amount (At Cost)											
As at 1st April, 2024	**42.69**	**6.55**	**43.61**	**205.39**	**3.97**	**8.56**	**5.82**	**7.62**	**3.45**	**3.46**	**331.12**
Additions (iii)	-	-	8.77	27.74	-	1.87	0.90	4.70	0.24	-	44.22
Disposals/Adjustments	-	-	-	(0.81)	(0.18)	(0.93)	(0.57)	(0.26)	-	-	(2.75)
Exchange Gain / (Loss) (iv)	-	-	0.81	2.13	0.02	0.03	0.03	0.03	0.02	0.10	3.17
As at 31st March, 2025	**42.69**	**6.55**	**53.19**	**234.45**	**3.81**	**9.53**	**6.18**	**12.09**	**3.71**	**3.56**	**375.76**
Additions (iii)	-	-	0.56	71.64	-	3.58	1.13	1.11	-	-	78.02
Disposals/Adjustments	-	-	-	(3.80)	(0.09)	(1.14)	(1.00)	(0.70)	(0.01)	-	(6.74)
Transferred to Investment Property	-	-	-	-	-	-	(0.01)	(4.75)	-	-	(4.76)
Exchange Gain / (Loss) (iv)	-	-	2.84	7.92	0.03	0.05	0.07	0.07	0.05	0.20	11.23
At 31st March, 2026	**42.69**	**6.55**	**56.59**	**310.21**	**3.75**	**12.02**	**6.37**	**7.82**	**3.75**	**3.76**	**453.51**
Depreciation and impairment											
As at 1st April, 2024	**-**	**4.62**	**23.26**	**97.14**	**1.34**	**6.59**	**4.14**	**3.35**	**2.93**	**2.54**	**145.91**
Depreciation charge for the year	-	0.05	1.55	15.35	0.34	1.05	0.48	1.00	0.19	0.33	20.34
Disposals/Adjustments	-	-	-	(0.20)	(0.15)	(0.85)	(0.51)	(0.13)	-	-	(1.84)
Exchange Gain / (Loss) (iv)	-	-	0.47	1.50	0.01	0.01	0.03	0.02	0.01	0.08	2.13
As at 31st March, 2025	**-**	**4.67**	**25.28**	**113.79**	**1.54**	**6.80**	**4.14**	**4.24**	**3.13**	**2.95**	**166.54**
Depreciation charge for the year	-	0.05	2.33	21.14	0.33	1.51	0.59	0.77	0.19	0.08	26.99
Disposals/Adjustments	-	-	-	(2.89)	(0.08)	(0.98)	(0.82)	(0.52)	-	-	(5.29)
Transferred to Investment Property	-	-	-	-	-	-	-	(0.79)	-	-	(0.79)
Exchange Gain / (Loss) (iv)	-	-	1.56	5.86	0.03	0.02	0.06	0.06	0.04	0.16	7.79
At 31st March, 2026	**-**	**4.72**	**29.17**	**137.90**	**1.82**	**7.35**	**3.97**	**3.76**	**3.36**	**3.19**	**195.24**
Net book value											
At 31st March, 2026	**42.69**	**1.83**	**27.42**	**172.31**	**1.93**	**4.67**	**2.40**	**4.06**	**0.39**	**0.57**	**258.27**
At 31st March, 2025	**42.69**	**1.88**	**27.91**	**120.66**	**2.27**	**2.73**	**2.04**	**7.85**	**0.58**	**0.61**	**209.22**

Foot Notes:-

(i) Office Equipment includes Electrical Appliances and Air Conditioners

(ii) Furniture & Fixtures includes Furnishings.

(iii) Freehold Buildings / Flats – Non- Residentials and Plant & Machinery have been capitalised from Capital Work in Progress.

(iv) Carrying amount include foreign exchange gain/(loss) on account of Property, Plant & Equipment (PPE) translation from functional currency to presentation currency.

(v) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Estimated useful life of assets are as follows:

Class of Assets	Useful lives as per Schedule II (in years)	Useful life adopted based on technical evaluation (in years)
Building/flats residential/non residential *	60	8-60
Plant and Machinery *	8-15	1-25
Survey instruments	10	10
Computers	3-6	3-6
Office Equipment's	5-10	5-10
Furniture and fixtures	10	10
Caravans, Camps and temporary shed	3-5	3-5
Vehicles	8-10	8-10

* Each significant component of the asset has been considered for determination of useful life of the assets as per the technical evaluation

(vi) Refer Note - 2.2.2 for Material Accounting Policy information of Property, Plant and Equipment (PPE).

4. Capital Work in Progress

(₹ in crore)

Particulars	Amount
As at 1st April 2024	**6.56**
Additions (subsequent expenditure)	33.66
Adjustment during the year	(0.10)
Capitalised during the year	(6.46)
As at 31st March 2025	**33.66**
Additions (subsequent expenditure)	14.77
Capitalised during the year	(33.66)
As at 31st March, 2026	**14.77**
Net Book Value	
At 31st March, 2026	**14.77**
At 31st March, 2025	**33.66**

The Ageing Schedule of Capital -work-in progress for the year ended as at 31st March 2026 and March 2025 is as follows.

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2024					
Projects in progress	14.77	-	-	-	14.77
Projects temporarily suspended	-	-	-	-	-
	14.77	-	-	-	**14.77**
As at March 31, 2023					
Projects in progress	33.66	-	-	-	33.66
Projects temporarily suspended	-	-	-	-	-
	33.66	-	-	-	**33.66**

(i) There are no projects where activity has been suspended.

(ii) Below are the details of ageing for the projects whose completion is overdue or has exceeded its cost compared to its original plan :

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For The Year Ended March 31, 2026

As at 31 March, 2026 and 31 March, 2025, no projects are overdue or exceeded estimated cost .

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
As at March 31, 2026				
Projects in progress	-	–	–	–
As at March 31, 2025				
Projects in progress	–	–	–	–

5. Investment Property

(₹ in crore)

Particulars	Noida			Gurugram			Bangalore	Total
	Land	Capital work in progress	Building	Land	Capital work in progress	Building	Land & Building	
As at 1st April, 2024	**327.20**	**1.14**	**157.61**	**2.23**	**1.48**	**95.03**	**3.04**	**587.75**
Additions (subsequent expenditure)	–	0.72	1.08	–	8.97	0.51	–	11.28
Capitalised during the year	–	–	–	–	–	–	–	–
As at 31st March, 2025	**327.20**	**1.86**	**158.70**	**2.23**	**10.44**	**95.54**	**3.04**	**599.02**
Additions (subsequent expenditure)	–	–	0.06	–	–	0.64	–	0.70
Transferred from Property, Plant and Equipment	–	–	–	–	–	4.76	–	4.76
Capitalised during the year	–	(1.29)	1.29	–	(10.44)	10.44	–	–
As at 31st March, 2026	**327.21**	**0.57**	**160.06**	**2.23**	**–**	**111.38**	**3.04**	**604.48**
Depreciation and impairment								
As at 1st April, 2024	**–**	**–**	**32.85**	**–**	**–**	**10.44**	**1.39**	**44.68**
Depreciation during the year	–	–	8.66	–	–	3.62	0.09	12.37
As at 31st March, 2025	**–**	**–**	**41.51**	**–**	**–**	**14.06**	**1.48**	**57.04**
Depreciation during the year	–	–	9.05	–	–	3.58	0.09	12.71
Transferred from Property, Plant and Equipment		–	–	–	–	0.79	–	0.79
As at 31st March, 2026	**–**	**–**	**50.56**	**–**	**–**	**18.43**	**1.57**	**70.54**
Net Block								
At 31st March, 2026	**327.21**	**0.57**	**109.50**	**2.23**	**–**	**92.95**	**1.47**	**533.94**
At 31st March, 2025	**327.20**	**1.86**	**117.19**	**2.23**	**10.44**	**81.48**	**1.56**	**541.98**

Information regarding income and expenditure of Investment property

(₹ in crore)

Particulars	31st March, 2026	31st March, 2025
Rental income from investment properties*	29.98	23.80
Direct operating expenses (including Repairs and maintenance) arising from investment property that generated rental income during the year	5.88	5.63
Direct operating expenses (including Repairs and maintenance) arising from investment property that did not generate rental income during the year	–	–
Profit arising from investment properties before depreciation and indirect expenses	**24.10**	**18.17**
Less: Depreciation during the year	(12.71)	(12.37)
Profit arising from investment properties before indirect expenses	**11.39**	**5.80**

* Includes maintenance income from the properties.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Reconciliation of fair value

(₹ in crore)

Particulars	Noida			Gurugram			Bangalore	Total
	Land	Capital work in progress	Building	Land	Capital work in progress	Building	Land & Building	
Opening balance at 1st April, 2024	**330.03**	**-**	**128.92**	**74.50**	**-**	**86.40**	**10.51**	**630.37**
Additions	-	-	-	-	-	-	-	-
Fair value difference	29.38	-	(0.81)	9.10	-	5.76	1.23	44.65
Closing balance At 31st March, 2025	**359.41**	**-**	**128.11**	**83.60**	**-**	**92.16**	**11.74**	**675.02**
Additions	-	-	-	-	-	-	-	-
Fair value difference for the year	(3.50)	-	41.47	51.89	-	22.92	2.06	114.84
Closing balance At 31st March, 2026	**355.91**	**-**	**169.58**	**135.49**	**-**	**115.08**	**13.80**	**789.86**
Note:-								
Investment Property self constructed	355.91	-	169.58	135.49	-	115.08	13.80	789.86

Note:

(i) These valuations are based on valuations performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 applying valuation model acceptable internationally. Fair Values are based on income/cost/market value approach.

(ii) The fair value measurement is categorised in Level 3 of fair value hierarchy.

(iii) The investment property in Noida comprises three locations, having lease term of 90 years. Additionally, the properties in Gurugram and Bangalore are located at single location and are freehold.

(iv) Other provisions amounting to ₹ 0.57 crore has been created towards capital work in progress in FY 2023-24 for the Sector 125, Noida property due to pending resolution of the dispute with the Noida Authority.

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For The Year Ended March 31, 2026

6. Intangible Assets and Intangible Assets under Development

(₹ in crore)

Particulars	Intangible Assets under Development (Software)	Other Intangibles (Software)
Gross Block		
As at 1st April, 2024	**-**	**14.85**
Addition during the year	-	3.72
Disposals / adjustment during the year	-	(0.01)
As at 31st March, 2025	**-**	**18.56**
Addition during the year	-	1.00
Disposals / adjustment during the year	-	(0.01)
As at 31st March, 2026	**-**	**19.55**
Amortisation and Impairment		
As at 1st April, 2024	**-**	**5.95**
Amortisation during the year	-	4.34
Sales / adjustment during the year	-	–
As at 31st March, 2025	**-**	**10.29**
Amortisation during the year	-	5.35
Sales / adjustment during the year	-	(0.01)
As at 31st March, 2026	**-**	**15.62**
Net book value		
At 31st March, 2026	**-**	**3.93**
At 31st March, 2025	**-**	**8.27**

(i) The Ageing Schedule of Intangible Assets under Development for the year ended as at 31st March, 2026 and 31st March, 2025 is as follows :

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2026					
Projects in progress		–	–		–
Projects temporarily suspended	–	–	–	–	–
	–	–	–	–	–
As at March 31, 2025					
Projects in progress	–	–	–	–	–
Projects temporarily suspended	–	–	–	–	–
	–	**–**	**–**	**–**	**–**

(ii) There are no projects where activity has been suspended.

(iii) Below are the details of ageing for the projects whose completion is overdue or has exceeded its cost compared to its original plan :

As at 31 March, 2026 and 31 March, 2025 , no projects are overdue or exceeded estimated cost.

Particulars	To be Completed in			
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years
As at March 31, 2026				
Projects in progress	-	-	-	-
As at March 31, 2025				
Projects in progress	-	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

7. Right-of-use Assets

(₹ in crore)

Particulars	Land (i)	Building (ii)	Vehicles	Total
Gross Block				
As at 1st April, 2024	**1.89**	**8.23**	**0.04**	**10.16**
Addition during the year	0.90	-	-	0.90
Disposals / adjustment during the year	-	-	-	-
As at 31st March, 2025	**2.79**	**8.23**	**0.04**	**11.06**
Addition during the year	6.27	-	-	6.27
Disposals / adjustment during the year	-	-	-	-
As at 31st March, 2026	**9.06**	**8.23**	**0.04**	**17.33**
Depreciation and Impairment				
As at 1st April, 2024	**0.46**	**3.07**	**0.04**	**3.57**
Depreciation during the year	0.28	0.93	-	1.21
Impairment	-	-	-	-
Disposals / adjustment during the year	-	0.00	-	-
As at 31st March, 2025	**0.74**	**4.00**	**0.04**	**4.78**
Depreciation during the year	2.46	0.93	-	3.39
Impairment	-	-	-	-
Disposals / adjustment during the year	-	-	-	-
As at 31st March, 2026	**3.20**	**4.93**	**0.04**	**8.17**
Net Book Value				
At 31st March, 2026	**5.87**	**3.30**	**-**	**9.16**
At 31st March, 2025	**2.05**	**4.23**	**-**	**6.28**

NOTE :-

(i) Lease hold land includes land at Greater Noida Industrial Development Authority (GNIDA) for construction of proposed Central Inspection Cell (CIC) by the Company (Gross value ₹0.76 crore). The Company has received an extension of time vide letter dated 6th January, 2025 and is in the process of obtaining the completion certificate from GNIDA.

(ii) Includes lease hold building on Railways land for 30 years lease at San Martin Marg, New Delhi; Pali Hill, Mumbai & Metro Railway Service Building, Kolkata for which agreement is yet to be finalised.

Title deeds of immovable properties not held in name of the company

Right-of-use Assets - Lease Asset	Description of item of property	Gross carrying value	Title deeds held 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 (also indicate if in dispute)
Right to use Building Residential	Pali Hill, Bandra Flat No. 401 Mumbai	0.21	Western Railway	NA	14th August, 2002	Flats are constructed on Railway Land and has been leased to IRCON by respective Zonal Railway for a period of 30 years based on instruction issued in this regard.
Right to use Building Residential	Flats at San Martin, New Delhi	2.26	Northern Railway	NA	16th September, 2004	
Right to use Building Non-Residential	Metro Rail Service Building, Kolkata	0.75	Metro Rail, Kolkata	NA	3rd March, 2000	Office accomodation constructed by Metro Railway, Kolkata on Railway Land and has been leased out to IRCON for a period of 30 years as per instruction issued in this regard.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

8. Non-Current Financial Assets

8.1 Non-Current Financial Assets – Investments

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
1. Investments in Equity Instruments (fully paid-up, unquoted, at cost)		
A) Subsidiary Companies		
Ircon Infrastructure & Services Limited 6,50,00,000 equity shares of ₹ 10 each (31st March, 2025 : 6,50,00,000)	65.00	65.00
Ircon PB Tollway Limited 16,50,00,000 equity shares of ₹10 each (31st March, 2025: 16,50,00,000) {Refer note (i) a}	228.55	227.60
Ircon Shivpuri Guna Tollway Limited 15,00,00,000 equity shares of ₹ 10 each (31st March, 2025 : 15,00,00,000) {Refer note (i) b}	150.19	150.19
Ircon Vadodara Kim Expressway Limited 1,00,00,000 equity shares of ₹ 10 each (31st March, 2025 : 1,00,00,000 equity shares) {Refer note (i) c}	205.98	205.98
Ircon Davanagere Haveri Highway Limited 17,30,00,000 equity shares of ₹ 10 each (31st March, 2025 : 17,30,00,000 equity shares) {Refer note (i) d}	187.69	187.69
Ircon Gurgaon Rewari Highway Limited 50,000 equity share of ₹ 10 each (31st March, 2025: 50,000 equity shares) {Refer note (i) e}	114.49	88.58
Ircon Akloli-Shirsad Expressway Limited 93,40,000 equity share of ₹ 10 each (31st March, 2025: 43,40,000 Equity Share) {Refer note (i) f}	149.11	109.50
Ircon Ludhiana Rupnagar Highway Limited 1,42,70,000 equity share of ₹ 10 each (31st March, 2025: Equity Share 1,11,10,000 equity shares) {Refer note (i) g}	134.46	111.26
Ircon Bhoj Morbe Expressway Limited 2,05,80,000 equity share of ₹ 10 each (31st March, 2025: 1,06,00,000 equity Share of ₹ 10 each) {Refer note (i) h}	147.15	92.15
Ircon Haridwar Byepass Limited 50,000 equity share of ₹ 10 each (31st March, 2025: 50,000 equity Share of ₹ 10 each) {Refer note (i) i}	82.72	82.66
Ircon Renewable Power Limited 38,00,000 equity share of ₹10 each (31st March, 2025 :38,00,000 equity shares) {Refer note (i) j}	111.82	111.82
Total (A) – Investment in Subsidiary Companies	**1577.16**	**1432.43**
B) Joint Venture Companies		
Ircon-Soma Tollway Private Limited (ISTPL) 6,38,70,000 equity shares of ₹ 10 each (31st March, 2025: 6,38,70,000) {Refer note (ii) a}	64.15	64.15
Indian Railway Stations Development Corporation Limited 5,19,99,700 equity shares of ₹10 each (31st March, 2025: 5,19,99,700 equity shares) {Refer note (ii) b}	52.00	52.00
Bastar Railway Pvt. Limited 7,63,37,300 equity shares of ₹ 10 each (31st March, 2025: 7,63,37,300 equity shares) {Refer note (ii) c}	76.34	76.34
Jharkhand Central Railway Limited 2,62,56,438 equity shares of ₹ 10 each (31st March, 2025: 2,62,56,438) {Refer note (ii) d}	200.02	140.37
Mahanadi Coal Railway Limited 2,60,00,000 equity shares of ₹ 10 each (31st March, 2025: 2,60,00,000 equity shares) {Refer note (ii) e}	110.50	110.50
Chhattisgarh East Railway Limited 19,78,55,700 equity shares of ₹ 10 each (31st March, 2025 : 19,78,55,700 equity shares) {Refer note (ii) f}	244.05	244.05
Chhattisgarh East-West Railway Limited 19,39,91,200 equity shares of ₹ 10 each (31st March, 2025: 19,39,91,200 equity shares) {Refer note (ii) g}	387.35	258.47
Total (B) – Investment in Joint Venture Companies	**1,134.41**	**945.88**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
2. Investment in Optionally Convertible Debentures (OCD) (Unquoted, at fair value through profit or loss)		
14% Optionally Convertible Debentures (OCD) of Ircon Renewable Power Limited - 8,89,90,000 unit of ₹ 10 each (31st March, 2025 - 6,60,00,000 unit of ₹ 10 each) { Refer note (i) j }	88.99	66.00
Total (2) - Investment in Bonds (Unquoted)	**88.99**	**66.00**
Total Non - Current Investments (1+2)	**2,800.56**	**2,444.31**
Aggregate Book value of quoted investments	**-**	**-**
Aggregate Market value of quoted investments	**-**	**-**
Aggregate Book value of unquoted investments (1(A)+1(B)+2)	**2,800.56**	**2,444.31**
Aggregate amount of impairment in value of investments	**-**	**-**

(i) (a) The Company vide board approval dated 12th August, 2021 has waived interest on its loan given to IRCON PB Tollway Limited for the period 1st October, 2019 till 31st March, 2024 and deferment of balance interest till repayment of principal. Moreover, the loan repayment schedule has also been revised during the year. The said waiver and revision in repayment schedule has been considered as Investment in subsidiary by the Company in accordance with provision of Ind AS. Accordingly **₹ 63.55 crore** (31st March, 2025: ₹ 62.60 crore) has been included in above.

(b) Includes fair value of the financial guarantee of ₹ **0.19 crore** (31st March, 2025 ₹ 0.19 crore) issued by Ircon to State Bank of India on behalf of and in respect of term loan facility availed by Ircon Shivpuri Guna Tollway Limited (ISGTL).

(c) BoD has approved the Equity participation (committed), not exceeding ₹ 10.00 crore in Wholly Owned Subsidiary, Ircon Vadodara Kim Expressway limited (IVKEL) Further, BoD has approved interest free loan not exceeding ₹ 195.74 crore for IVKEL which has been paid. Further, this includes fair value of the financial guarantee of ₹ 0.24 crore issued by IRCON to Bank of Baroda on behalf of and in respect of term loan facility availed by IVKEL.

(d) Includes fair value of the financial guarantee of ₹ **0.83 crore** (as on 31st March, 2025 ₹ 0.83 crore) issued by IRCON to Punjab National Bank on behalf of and in respect of term loan facility availed by Ircon Davangere Haveri Highway Limited (IDHHL), Wholly Owned Subsidiary. Further, BoD has approved interest free loan not exceeding ₹ 13.86 crore for IDHHL which has been paid.

(e) BoD has approved the Equity participation (committed), not exceeding ₹ 5 Lakh in Wholly Owned Subsidiary, Ircon Gurgaon Rewari Highway Limited(IGRHL). Further, BoD has approved interest free loan not exceeding ₹ 157.43 crore for IGRHL out of which ₹ **114.18 crore** (31st March, 2025: 88.35 crore) has been paid. Additionally, this includes fair value of the financial guarantee of ₹ 0.26 crore issued by IRCON to Indian Overseas Bank on behalf of and in respect of term loan facility availed by IGRHL.

(f) BoD has approved the Equity participation (committed), not exceeding ₹ 17.16 crore, out of which 9.34 crore has been paid to Ircon Akloli-Shirsad Expressway Limited (IASEL). Further, BoD has approved interest free loan not exceeding ₹ 154.43 crore for IASEL out of which ₹ **139.58 crore** (31st March, 2025 ₹ 104.98 crore) has been paid. Additionally, this includes fair value of the financial guarantee of ₹ 0.19 crore issued by IRCON to Bank of Baroda on behalf of and in respect of term loan facility availed by IASEL.

(g) BoD has approved the Equity participation (committed), not exceeding ₹ 14.27 crore, out of which 14.27 crore has been paid to Ircon Ludhiana Rupnagar Highway Limited (ILRHL). Further, BoD has approved interest free loan not exceeding ₹ 128.43 crore for ILRHL out of which ₹ 119.96 crore (31st March, 2025 ₹ 99.97 crore) has been paid. Additionally, this includes fair value of the financial guarantee of ₹ 0.24 crore issued by IRCON to Bank of Baroda on behalf of and in respect of term loan facility availed by ILRHL.

(h) BoD has approved the Equity participation (committed), not exceeding ₹ 20.58 crore, out of which 20.58 crore has been paid to Ircon Bhoj Morbe Expressway Limited (IBMEL). Further, BoD has approved interest free loan not exceeding ₹ 185.27 crore for IBMEL out of which ₹ **126.42 crore** (31st March, 2025 ₹ 81.42 crore) has been paid. Additionally, this includes fair value of the financial guarantee of ₹ 0.15 crore issued by IRCON to Bank of Baroda on behalf of and in respect of term loan facility availed by IBMEL.

(i) BoD has approved the Equity participation (committed), not exceeding ₹ 5 lakh for WOS, Ircon Haridwar Byepass Limited (IHBL). Further, BoD has approved interest free loan not exceeding ₹ 120.99 crore for IHBL out of which ₹ **82.37 crore** (31st March, 2025 ₹ 82.37 crore) has been paid. Additionally, this includes fair

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value of the financial guarantee of ₹ 0.30 crore issued by IRCON to State Bank of India on behalf of and in respect of term loan facility availed by IHBL.

(j) BoD has approved the Equity participation (committed), not exceeding ₹ 3.80 crore in Ircon Renewal Power Limited (IRPL). Further, BoD has approved interest free loan not exceeding ₹ **108.03 crore** in IRPL, out of which ₹ 108.03 crore (31st March, 2025: ₹ 108.03 crore) has been paid. Additionally, BoD has approved the interest-bearing Optionally Convertible Debentures (OCDs) of ₹ 88.99 crore, out of which ₹ 88.99 crore (31st March,2025 : ₹ 66.00 crore) has been paid.

(ii) (a) Includes fair value of the financial guarantee for ₹ 0.28 crore issued by IRCON to Punjab National Bank on behalf of and in respect of term loan facility availed by ISTPL. Loan outstanding as on 31st March, 2026 is Nil (as on 31st March, 2025 Nil).

Further, Pursuant to the the Concession Agreement dated 28th September 2005, the toll collection rights of the Ircon – Soma Tollway Private Limited (ISTPL), a Joint Venture Company with 50% holding, in which Company has an investment of ₹ 63.87 Crore, are scheduled to cease on 14th May, 2026 upon expiry of the extended concession period. Subsequently, the highway assets shall be handed over to NHAI in accordance with the terms of the Concession Agreement. Based on Management assessment and intention to cease operations upon completion of the concession period, the financials of the Joint Venture company have been prepared on a basis other than going concern. As on 31.03.2026, net worth of ISTPL comes to ₹ 302.92 Crores, out of which 50% share i.e. ₹ 151.46 Crores pertains to IRCON. Therefore, management does not perceive any impairment in the value of investment in ISTPL.

(b) The Ministry of Railways (MoR), vide letter No. 2011/LMB/22/1/39 dated 18.10.2021, granted in-principle approval for the closure of Indian Railway Station Development Corporation Limited (IRSDC), a Joint Venture Company, and transfer of its business to RLDA/MoR. During FY 2024–25, with the consent of all joint venture partners (IRCON, RITES & RLDA), it was decided to transfer the assets and liabilities of IRSDC (excluding investments in SITCO and GARUD/Station Facility Management) to RLDA on a slump sale basis at book value as on 31.12.2024, amounting to approximately ₹39.89 crore (±5%). The Business Transfer Agreement was signed on 09 April 2025, and consideration of ₹39.89 crore was received by IRSDC from RLDA on 11 April 2025.

Further, consideration against SITCO has also been received from RLDA against their share of ₹6.30 crore in FY 2023–24 and acquired IRSDC's share in GARUD for ₹**12.49 crore** in June 2025.

The financial statements of IRSDC have been prepared on a liquidation basis since FY 2021–22.

In the Extraordinary General Meeting (EGM) held on 05 May 2026, shareholders approved voluntary liquidation under Section 59 of the Insolvency & Bankruptcy Code (IBC) and appointed a Liquidator. Liquidation formally commenced on the same date.

As of the reporting date, the Company continues to monitor developments and does not foresee any impairment in the value of investment. The Company share in IRSDC's reported net worth stands at ₹64.65 crore, representing 26% of ₹248.67 crore."

(c) Ministry of Railway (MoR) has granted in-principle approval for closure of Bastar Railway Private Limited, a joint venture company and transfer of its assets and liabilities to MoR. The legal formalities, pricing and related modalities are in process and the Company does not foresee any impairment in the value of investment at this stage.

(d) Board of Directors have approved Interest free loan of ₹ 173.76 crore in favour of Jharkhand Central Railway Limited (JCRL), out of which ₹ **173.76 crore** (31st March, 2025: ₹ 114.11 crore) has been paid.

(e) Board of Directors have approved Interest free loan, of ₹ 106.63 crores in favour of Mahanadi Coal Railway Limited (MCRL) out of which ₹ 84.50 crore (31st March, 2025: ₹ 84.50 crore) has been paid. Further, It has been decided to handover Phase- I (Angul – Balram, 14 KM already operational) and Phase- II (Balram-Putgadia-Tentuloi,54 KM under construction) of MCRL Project to Ministry of Railways (MoR). The legal formalities, pricing and related modalities are in process and the Company does not foresee any impairment in the value of investment at this stage.

(f) BoD has approved interest free loan of ₹ 106.10 crore in favour of Chhattisgarh East Railway Limited (CERL), out of which ₹ **46.20 crore** (31st March, 2025 46.20 crore) has been paid.

(g) BoD has approved interest free loan of ₹ 193.36 crore in favour of Chhattisgarh East-West Railway Limited (CEWRL), out of which ₹ **193.36 crore** (31st March, 2025 ₹ 64.48 crore) has been paid.

(iii) The Interest free loan as per above will be repaid only on winding up of the SPVs/JV or end of concession period which ever is later.

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8.2 Non-Current Financial Assets - Loans

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. Considered Good : Secured		
Staff Loans and Advances	-	-
B. Considered Good : Unsecured		
(i) Loans to Related Parties:		
Subsidiaries		
- Ircon Shivpuri Guna Tollway Limited	18.57	18.57
- Ircon PB Tollway Limited {Refer Note (i)}	186.74	180.20
- Ircon Davanagere Haveri Highway Limited	47.13	47.13
(ii) Others:		
Staff Loans & Advances	0.24	0.26
Total	**252.68**	**246.16**

Note :

(i) The Company vide board approval dated 12th August, 2021 has waived interest on its Loan given to IRCON PB Tollway Limited for the period 1st October, 2019 to 31st March, 2024. The said waiver has been considered as Investment in subsidiary by the Company in accordance with provision of Ind AS. {Refer Note 8.1 (i) a}

Loan or advances in the nature of Loans granted to related parties

Type of Borrower	As at 31st March, 2026		As at 31st March, 2025	
	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^
Loan to Promoters				
Loan to Directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to Related parties	252.44	99.91%	245.90	99.89%
Total	**252.44**	**99.91%**	**245.90**	**99.89%**

* represents loan or advance in the nature of loan

^ represents percentage to the total loans and Advances in the nature of loans.

8.3 Non-Current Assets - Other Financial Assets

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Considered Good		
Security Deposits		
- Government Departments	0.57	0.56
- Others	0.05	0.05
Contract Asset:		
- Retention Money with Client	27.31	31.28
Fixed Deposits with original maturity of more than 12 months {Refer Note (i)}	14.97	-
Interest Accrued on Advances to Staff #	0.13	0.22
Interest accrued on Optional Convertible Debentures to Related Party - Ircon Renewable Power Limited	15.34	4.58
Total	**58.37**	**36.69**

\# Interest accrued on advance to Director is Nil (Nil).

Notes:

(i) Includes FDR's under Lien for ₹ 14.97 Crore (as on 31st March, 2025 : Nil).

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9. Deferred Tax Assets (Net)

(a) The major components of income tax expense for the year ended 31st March, 2026 and 31st March, 2025 are :

(₹ in crore)

S. No.	Particulars	For the Year ended	
		31st March, 2026	31st March, 2025
1	**Statement of Profit and Loss Section**		
	Current income tax :		
	Current income tax charge	187.14	222.35
	Adjustment in respect of current tax of previous year	(0.54)	(24.32)
	Deferred tax :		
	Relating to origination and reversal of temporary differences	(7.20)	(17.81)
	Income tax expense reported in the Statement of Profit and Loss Section	**179.40**	**180.22**
2	**Other Comprehensive income (OCI) Section**		
	Income tax related to items recognised in OCI during the year:		
	Net loss/(gain) on remeasurements of defined benefit plans	1.19	0.02
	Net loss/(gain) on exchange gain/ loss	0.25	1.84
	Income tax expense reported in the OCI Section	**1.44**	**1.86**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2026 and 31st March, 2025:

(₹ in crore)

S. No.	Particulars	For the Year ended	
		31st March, 2026	31st March, 2025
1	Accounting profit before income tax	797.85	917.81
2	Tax on Accounting Profit	200.80	230.99
3	Effect on Tax Adjustments:		
(i)	Adjustments in respect of current income tax of previous years	(0.54)	(24.32)
(ii)	Utilisation of previously unrecognised tax losses	–	–
	- Non taxable items	(19.41)	(35.71)
	-Other	0.71	0.33
(iii)	Tax on Income exempt from tax	–	–
(iv)	**Non-deductible expenses for tax purposes:**		
	- Other country additional tax	0.39	4.91
	- Other non-deductible expenses	(1.12)	5.88
(v)	Tax effect of various other items	–	–
		180.83	**182.08**
4	Income tax expense reported in the statement of profit and loss	180.83	182.08
5	Effective tax rate	22.66%	19.84%

(c) Components of deferred tax assets and (liabilities) recognised in the Balance Sheet and Statement of Profit or Loss

(₹ in crore)

S. No.	Particulars	Balance sheet		Statement of profit or loss	
		31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025
1	Property, plant & equipment (including intangible): Difference in book depreciation and income tax depreciation	(24.40)	(22.82)	1.59	1.39
2	Provisions	138.72	122.46	(16.27)	(23.70)

NOTES TO STANDALONE FINANCIAL STATEMENTS
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3	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	34.03	41.51	7.48	4.50
	Net deferred tax Assets / (Liabilities)	**148.35**	**141.15**	**(7.20)**	**(17.81)**

(d) Reflected in the balance sheet as follows:

(₹ in crore)

S. No.	Particulars	31st March, 2026	31st March, 2025
1	Deferred tax assets	172.75	163.96
2	Deferred tax liability	(24.40)	(22.82)
	Deferred Tax (Liabilities) /Asset (Net)	**148.35**	**141.14**

(e) Reconciliation of deferred tax (liabilities) / assets:

As at 31st March, 2026 (₹ in crore)

S. No.	Particulars	Balance As at 1st April, 2025 (Net)	Recognised in statement of profit and loss	Recognised in OCI	Balance As at 31st March, 2026 (Net)
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	(22.83)	(1.58)	-	(24.41)
2	Provisions	122.47	16.27	-	138.74
3	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	41.50	(7.48)	-	34.02
	Net deferred tax assets / (liabilities)	**141.14**	**7.20**	**-**	**148.35**

As at 31st March, 2025 (₹ in crore)

S. No.	Particulars	Balance As at 1st April, 2024 (Net)	Recognised in statement of profit and loss	Recognised in OCI	Balance As at 31st March, 2025 (Net)
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	(21.45)	(1.38)	-	(22.83)
2	Provisions	98.77	23.70	-	122.47
3	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	46.00	(4.50)	-	41.50
	Net deferred tax assets / (liabilities)	**123.32**	**17.82**	**-**	**141.15**

10. Other Non-Current Assets

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Considered Good		
Advances Other than Capital Advances		
- Advances to Contractors against material and machinery	15.52	36.67
- Advances to Contractors, Suppliers and Others	181.60	182.02
Deposits with Tax Departments	0.86	0.55
Interest Accrued on Advances to Contractors, Suppliers & Others	7.69	7.05
Project Construction Cost	27.83	47.25
Fair Valuation Adjustment	0.07	0.08
Total	**233.57**	**273.62**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

11. Inventories

(₹ in crore)

Particulars	31st March, 2026	31st March, 2025
Raw Material (Valued at Cost or NRV whichever is lower, unless otherwise stated)		
– In Hand	4.07	5.91
– With Third Parties	1.86	1.93
– In Transit	6.43	82.67
Less : Provision for Diminution in Value of Inventory	(0.37)	–
Total	**11.99**	**90.51**

Above carrying value of inventories is subject to a charge to secure the Company's secured working capital demand loan (Refer – Note – 21.1)

12. Current Assets – Financial Assets

12.1 Current Financial Assets – Investments

(₹ in crore)

Particulars	31st March, 2024	31st March, 2023
1. Investment in Bonds (Quoted, at amortized cost)		
7.15% Tax Free Indian Railway Finance Corporation Limited (IRFC) Bonds, Nil (31st March, 2025 : 250 units of ₹ 10,00,000 each)	–	25.00
7.07% Tax Free Indian Railway Finance Corporation Limited (IRFC) Bonds, Nil (31st March, 2025 : 3,02,000 units of ₹1,000 each)	–	30.20
7.14% Tax Free NHAI Bonds, Nil (31st March, 2025 : 1,99,989 units of ₹ 1,000 each)	–	20.00
7.02% Tax Free NHAI Bonds, Nil (31st March, 2025 : 500 units of ₹ 10,00,000 each)	–	50.00
2. Investment in Mutual Fund (Quoted) at fair value through profit or loss (FVTPL)		
Axis Liquid Fund, No. of units – 3,49,537.27 (31st March, 2025 : No. of units – 3,66,150.89)	107.12	105.58
Axis Overnight Fund No. of units – Nil (31st March, 2025 : No. of units – 59,334.56)	–	8.02
Canara Robeco Liquid Fund No. of units – Nil (31st March, 2025 : No. of units – 5,53,057.70)	–	171.90
Aditya Birla Sun Life Liquid Fund, No. of units – 48,47,878.10 (31st March, 2025 : Nil)	215.75	–
Nippon India Liquid Fund, No. of units – 65,236.35 (31st March, 2025 : Nil)	44.00	–
Total	**366.87**	**410.70**
Aggregate book value of quoted investments	**366.87**	**410.70**
Aggregate Market value of quoted investments	**366.87**	**413.58**
Aggregate book value of unquoted investments	**–**	**–**
Aggregate amount of impairment in value of investments	**–**	**–**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

12.2 Current Financial Assets – Trade Receivables

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured, considered good		
Unsecured, considered good*	1,725.17	1,709.16
Trade Receivables which have significant increase in credit risk	–	–
Trade Receivables – credit impaired	0.08	6.37
	1,725.25	**1,715.53**
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	(57.40)	(59.85)
Trade Receivables which have significant increase in credit Risk	–	–
Trade Receivables – credit impaired	(0.08)	(6.37)
Total	**1,667.77**	**1,649.31**

* It includes receivables from Cost Plus Projects amounting to **₹ 855.18 crore** (as at 31st March, 2025: ₹ 733.55 crore) and receivables from related are disclosed in Note 33(c)(5.1).

Above carrying value of trade receivables is subject to a charge to secure the Company's secured working capital demand loan (Refer – Note – 21.1)

Trade Receivable Ageing Schedule for the year ended as at 31st March, 2026 and 31st March, 2025 :

	Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2026 from the due date of payment					Total
				Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables – considered good	–	1,132.29	294.16	57.88	92.80	61.02	87.02	1,725.17
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–	–
(iii)	Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–	–
(iv)	Disputed Trade Receivables considered good	–	–	–	–	–	–	–	–
(v)	Disputed Trade Receivables - which have significant increase in credit risk	–	–	–	–	–	–	–	–
(vi)	Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	0.08	0.08
Total		**-**	**1,132.29**	**294.16**	**57.88**	**92.80**	**61.02**	**87.10**	**1,725.25**
Impairment Allowance									(57.48)
Total									**1,667.77**

	Particulars	Un-billed	Not Due	Outstanding for the year ended March 31, 2025 from the due date of payment					Total
				Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables – considered good	–	1,096.23	202.54	169.05	114.78	45.62	80.94	1,709.16
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–	–
(iii)	Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Particulars		Un-billed	Not Due	Outstanding for the year ended March 31, 2025 from the due date of payment					Total
				Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(iv)	Disputed Trade Receivables considered good	–	–	–	–	–	–	–	–
(v)	Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–	–
(vi)	Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	6.37	6.37
Total		**–**	**1,096.23**	**202.54**	**169.05**	**114.78**	**45.62**	**87.31**	**1,715.53**
Impairment Allowance									(66.22)
Total									**1,649.31**

12.3 Current Financial Assets – Cash and Cash equivalents

(₹ in crore)

Particulars	Foot Note	As at 31st March, 2026	As at 31st March, 2025
Cash on Hand		0.04	0.05
Balances with Banks:			
– On Current Accounts		743.50	592.75
– Flexi Accounts	(i) & (ii)	171.65	212.41
– Deposits with Original Maturity of Less Than 3 Months	(i) & (ii)	1,105.17	1,172.64
Total		**2,020.36**	**1,977.85**

12.4 Current Financial Assets – Other Bank Balances

(₹ in crore)

Particulars	Foot Note	31st March, 2026	31st March, 2025
Other Bank Balances			
Deposits with Original Maturity of More Than 3 Months but Less Than 12 Months	(i) & (ii)	2,144.25	2,145.13
Earmarked Balances:			
CSR Bank Account		1.15	0.17
Dividend Distribution Account		0.83	0.76
Total		**2,146.23**	**2,146.06**

Note for 12.3 and 12.4 :

(i) Includes Clients Fund **of ₹ 1,165.23 crore** (31st March, 2025 : ₹ 1,893.60 crore) on which interest is passed on to them.

(ii) Includes Project Fund of **₹ 2,036.54 crore** (31st March, 2025: ₹ 1,375.35 crore)

12.5 Current Financial Assets – Loans

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. Considered Good : Secured		
Staff Loans and Advances	–	0.01
B. Considered Good : Unsecured		
(i) Loans to Related Parties:		

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Particulars	As at 31st March, 2026	As at 31st March, 2025
Subsidiaries		
- Ircon PB Tollway Limited	17.00	26.00
(ii) Others:		
Staff Loans & Advances	0.86	1.53
Total	**17.86**	**27.54**

Loan or advances in the nature of Loans granted to related parties:

Type of Borrower	As at 31st March, 2026		As at 31st March, 2025	
	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^
Loan to Promoters				
Loan to Directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to Related parties	17.00	95.18%	26.00	94.41%
Total	**17.00**	**95.18%**	**26.00**	**94.41%**

* represents loan or advance in the nature of loan
^ represents percentage to the total Loans and Advances in the nature of loans.

12.6 Current Assets - Other Financial Assets

(₹ in crore)

Particulars	Foot Note	As at 31st March, 2026		As at 31st March, 2025	
Considered Good					
Security Deposits					
- Government Departments			13.16		11.58
- Others			72.97		69.23
Earnest Money Deposit			1.42		0.90
Interest Accrued on :					
- Advance to Staff	(i)		0.09		0.09
- Loans to Related Parties			17.87		22.11
- Advances to Rail Land Development Authority (RLDA)			9.99		10.88
- Deposits with Banks			52.03		50.04
- Bonds and Government Securities			-		7.62
Contract Asset :					
- Billable Revenue / Receivable not due	(ii) (a) & (b)	339.11		359.52	
- Construction Work in Progress (At realisable value)	(ii) (b)	1,508.71		1,088.73	
- Retention Money with Client	(iii)	155.59		131.88	
- Money Withheld by Client	(iii)	461.85	2,465.26	356.39	1,936.52
Share Application Money pending Allotment : Indian Railway Stations Development Corporation Limited - 300 equity shares of ₹10 each (31st March, 2025 : 300 Shares) {Refer note no. 8.1}			-		-

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Particulars	Foot Note	As at 31st March, 2026	As at 31st March, 2025
Other Recoverable :			
(a) From Related Parties (Joint Ventures and Joint Operations)			
– International Metro Civil Contractor		2.69	3.58
– Metro Tunneling Group		0.78	0.75
– Chhattisgarh East Railway Limited		0.25	0.65
– Bastar Railway Private Limited		0.02	0.02
– Mahanadi Coal Railway Limited		0.21	3.81
– Jharkhand Central Railway Limited		0.10	0.10
– Express Freight Consortium		3.41	3.08
– IRCON-PARAS-PCM JV		1.30	–
(b) From Related Parties (Subsidiaries)			
– Ircon Shivpuri Guna Tollway Limited		0.11	0.08
– Ircon Infrastructure & Services Limited		7.90	6.66
– Ircon PB Tollway Limited		0.38	0.34
– Ircon Vadodara Kim Expressway Limited		0.09	0.07
– Davanagere Haveri Highway Limited		0.30	0.30
– Ircon Gurgaon Rewari Highway Limited		0.23	0.36
– Ircon Akloli-Shirsad Expressway Limited		0.74	0.63
– Ircon Ludhiana Roopnagar Highway Limited		–	0.10
– Ircon Bhoj Morbe Highway Limited		0.31	0.50
– Ircon Haridwar Highway Limited		0.19	0.22
– Ircon Renewable Energy Limited		–	0.03
(c) Recoverable from Rail Land Development Authority (RLDA)		4.64	4.64
(d) Claims Recoverable from Clients		68.57	14.33
(e) Advance Lease Rent		0.16	0.12
(f) Others		17.18	3.36
Considered Doubtful			
Security Deposits			
– Government Departments		0.01	0.01
– Others		0.05	0.05
Earnest Money Deposit		0.16	0.16
Contract Asset :			
– Retention Money with Client		2.94	4.28
– Money Withheld by Client		2.10	2.10
Recoverable from Ircon Soma Tollway Private Limited		0.05	0.05
Recoverable from Rail Land Development Authority (RLDA)		25.81	25.81
Claim Recoverable from Client Doubtful		2.59	3.13
Less : Impairment allowance for doubtful other financial assets		(33.71)	(35.59)
Total		**2,742.35**	**2,152.70**

Foot Notes :

i) Debts due by officers of the company, firms in which any director is a partner or private company in which any director is a member except JVs and Subsidiaries are Nil (31st March, 2025 : Nil). Further, interest accrued on advance to Director is Nil (Nil).

ii) (a) Includes Value of work amounting to ₹ **209.32 crore** (As at 31st March, 2025 ₹ 275.30 crore) certified by client, but not billed by reporting date.

(b) Includes Receivables from related parties ₹ **350.79 crore** (As at 31st March, 2025 : ₹ 413.33 crore) and are disclosed in Note : 33 (c) 5.2 (a).

NOTES TO STANDALONE FINANCIAL STATEMENTS
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(iii) Includes Receivables from related parties ₹ **160.83 crore** (As at 31st March, 2025 : ₹ 106.24 crore) and are disclosed in Note : 33 (c) 5.2 (b)

13. Current Assets – Current Tax Assets (Net)

(₹ in crore)

Particulars	31st March, 2026	31st March, 2025
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	26.78	89.09
Total	**26.78**	**89.09**

14. Other Current Assets

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Considered Good		
Advances Other than Capital Advances		
Advances to Contractors against material and machinery	125.05	139.00
Advances to Contractors, Suppliers and Others	733.80	771.39
Balance with:		
– Sales Tax (including TDS)	320.31	320.17
Less : Deposited under Protest	(217.05)	(217.05)
– Value Added Tax	79.70	68.40
– Goods & Services Tax	680.68	782.30
Security Deposits	35.12	45.07
Deferred Project Mobilisation Cost	13.20	10.35
Project Construction Cost	28.78	29.93
Labour/ Building Cess Receivables	0.29	0.02
Interest Accrued on:		
– Deposits & Advances with Contractors, Suppliers & Others	71.72	62.88
Prepaid Expenses	5.50	3.34
Fair valuation adjustment	0.04	0.04
Considered Doubtful		
Advances to Contractors, Suppliers and Others	19.39	16.99
Sales Tax (including TDS)	30.00	30.00
Value Added Tax	12.44	9.87
Less: Impairment allowance for doubtful advances	(61.83)	(56.86)
Total	**1,877.14**	**2,015.84**

15. Assets held for Sale

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Assets held for disposal	–	–
Total	**–**	**–**

16. Equity Share capital

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Authorised Share Capital		
200,00,00,000 Equity shares of ₹2 each		
200,00,00,000 Equity shares of ₹2 each as at 31st March, 2025	400.00	400.00
	400.00	**400.00**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Particulars	As at 31st March, 2026	As at 31st March, 2025
Issued/Subscribed and Paid up Capital		
94,05,15,740 Equity shares of ₹2 each-fully paid		
94,05,15,740 Equity shares of ₹2 each-fully paid as at 31st March, 2025	188.10	188.10
	188.10	**188.10**

(a) Details of shareholders holding more than 5% of fully paid up equity shares:

Name of the shareholder	As at 31st March, 2026		As at 31st March, 2025	
	No. of Share	% holding in the class	No. of Share	% holding in the class
Government of India in the name of the President of India and Government nominees	61,29,28,392	65.17%	61,29,28,392	65.17%

(b) Details of shares held by promoter's

Promoter Name	Share held by Promoter As at 31st March, 2026			Share held by Promoter As at 31st March, 2025		
	No. of Share	% holding in the class	% Change during the year	No. of Share	% holding in the class	% Change during the year
Government of India in the name of the President of India and Government nominees	61,29,28,392	65.17%	0.00%	61,29,28,392	65.17%	0.00%

(c) Aggregate no. of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share
Equity shares allotted other than cash	-	-	-	-	-	-
Equity shares issued as bonus shares	-	-	-	-	47,02,57,870	-
Equity shares Buy Back	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**47,02,57,870**	**-**

(d) Terms / Rights attached to Equity Shares :

(i) Voting

The Company has only one class of equity shares having a par value of ₹2 per share. Each holder of equity share is entitled to one vote per share.

(ii) Liquidation

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

(iii) Dividend

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

(e) Reconciliation of the number of equity shares and share capital outstanding at the beginning and at the end of the year

Name of the shareholder	As at 31st March, 2026		As at 31st March, 2025	
	No. of Share	₹ in crore	No. of Share	₹ in crore
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	94,05,15,740	188.10	94,05,15,740	188.10
Add: Bonus Shares Issued during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	**94,05,15,740**	**188.10**	**94,05,15,740**	**188.10**

17. Other Equity

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Retained Earnings	3,099.86	2,684.79
General Reserve	3,333.71	3,333.71
Capital Redemption Reserve	4.93	4.93
Other Comprehensive Income	3.79	25.90
Total	**6,442.29**	**6,049.33**
Movement as per below:		
(a) Retained Earnings		
Opening Balance	**2,684.79**	**2,224.59**
Transfer from surplus in statement of profit and loss	618.45	737.59
Dividend declared and paid during the year	(94.05)	(122.27)
Interim Dividend	(112.86)	(155.19)
Re-measurement of defined benefit plans (net of tax)	3.53	0.07
Closing Balance	**3,099.86**	**2,684.79**
(b) General Reserve		
Opening and Closing Balance	**3,333.71**	**3,333.71**
(c) Capital Redemption Reserve		
Opening and Closing Balance	**4.93**	**4.93**
(d) Other Comprehensive Income		
Opening Balance	25.90	20.43
Exchange gain reclassified to profit and loss	(22.86)	-
Foreign currency translation reserve (net of tax) during the year	0.75	5.47
Closing Balance	**3.79**	**25.90**
Grand Total (a+b+c+d)	**6,442.29**	**6,049.33**

(ii) Nature and Purpose of Other Reserves:

(a) Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

(b) General Reserve

General Reserve represents the statutory reserves, this is in accordance with Corporate Law wherein a portion of profit is apportioned to General Reserve. Under Companies Act, 2013, the transfer of any amount to General Reserve is at the discretion of the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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(c) Capital Redemption Reserve

The Company has created Capital Redemption Reserve out of the profits after Buy Back of shares on 26th March 2017.

(d) Items of Other Comprehensive Income

Other Comprehensive Income represents balance arising on account of exchange difference on translation of foreign operations.

(iii) Dividend Distribution

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash dividends on equity shares declared / paid:		
Final Dividend of FY 2024 - 25 paid during 2025-26: INR 1 per share (Final Dividend of FY 2023-24 paid during 2024-25: INR 1.30 per share)	94.05	122.27
Interim dividend paid during 2025-26: INR 1.20 per share (FY 2024-25: INR 1.65 per share)	112.86	155.19
Total	**206.91**	**277.46**

(iv) Dividends not recognised at the end of the reporting year

Final dividend recommended by the Board of Directors, subject to the approval of shareholders in the ensuing Annual General Meeting :

Dividend for 31 March 2026: INR 0.70/- per share (31 March, 2025: INR 1 per share)	65.84	94.05
Total	**65.84**	**94.05**

18. Non-Current Liabilities - Financial Liabilities

18.1 Non-Current Financial Liabilities - Lease Liabilities

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Lease Liability	1.97	2.51
Total	**1.97**	**2.51**

18.2 Non-Current Financial Liabilities - Trade Payables

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(A) Micro, Small & Medium Enterprises	-	-
(B) Other than Micro, Small & Medium Enterprises		
(i) Contractor & Suppliers	-	-
Total	**-**	**-**

18.3 Non-Current Liabilities - Other Financial Liabilities

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deposits and Retention money	745.37	561.35
Financial Guarantee Contract	0.16	0.14
Total	**745.53**	**561.49**

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19. Provisions

(₹ in crore)

Particulars	Foot Note	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits	19.1	114.01	141.28
Other Provisions	19.2	397.82	327.67
Total		**511.83**	**468.95**
Current		299.74	264.17
Non Current		212.09	204.78

19.1 Provision for Employee Benefits :

a) The provisions are created for the purpose of leave encashment, settlement allowance, post retirement medical benefits, performance related pay and leave travel concession.

b) Disclosures as per Ind AS 19 'Employee benefits' are provided in Note.

c) Movement in the carrying value of Provisions for Employee Benefits are provided as below:

(₹ in crore)

Particulars	Leave Salary *	Settlement Allowance on Retirement	Post Retirement Medical Benefits	Performance Related Pay	Leave Travel Concession	Contribution to PF & Other Funds	Total
As at 31st March, 2025	**77.69**	**1.16**	**5.02**	**38.37**	**0.21**	**18.83**	**141.28**
Current	9.96	0.15	5.02	38.37	0.03	18.83	72.36
Non Current	67.73	1.01	-	-	0.18	-	68.92
Provision made during the year	11.32	0.15	6.43	14.37	0.03	1.49	33.79
Less: Utilization during the year	(19.47)	(0.07)	(5.02)	(26.59)	-	(3.05)	(54.20)
Less: Write Back during the year	(1.42)	-	-	(2.48)	(0.06)	(3.11)	(7.07)
Actuarial Gain/Loss	-	(0.16)	-		-	-	(0.16)
(Exchange Gain) / Loss	0.36	-	-	-	-	-	0.36
As at 31st March, 2026	**68.48**	**1.08**	**6.43**	**23.67**	**0.18**	**14.16**	**114.00**
Current	7.68	0.10	6.43	23.67	0.03	14.16	52.07
Non Current	60.80	0.98	-	-	0.15	-	61.93

* Includes ₹ 0.28 crore for employees posted on Foreign Projects on which leave salary provision has been made on actual basis.

19.2 Other Provisions :

Disclosures as per Ind AS 37 regarding nature of provisions and movements in provisions are as follows :

a) Demobilisation Provisions

The Company has made provision for demobilisation to meet the expenditure towards demobilisation of manpower and plant & equipment in respect of foreign projects.

b) Maintenance Provisions

– In Cost Plus contract, no provision for maintenance is required to be made where cost is reimbursable.
- Item Rate and Lump Sum turnkey contracts, provision is made for maintenance to cover company's liability during defect liability period keeping into consideration the contractual obligations, obligations of the sub-contractor, operating turnover and other relevant factors

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

c) Onerous Contracts

The Company has a contract where total contract cost exceeds the total contract revenue. In such situation as per Ind AS 115 and Ind AS 37 the Company has to provide for these losses. The provision is based on the estimate made by the management.

d) Legal Cases

Provision for legal cases represents liabilities that are expected to materialise in respect of matters in courts, arbitrations and appeal.

e) Provisions for Other Expenses

Provision for other expenses represents expected liabilities in respect of indirect taxes and Others

(₹ in crore)

Particulars	Demobilisation	Maintenance	Onerous Contracts	Legal Cases	Other Expenses	Total
As at 31st March, 2025	**15.46**	**63.96**	**115.70**	**63.42**	**69.13**	**327.67**
Current	13.35	26.62	19.28	63.42	69.13	191.81
Non Current	2.11	37.34	96.42	–	–	135.86
Provision made during the year	2.95	39.88	149.26	8.46	4.21	216.09
Less: Utilization during the year	(0.02)	(6.09)	(109.09)	(3.68)	(17.65)	(136.53)
Less: Write Back during the year	–	(4.79)	(0.48)	(0.03)	(1.54)	(18.17)
(Exchange Gain) / Loss	2.15	5.12	–	–	0.23	7.50
Unwinding of discount	0.04	1.22	–	–	–	1.26
As at 31st March, 2026	**20.58**	**99.30**	**155.39**	**68.17**	**54.38**	**397.82**
Current	15.07	48.60	61.44	68.17	54.38	247.67
Non Current	5.51	50.70	93.95	–	–	150.16

20. Other Non- Current Liabilities

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Contract Liability		
Advance from clients	824.36	854.03
b) Others		
Others	2.77	2.84
Lease Equilisation Liability	3.41	5.52
Total	**830.54**	**862.39**

NOTE :
Terms and Conditions and other balances with related parties are disclosed in Note 33.

21. Current Liabilities – Financial Liabilities

21.1 Borrowings

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
Working capital demand loan (WCDL) (i)	103.00	–
Total	**103.00**	**–**

Notes :

(i) **(a) Terms of Credit Facilities: Fund Based Working Capital :**

– Nature of Credit Facilities: Cash Credit/ Working Capital Demand Loan (WCDL) :

– Name of Lender : – State Bank of India (SBI)

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

– Sanction : – ₹1000.00 Crore, Subsequently, the Bank reduced the limit to ₹200 crore based on the Company's request and considering the current level of fund utilisation. The full fledged reduction by the Bank will be carried out at the time of renewal of the facility.

– Date of Sanction :- 30.09.2025

– Tenor / Repayable on Demand :- The facility is available for 12 months from the sanction date, subject to review every 12 months.

(b) Rate of Interest :

(i) Working Capital Demand Loan (WCDL)

– Benchmark Rate: 91-Day Treasury Bill (T-Bill) rate plus a spread of 75 basis points (bps), determined on the drawal date of each WCDL tranche.

– Applicable Rate during the year: 6.01% to 6.08% p.a. (as applicable on respective drawal dates during the financial year).

– Rate as at Balance Sheet Date: 6.04% p.a. (91-Day T-Bill rate of 5.29% as at [balance sheet date] plus 75 bps spread).

(ii) Cash Credit (CC)

– Benchmark Rate: 1-Month MCLR of State Bank of India.

– Rate at Date of Sanction (30.09.2025): 7.90% p.a.

– Reset Frequency: The rate of interest is reset every 1 month based on the applicable 1-Month MCLR of SBI effective on the reset date.

– Rate as at Balance Sheet Date: 7.85% p.a. (based on 1-Month MCLR applicable on 31st March, 2026.

(c) Details of Security:

The above credit facility is secured by a first pari-passu charge over:

– Present and Future Stocks of raw materials, construction materials, work-in-progress, finished goods.

– Present and future receivables/bills receivable, including receivables from Group companies/ Joint Ventures (JVs)/ Subsidiaries.

– Book debts and consumable stores & spares of the company, both Present and Future.

– All these current assets, whether lying loose or stored in or about or shall hereinafter from time to time be brought into or upon or be stored or be in or about of the Company's factories, premises, and godowns, in transit, on high seas, or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.

Charge Registration: The charge between IRCON International Limited (First Party) and State Bank of India (Second Party) has been duly created and registered with the Ministry of Corporate Affairs (MCA) on 27th November 2025 in accordance with Section 77 of the Companies Act, 2013.

(d) Other Disclosures

(i) Default in Repayment

There has been no default in repayment of principal or payment of interest on the above borrowings as at the end of the financial year.

(ii) Utilisation of Borrowings

The Borrowings availed has been utilised for the purposes for which they were sanctioned.

(iii) Stock Statement and Quarterly Returns

- Monthly Stock Statement: As per the sanctioned terms, the Company is required to submit a monthly stock statement to the Bank by the 20th day of the succeeding month.

- Penal Interest: Any delay beyond the stipulated deadline in submission of the stock statement shall attract a penal interest of 0.05% p.a., calculated on the sanctioned limit for the period of delay.

- Status during the year: There was no delay in the submission of stock statements; therefore, penal interest was not applicable.

- **Quarterly Returns:** The quarterly returns / statements filed by the Company with State Bank of India are in agreement with the books of account of the Company for the respective quarters.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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(iv) Guarantees by Directors

Loans guaranteed by Directors of the Company: Nil.

21.2 Current Financial Liabilities – Lease Liabilities

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Lease Liability	1.17	0.88
Total	**1.17**	**0.88**

21.3 Current Financial Liabilities – Trade Payables

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(A) Micro, Small & Medium Enterprises	35.51	33.71
(B) Other than Micro, Small & Medium Enterprises		
(i) Contractor & Suppliers	1,129.83	1,184.41
(ii) Related Parties	15.81	6.77
Total	**1,181.15**	**1,224.89**

Notes :

a) Disclosures as required under Companies Act, 2013 / Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) are provided in Note 43.

b) Terms and Conditions and other balances with related parties are disclosed in Note 33.

Trade payables Ageing Schedule for the year ended as at 31st March, 2026 and 31st March, 2025

Particulars	Unbilled	Not Due	Outstanding for the year ended as at 31st March, 2026 from the due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
MSME	23.79	3.10	8.62				35.51
Others	470.55	563.00	84.12	11.55	2.47	13.79	1,145.48
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	0.02	0.05				0.09	0.16
Total	**494.37**	**566.15**	**92.74**	**11.55**	**2.47**	**13.88**	**1,181.15**

Particulars	Unbilled	Not Due	Outstanding for the year ended as at 31st March, 2025 from the due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
MSME	14.08	17.29	2.34	-	-	-	33.71
Others	452.09	250.23	469.74	3.24	4.12	11.64	1,191.07
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	0.11	0.11
Total	**466.17**	**267.52**	**472.08**	**3.24**	**4.12**	**11.75**	**1,224.89**

21.4 Current Liabilities – Other Financial Liabilities

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gratuity Payable	0.74	4.64
Deposits, Retention money and Money Withheld	1,567.15	1,689.48
Financial Guarantee Contract	0.19	0.47
Interst Accrued on Working Capital Loan (WCDL)	0.30	-
Amount Payable to Client	542.58	614.93
Dividend Payable to Client	1.16	5.31
Interest Payable on Advance from Client	218.73	270.56
Other Payables (i)	141.91	151.82
Total	**2,472.76**	**2737.21**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Note:

(i) Includes staff payable and payable to Related Party refer in Note 33.

22. Other Current Liabilities

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) Contract Liability		
Advance from clients	2,086.36	1,808.11
- Less: Deposits under protest	(217.05)	(217.05)
Advance contract receipts	562.59	441.11
b) Others		
Statutory dues *	244.06	360.17
CSR Liability	16.46	2.25
Lease Equilisation Liability	2.15	2.10
Total	**2,694.57**	**2,396.69**

Note:

* Statutory dues includes liability for Goods and Service Tax (GST), TDS, Provident Fund and other statutory dues.

23. Current Tax Liability (Net)

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for tax (Net of Advance Tax)	18.04	8.50
Total	**18.04**	**8.50**

24. Revenue from Operations

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Contract Revenue	8410.07	10134.48
Company's share of turnover in Integrated Joint Operations (unincorporated)	0.33	0.96
Machinery Hire Charges	7.62	3.67
Other Operating Revenue	60.84	54.03
Total	**8478.86**	**10193.14**

25. Other Income

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Interest Income :		
Interest on Tax Free Bonds and Government Securities	6.45	8.88
Interest on Refund of Income-tax	4.10	12.49
Interest on Staff Advances	0.04	0.05
Interest on Loan to Related Parties *	7.52	11.30
Interest on Other Advances/Claims	38.62	44.69

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Particulars	As at 31st March, 2026		As at 31st March, 2025	
Less:- Other Interest Passed to Clients	(4.33)	34.29	(7.31)	37.38
Interest Income on Unwinding of Financial Instruments 1		16.68		16.26
Interest on Debenture of IRPL		11.95		5.09
Bank Interest Gross	201.73		235.34	
Less:- Bank Interest Passed to Clients	(31.60)	170.13	(34.65)	200.69
Amortisation of Financial Instruments		0.47		0.47
Others :				
Profit on Sale of Assets		1.06		0.49
Profit on Sale of Mutual Funds	53.48		53.63	
Less:-Profit on Sale of Mutual Fund Passed to Clients	(3.13)	50.35	(4.39)	49.24
Miscellaneous Income 2	14.89		10.61	
Less:-Insurance Claim Passed on	(1.18)	13.71	(2.64)	7.97
Exchange Fluctuation Gain (Net)		87.57		21.66
Reclassification of exchange gain from equity to profit and loss		27.31		-
Dividend from Subsidiary & Joint Venture Company *		66.46		111.33
Gain/Loss on Changes of Fair Value of Mutual Funds		1.63		1.01
Total		**499.72**		**484.31**

1 Includes ₹ **16.66 crore** (31st March, 2025 : ₹ 16.17 crore) on account of fair value of loan of Ircon PB Tollway limited.
2 Includes Company shares of other income of JCE ₹ **0.11 crore** (31st March, 2025 : ₹ 0.14 crore).

*** Interest on Loan and Dividend Income from Related Parties:**

Interest on Loan from Related Parties: (₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
- Chhattisgarh East-West Railway Limited	1.22	1.51
- Ircon Shivpuri Guna Tollway Limited	1.60	0.86
- Ircon Davanagere Haveri Highway Limited	4.23	4.27
- Ircon Vadodara Kim Expressway Limited	-	4.16
- Mahanadi Coal Railway Limited	0.47	0.50
Total	**7.52**	**11.30**

Dividend Income from Related Parties: (₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
- Ircon Infrastructure & Services Limited	9.10	8.83
- Ircon Vadodara Kim Expressway Limited	13.00	-
- Ircon Davanagere Haveri Highway Limited	9.86	-
- Ircon - Soma Tollway Private Limited	34.50	102.50
Total	**66.46**	**111.33**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

26. (i) Materials and Stores consumed

(₹ in crore)

Particulars	For the year ended 31st March, 2026		For the year ended 31st March, 2025	
Opening Balance	7.84		31.65	
Add: Purchases during the year (i)	825.05		639.58	
	832.89		671.23	
Less: Closing Balance	(5.93)	826.96	(7.84)	663.39
Total		**826.96**		**663.39**

(i) Includes exchange gain/ (loss) of Ind AS for ₹ 0.20 crore (31st March 2025 : ₹ 0.17 crore). Also, includes the Provision for Diminution in Value of Inventory for ₹ 0.37 crore (31st March 2025 – Nil)

26. (ii) Project and Other Expenses

(₹ in crore)

Particulars	Project Expenses		Other Expenses	
	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Work Expenses	6,793.73	8,469.50	–	–
Design, Drawing, Business Development & Consultancy Charges	9.93	32.54	–	–
Inspection, Geo Technical Investigation & Survey Exp. Etc.	21.90	21.29	–	–
Repairs and Maintenance of Machinery	3.68	4.93	–	–
Hire Charges of Machinery	5.39	8.13	–	–
Rent – Non-residential	8.51	7.98	0.10	0.52
Rates and Taxes	13.30	15.55	1.18	0.62
Vehicle Operation and Maintenance	13.68	14.38	1.93	2.18
Repairs and Maintenance				
– Building	0.26	0.09	0.33	0.35
– Office and Others	5.22	5.36	10.00	9.56
Power, Electricity and Water charges	5.20	4.06	1.67	2.16
Insurance	6.80	6.98	0.29	0.44
Travelling & Conveyance	13.17	13.65	3.19	3.48
Printing & Stationery	0.98	0.93	0.52	0.67
Postage, Telephone & Telex	1.26	1.05	0.55	0.87
Bank Charges & Commission	8.41	6.01	1.80	1.94
Legal & Professional charges	17.44	20.52	16.34	13.49
Security Services	2.78	2.59	0.68	0.69
Listing Expenses	–	–	0.07	0.07
Business promotion	0.26	0.40	1.32	1.11
Write-off of :				
– Advances	0.43	–	–	–
Loss on sale of Assets / Stores	–	–	0.50	0.45
Director sitting fee	–	–	0.08	0.18
Auditors Remuneration (iii)	–	–	0.90	0.93

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Particulars	Project Expenses		Other Expenses	
	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Advertisement & Publicity	-	-	1.48	1.64
Training & Recruitment	-	-	0.19	0.49
Corporate Social Responsibility (Refer Note 44)	-	-	15.45	14.15
Miscellaneous expenses	4.76	4.62	5.70	6.37
Proportionate share of expenses in Integrated Joint operations (unincorporated)	0.07	0.06	-	-
Provisions (Addition and Write Back)	193.11	250.86	-	-
Provisions Utilised	(137.50)	(159.49)	-	-
Total	**6992.77**	**8,731.99**	**64.27**	**62.36**

Note :-

(iii) Payment to Statutory Auditors: (₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Audit Fee – current year	0.40	0.38
(b) Tax Audit Fees – current year	0.12	0.11
(c) Fee for Quarterly Limited Review	0.23	0.21
(d) Certification Fees	0.11	0.15
(e) Travelling & out of pocket expenses:		
– Travelling Expenses	0.03	0.05
– Out of Pocket Expenses	0.01	0.03
Total	**0.90**	**0.93**

27. Employee Benefits Expenses

(₹ in crore)

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Project Expenses	Other Expenses	Total	Project Expenses	Other Expenses	Total
Salaries, Wages and Bonus (i)	146.16	51.21	197.37	155.16	49.40	204.56
Contribution to Provident and Other Funds	9.35	2.57	11.92	9.56	4.03	13.59
Foreign Service Contribution	-	1.71	1.71	-	2.07	2.07
Retirement Benefits	19.50	9.84	29.34	18.64	15.47	34.11
Staff Welfare	0.83	0.86	1.69	1.25	0.66	1.91
Total	**175.84**	**66.19**	**242.03**	**184.61**	**71.63**	**256.24**

Foot Notes:-

(i) Includes income-tax on non-monetary perks ₹ 0.52 crore (31st March, 2025 : ₹ 0.56 crore).

NOTES TO STANDALONE FINANCIAL STATEMENTS
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28. Finance Costs

(₹ in crore)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest Expense (i)	3.54	4.36
Interest Expense on Working Capital Loan	0.74	-
Other Borrowing Cost		
- Bank Guarantee & Other Charges	0.39	1.34
Interest Cost on Lease Liability	0.31	0.27
Amortisation of Financial Instruments	0.02	0.10
Unwinding of Discount on Provisions	1.27	1.34
Total	**6.27**	**7.41**

Foot Notes:-

(i) Includes interest on income-tax Nil (31st March, 2025 : ₹ 0.0004 Crore).

29. Depreciation, Amortisation and Impairment

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Depreciation of Property, Plant and equipment	26.98	20.32
Depreciation of Right to Use - Lease Assets	3.39	1.22
Amortization of Intangible Assets	5.35	4.34
Depreciation of Investment Property	12.71	12.37
Total	**48.43**	**38.25**

30. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below (₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Remeasurement Gain/(Loss) on Defined Benefit Plans	4.72	0.09
Income tax relating to Items that will not be reclassified to profit or loss	(1.19)	(0.02)
Total	**3.53**	**0.07**

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Foreign Exchange Translation Difference	1.00	7.31
Income Tax relating to Items that will be reclassified to profit or loss	(0.25)	(1.84)
Total	**0.75**	**5.47**
Grand Total	**4.28**	**5.54**

31 A. Fair Value Measurements

(i) Category wise classification of Financial Instruments

Financial assets and financial liabilities are measured at fair value in these financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either

NOTES TO STANDALONE FINANCIAL STATEMENTS
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directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

a) The carrying values and fair values of financial instruments by categories as at 31 March, 2026 are as follows: *

(₹ in crore)

Particulars		Fair Value		
	Carrying Value	Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	366.87	366.87	–	–
Investment in Optionally Convertible Debentures (OCD)	88.99			88.99
Total	**455.86**	**366.87**	**-**	**88.99**
Financial Assets at Amortized Cost				
(i) Investments	–	–	–	–
(ii) Loans	270.54	–	–	270.54
(iii) Other Financial Assets	2,800.72	–	–	2,800.72
Total	**3,071.26**	**-**	**-**	**3,071.26**

(₹ in crore)

Particulars		Fair Value		
	Carrying Value	Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	103.00	–	–	103.00
(ii) Lease Liability	3.14	–	–	3.14
(iii) Other Financial Liabilities	3,218.29	–	–	3,218.29
Total	**3,324.43**	**-**	**-**	**3,324.43**

b) The carrying values and fair values of financial instruments by categories as at 31st March, 2025 are as follows:

(₹ in crore)

Particulars		Fair Value		
	Carrying Value	Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	285.50	285.50	–	–
Investment in Optionally Convertible Debentures (OCD)	66.00	–	–	66.00
Total	**351.50**	**285.50**	**-**	**66.00**
(i) Investments				
Investments in Tax Free Bonds	125.20	–	–	125.20
Investments in Government Securities	–	–	–	–
(ii) Loans	273.70	–	–	273.70
(iii) Other Financial Assets	2,189.39	–	–	2,189.39
Total	**2,588.29**	**-**	**-**	**2,588.29**

(₹ in crore)

Particulars		Fair Value		
	Carrying Value	Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	–	–	–	–
(ii) Lease Liability	3.39	-	-	3.39
(iii) Other Financial Liabilities	3,298.70	–	–	3,298.70
Total	**3,302.09**	**-**	**-**	**3,302.09**

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The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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. The following methods and assumptions were used to estimate the fair values:

i) The fair value of investments in mutual fund units is based on the Net Asset Value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors

ii) Investment in subsidiaries and joint ventures are classified as equity investments which have been accounted at historical cost. Since these are out of scope of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

* During the financial year 2025-26 and 2024-25, there were no transfer between Level 1, Level 2 and Level 3 fair value measurements.

31 B. Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade, lease liability and other payables. The Company's principal financial assets include loans to related parties, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investment in mutual funds, tax free bonds and Government securities. The Company's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Foreign currency risk and Interest rate risk. Financial instruments affected by market risk includes borrowings, trade receivables, trade payable and other non derivative financial instruments.

(i) Foreign Currency Risk

The Company operates internationally and is exposed to insignificant foreign currency risk (since receipts & payments in foreign currency are generally matched) arising from foreign currency transactions, primarily with respect to the USD, EURO, BDT, DZD, LKR, JPY, MMK and ZAR, etc Significant foreign currency risk of group are naturally hedged.

As of March 31, 2026 and March 31, 2025, every 5% increase or decrease of the respective foreign currency would impact our profit before tax by approximately ₹ 2.22 crore and ₹ 28.96 crore respectively.

The Company's significant exposure to foreign currency risk at the end of reporting period are as follows:

As at 31st March 2026 (₹ in crore)

Particulars	USD	EURO	DZD	BDT	LKR	MYR	JPY	MMK	ZAR	Total
Assets										
Trade Receivables	1.32	116.63	54.88	-	-	1.59	0.15	-	-	174.58
Cash & Bank Balances	182.88	335.39	37.15	4.88	3.05	4.46	210.78	0.17	80.25	859.02
Advance to Contractors	-	-	-	2.46	-	-	72.52	87.81	-	162.79
Other Assets	41.42	61.80	62.42	-	1.28	-	77.54	0.13	-	244.59
Total	**225.63**	**513.82**	**154.45**	**7.34**	**4.33**	**6.06**	**361.00**	**88.11**	**80.25**	**1,440.98**
Liabilities										
Trade Payables	2.81	73.69	29.36	-	29.61	-	4.96	40.62	-	181.04
Advance from Client	58.02	-	-	-	-	0.54	981.99	-	-	1,040.55
Other Liabilities	32.54	23.80	193.80	-	0.08	0.11	13.45	-	-	263.79
Total	**93.37**	**97.49**	**223.16**	**-**	**29.69**	**0.65**	**1,000.40**	**40.62**	**-**	**1,485.38**

As at 31st March 2025 (₹ in crore)

Particulars	USD	EURO	DZD	BDT	LKR	MYR	JPY	MMK	ZAR	Total
Assets										
Trade Receivables	11.23	87.20	21.10	-	-	3.32	4.94	-	-	127.78
Cash & Bank Balances	38.30	0.12	52.14	1.92	3.05	7.45	13.10	0.13	65.17	181.38
Advance to Contractors	-	-	-	2.55	-	-	77.95	83.07	-	163.57
Other Assets	16.50	3.35	60.16	-	1.28	-	6.23	9.44	-	96.96
Total	**66.03**	**90.66**	**133.40**	**4.47**	**4.33**	**10.77**	**102.22**	**92.64**	**65.17**	**569.69**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Liabilities										
Trade Payables	2.14	13.05	46.47	0.73	12.34	0.14	5.52	26.88	-	107.27
Advance from Client	30.08	-	-	-	-	0.23	746.13	-	-	776.44
Other Liabilities	37.16	11.29	195.05	-	5.03	0.16	16.47	-	-	265.16
Total	**69.38**	**24.34**	**241.52**	**0.73**	**17.37**	**0.53**	**768.13**	**26.88**	**-**	**1,148.87**

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company is exposed to interest rate risk arising mainly from current borrowing with floating interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes tax free bonds, Govt. Securities and deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

(ii) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. The risk estimates provided assume a parallel shift of 0.50% interest rate across all yield curves while all other variables held constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Sensitivity analysis

Particulars	Impact on profit before tax	
	31st March, 2026	31st March, 2025
Interest rate		
- increase by 0.50%	-0.06	-
- decrease by 0.50%	0.06	-

b) Credit Risk

The Company's customer profile include Ministry of Railways, Public Sector Enterprises, State Owned Companies in India and abroad. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank / corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

The Company is exposed to credit risk for guarantees given. The Company's maximum exposure in this respect is the maximum amount the Company may have to pay if the guarantee is called on (see Note 37). Based on expectations at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement.

Trade and other receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposure to Credit Risk

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Financial Assets for which allowance is measured using Lifetime Expected Credit Losses (LECL)		
Non Current Investments	2,800.56	2,444.31
Non Current Loans	252.68	246.16
Other Non Current Financial Assets	31.06	5.41
Current Investments	366.87	410.70
Cash and Cash Equivalents	2,020.36	1,977.85
Other Bank Balances	2,146.23	2,146.06
Current Loans	17.86	27.54
Other Current Financial Assets	305.76	245.39

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Financial Assets for which allowance is measured using Simplified Approach		
Trade Receivables	1,725.25	1,715.53
Contract Assets	2,497.61	1,974.18

Summary of change in loss allowances measured using Simplified approach

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Allowances	**72.61**	**59.90**
Provided during the year	-	14.50
Utilization during the year	-	-
Amount written-off	(10.10)	(1.79)
Closing Allowances	**62.51**	**72.61**

During the year, the Company has recognised loss allowance of Nil (31st March, 2025 : ₹ 14.50 crore).

Summary of change in loss allowances measured using Lifetime Expected Credit Losses (LECL) approach

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Allowances	**29.20**	**28.74**
Provided during the year	0.00	0.53
Utilization during the year	(0.10)	(0.08)
Amount written-off	(0.43)	-
(Exchange gain) / loss	-	-
Closing Allowances	**28.67**	**29.19**

During the year, the Company has recognised loss allowance of **₹ 0.0016 crore** (31st March, 2025 : ₹ 0.53 crore).

c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. The treasury department regularly monitors the position of Cash and Cash Equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The Company's investment policy and strategy are focused on preservation of capital and supporting the Company's liquidity requirements. The senior Management of the Company oversees its investment strategy and achieve its investment objectives. The Company typically invests in government of India debt bonds and mutual funds. The policy requires investments generally to be investment grade, with the primary objective of minimising the potential risk of principal loss.

The NHAI bonds bear a fixed rate of interest thus they are not affected by the change in bond yield rates and the mutual funds are highly liquid assets which are paid out monthly and re-invested.

The table below provides details regarding the significant financial liabilities as at 31st March, 2026 and 31st March, 2025

(₹ in crore)

Particulars	As on 31st March, 2026		
	Less than 1 Year	1-2 years	2 years and above
Current Borrowings (WCDL)	103.00	-	-
Trade payables	1,181.15	-	-
Lease Liability	1.17	1.30	0.67
Other financial liabilities	2,472.76	745.53	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Particulars	As on 31st March, 2025		
	Less than 1 Year	1-2 years	2 years and above
Current Borrowings (WCDL)	-	-	-
Trade payables	1,224.89	-	-
Lease Liability	0.88	0.88	1.63
Other financial liabilities	2,737.21	561.49	-

d) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The following table gives details in respect of revenues generated from top five projects.

(₹ in crore)

Particulars	For the year ended	
	As at 31st March, 2026	As at 31st March, 2025
Revenue from top 5 Projects	4,481.84	5,095.81
	4,481.84	**5,095.81**

31 C. Capital Management

The Company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that the Company can continue to provide maximum returns to shareholders and benefit to other stakeholders. The Company has paid dividend as per the guidelines issued by Department of Investment and Public Asset Management (DIPAM) as follows :-

(₹ in crore)

Particulars	As on 31st March, 2026	
	31st March, 2026	31st March, 2025
Dividend Paid	206.91	277.46
Total	**206.91**	**277.46**

The BoD has recommended a final Dividend of ₹ 0.70/- per equity share on face value of ₹2/- for the financial year 2025-26, subject to the approval of the shareholders at the AGM. This is in addition to Interim Dividend paid @ 1.20 per equity share on face value of ₹ 2/-.

Further, the Company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants.

32. Employee Benefits

Disclosures in compliance with Ind AS 19 "Employee Benefits" are as under:

(a) Defined Contribution Plans - General Description

(i) Pension

The Company has implemented IRCON Defined Contribution Superannuation Pension Scheme, 2009 i.e. April 01, 2009, for all regular employees drawing pay in IDA scale irrespective of their length of service except for those employees who joined before January 01, 2017 but would superannuate/resign after January 01, 2017, before completing 15 years of service, in such case Employer contribution towards pension would be effective from January 01, 2017 only. The scheme was managed by a Separate Trust formed in the year 2015-16 for this purpose and approved by the Income Tax Authorities. In FY 2023-24, the Board of Directors in its 286th meeting held on 11th May, 2023 has approved for shifting of IRCON Defined Contribution Superannuation Pension Scheme, 2009 maintained with LIC to National Pension System (NPS). Company's share of contribution to NPS during the FY 2025-26 amounts to **₹9.43 crore** (₹ 9.44 crore) .

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

(ii) Post Retirement Medical Benefit (PRMB)

The Company had established an irrevocable trust by initial one-time contribution of ₹ 12.00 crore during the year 2000-01 for providing annuity, medical and other benefits to the spouse of employees who die in harness as a voluntary welfare measure for which the Company is not liable for providing such benefit to its employees. Further, the Company provides medical benefits to its employees (and spouse) who superannuate from the Company. The Company has contributed **₹6.43 crore** (₹ 5.02 crore) based on DPE guidelines on Superannuation Benefits.

(b) Defined Benefit Plans - General Description

(i) Provident fund

The Company pays fixed contribution of Provident Fund at a pre-determined rate to a separate trust (IRCON Contributory Provident Fund Trust), which invests the funds in permitted securities. The trust is required to pay a minimum rate of interest on contribution to the members of the trust. The trust is approved by the Income Tax Authorities. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the interest payment based on the notified interest rate.

During the period, the Company has contributed **₹27.66 crore** (₹19.86 crore) to the trust towards employer's contribution for provident fund which includes **₹3.05 crore** (6.58 crore.) towards reimbursement on account of loss on investment and an Adhoc payment of **₹11.43 crore** against stressed assets of PF Trust.

(ii) Gratuity

The Company has implemented IRCON Employees Group Gratuity Scheme to provide financial assistance to the employees of the Company as a social security measure on the termination of their employment due to superannuation, retirement, resignation, physical incapacitation or death. The scheme is managed by a separate trust formed in the year 2015-16 for this purpose and approved by the Income Tax Authorities. Funds of the Trust are managed by LIC of India. As at March 31, 2026 a liability of **₹0.74 crore** (₹ 4.64 crore) has been provided in the books of accounts based on the actuarial valuation.

Impact of Labour Codes: On 21st November 2025, the Government of India notified provisions of the Code on Wages 2019, the Industrial Relations Code 2020, the Code on Social Security 2020 and the Occupational Safety, Health and Working Conditions Code 2020, which consolidates the existing 29 labour laws into a unified framework governing employee benefits. The Company has assessed the incremental impact from the enactment of these New Labour Codes which is not material and has been recognised in the financial results for the financial year 2025-26.The Company continues to monitor the developments pertaining to Labour Codes and would provide appropriate accounting effect on the basis of such developments in case needed.

During the year ended March 31, 2026, the Company has recognised gratuity liability for contract employees for the first time based on management's assessment of the applicable legal and regulatory position. As at March 31, 2026 the impact due to change of law is amounting to **₹1.29 crore** (NIL) based on the actuarial valuation.

(iii) Other Retirement Benefits - General Description

Other retirement benefits include settlement at home-town or to the place where he/she or his/her family intends to settle in India including Baggage Allowance. The liability on this account is recognized on the basis of actuarial valuation.

The summarised position of various employee benefits recognised in the statement of profit and loss and balance sheet as on March 31, 2026 is as under:

i) Changes in the present value of the defined benefit obligation are (₹ in crore)

Particulars	Provident Fund		Gratuity*		Other Retirement Benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026"	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Defined benefit obligation at the beginning of the period	**412.22**	**448.60**	**74.59**	**79.30**	**1.18**	**1.15**
Current service cost	36.80	40.03	4.14	4.01	0.07	0.07
Past service cost	-	-	0.84	0.36	-	-
Interest cost	32.35	25.26	5.06	5.73	0.08	0.08
Benefits paid	(70.99)	(100.44)	(13.34)	(14.14)	(0.07)	(0.02)
Actuarial loss / (gain) on obligations	0.73	(1.23)	(3.41)	(0.67)	(0.16)	(0.10)
Defined benefit obligation at the end of the period	**411.11**	**412.22**	**67.88**	**74.59**	**1.10**	**1.18**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

ii) Changes in fair value of plan assets (₹ in crore)

Particulars	Provident Fund		Gratuity*		Other Retirement Benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Fair value of plan assets at the beginning of the period	**408.02**	**423.20**	**69.95**	**75.49**	**-**	**-**
Contribution by employer & employee	36.80	40.03	4.64	3.81	-	-
Benefits paid	(70.99)	(100.44)	(13.34)	(14.14)	-	-
Interest income	28.81	45.23	5.19	4.79	-	-
Opening Adjustment as per Balance Sheet	1.42	-	-	-	-	-
Interest adjust	-	-	0.70	-	-	-
Provision for Stressed assets	-	-	-	-	-	-
Return on plan asset excluding interest income	-	-	-	-	-	-
LIC mortality charges	-	-	-	(0.00)	-	-
Fair value of plan assets at the end of the period	**404.06**	**408.02**	**67.14**	**69.95**	**-**	**-**

iii) Reconciliation of fair value of plan assets and defined benefit obligation: (₹ in crore)

Particulars	Provident Fund		Gratuity*		Other Retirement Benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Fair value of plan assets	404.06	408.02	67.14	69.95	-	-
Defined benefit obligation	411.11	412.22	67.88	74.59	1.10	1.18
Amount recognised in the Balance Sheet	**(7.05)**	**(4.20)**	**(0.74)**	**(4.64)**	**(1.10)**	**(1.18)**

iv) Amount recognised in Statement of profit and loss: (₹ in crore)

Particulars	Provident Fund		Gratuity*		Other Retirement Benefit	
	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
Current service cost	13.17	13.26	4.14	4.01	0.07	0.07
Past service cost	-	-	0.84	0.36	-	-
Net interest expense	-	-	0.31	0.27	0.08	0.08
Amount recognised in statement of Profit and Loss	**13.17**	**13.26**	**5.29**	**4.64**	**0.15**	**0.15**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

v) Amount recognised in Other Comprehensive Income: (₹ in crore)

Particulars	Provident Fund		Gratuity*		Other Retirement Benefit	
	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
Actuarial changes arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(0.10)	0.08	2.79	(2.32)	(0.04)	0.02
Experience adjustments	0.83	(1.31)	0.62	2.99	(0.12)	(0.12)
Return on Plan Assets excluding Interest Income	3.54	(19.98)	1.14	(0.67)	-	-
Amount recognised in Other Comprehensive Income	**4.27**	**(21.21)**	**4.55**	**-**	**(0.16)**	**(0.10)**

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

Particulars	Provident Fund		Gratuity*		Other retirement benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Government of India securities	56.73%	58.30%	-	-	-	-
State Government securities	-	-	-	-	-	-
Central & Sate Guaranteed Bonds	-	-	-	-	-	-
High quality corporate bonds	33.34%	33.94%	-	-	-	-
PSU Bond	-	-	-	-	-	-
PSU Basel III Tier I Bonds	-	-	-	-	-	-
Debt Mutual Fund	0.53%	0.03%	-	-	-	-
ETF/INDEX/Equity Mutual Fund	7.94%	7.41%	-	-	-	-
Special Deposits	-	-	-	-	-	-
Fund Managed by Insurer	-	-	100.00%	100.00%	-	-
Bank Balance	1.46%	0.32%	-	-	-	-
Total	**100%**	**100%**	**100%**	**100%**	**0%**	**0%**

vii) The principal assumptions used in determining PF/ Gratuity/Retirement Allowance liability for the Company's plans are shown below:

Particulars	Provident Fund		Gratuity*		Other retirement benefit	
	PF For the year ended 31st March, 2026"	PF For the year ended 31st March, 2025"	Gratuity* For the year ended 31st March, 2026	Gratuity* For the year ended 31st March, 2025	Retirement Allowance For the year ended 31st March, 2026	Retirement Allowance For the year ended 31st March, 2025
Discount rate	7.32%	6.79%	7.32%	6.79%	7.32%	6.79%
Future Salary increase/Expected Statutory Interest Rate	8.25%	8.25%	7.50%	7.50%	7.50%	7.50%
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

viii) Quantitative sensitivity analysis for significant assumption shown above as at 31 March is as shown below:

(₹ in crore)

Particulars	PF Plan (Impact on DBO)		Gratuity Plan (Impact on DBO)*		Retirement Allowance (Impact on DBO)	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Present value of obligation at the end of period	411.11	412.22	67.88	74.59	1.10	1.18
Discount rate	7.32%	6.79%	7.32%	6.79%	7.32%	6.79%
Increase by 0.50%	(0.09)	(0.09)	(2.45)	(2.63)	(0.04)	(0.05)
Decrease by 0.50%	0.09	0.09	2.64	2.84	0.05	0.05
Future Salary Increases/Expected Statutory Interest Rate	**8.25%**	**8.25%**	**7.50%**	**7.50%**	**7.50%**	**7.50%**
Increase by 0.50%	-	-	0.89	1.01	0.05	0.05
Decrease by 0.50%	-	-	(0.93)	(1.10)	(0.04)	(0.05)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions shown above occurring at the end of the reporting period.

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.
Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

ix) Expected contribution for next annual reporting period

The expected contribution to the defined benefit plan for next annual reporting period is **₹ 18.63 crore (₹ 16.98 crore).**

x) Maturity profile of defined benefit obligation is as under

(₹ in crore)

<table>
<tr><th>Duration of defined benefit obligation duration (years)</th><th>Provident Fund</th><th>Gratuity*</th><th>Retirement Allowance</th></tr>
<tr><td>1</td><td>68.05</td><td>10.36</td><td>0.11</td></tr>
<tr><td>2</td><td rowspan="4">115.50</td><td>8.25</td><td>0.12</td></tr>
<tr><td>3</td><td>6.02</td><td>0.08</td></tr>
<tr><td>4</td><td>4.56</td><td>0.08</td></tr>
<tr><td>5</td><td>3.16</td><td>0.05</td></tr>
<tr><td>6</td><td rowspan="2">227.56</td><td>3.31</td><td>0.05</td></tr>
<tr><td>6 year onward</td><td>32.21</td><td>0.61</td></tr>
<tr><td>Total</td><td>411.11</td><td>67.88</td><td>1.10</td></tr>
</table>

Risk analysis

Company is exposed to a number of risks in the defined benefit plan. Most significant risks pertaining to defined benefits plan, and management's estimation of the impact of these risks are as follows:

a) Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

b) Longevity risk/ Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

c) Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

* Includes both Regular and Contract Employees

33. Related Party Transactions

Disclosures in compliance with Ind AS 24 "Related Party Disclosures" are as under:

a) List of Related Parties

(i) Subsidiary Companies

Ircon Infrastructure and Services Limited
Ircon PB Tollway Limited
Ircon Shivpuri Guna Tollway Limited
Ircon Davanagere Haveri Highway Limited
Ircon Vadodara Kim Expressway Limited
Ircon Gurgaon Rewari Highway Limited
Ircon Akloli Shirsad Expressway Limited
Ircon Ludhiana Rupnagar Highway Limited
Ircon Bhoj Morbe Expressway Limited
Ircon Haridwar Bypass Limited
Ircon Renewable Power Limited

(ii) Joint Venture Companies

Ircon-Soma Tollway Private Limited
Chhattisgarh East Railway Limited
Chhattisgarh East-West Railway Limited
Mahanadi Coal Railway Limited
Jharkhand Central Railway Limited
Bastar Railway Private Limited
Indian Railway Stations Development Corporation Limited

(iii) Unincorporated Joint Ventures (Joint Operations)

Joint Operations in Operation	Completed Joint Operations	Financially Closed Joint Operations
Express Freight Consortium	International Metro Civil Contractor	RICON
Express Freight Railway Consortium	Metro Tunnelling Group	Ircon- Sree Bhawani Builders
IRCON-PARAS-PCM JV		IRCON-AFCONS
IRCON-DRA JV		Ircon-RCS-PFLEIDERER
AMRIL-IRCON JV		
BRC-IRCON JV		
IRCON-SSNR JV		
IRCON JPW JV		
IRCON FJPS JV		

(iv) Key Management Personnel (KMP)

Whole Time Directors

Name	Designation
Shri Hari Mohan Gupta	CMD & Chief Executive Officer (CEO)
Smt. Ragini Advani	Director (Finance)
Shri Anand Kumar Singh	Director (Projects) (Ceased w.e.f. 31.12.2025 on account of superannuation)
Shri Parag Verma	Director (Works) (Ceased w.e.f. 30.04.2025 on account of superannuation)
Shri Naresh Chandra Karmali[1]	Director (Works) (Ceased w.e.f. 15.05.2025)

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Shri Ajit Kumar Mishra[2]	Director (Works)
Shri Sudhir Singh[3]	Director (Projects) (Ceased w.e.f. 13.02.2026)
Shri Rajesh Naik[4]	Director (Projects)

1. Shri Naresh Chandra Karmali (DIN: 09103211), IRSE, PED/GS, Railway Board, was entrusted with additional charge of Director (Works), IRCON,w.e.f. 09.05.2025 (AN) until further orders of the Ministry of Railways. Shri Naresh Chandra Karmali has relinquished the additional charge of post of Director (Works), IRCON (additional charge) w.e.f. 15.05.2025 (FN), hence he is ceased to be Director (Works) of the company.
2. Shri Ajit Kumar Mishra (DIN:11108237) has been appointed as Director (Works) w.e.f. 15.05.2025 (AN), for a period of 5 years or until further orders of the Ministry of Railways, whichever is earlier.
3. Shri Sudhir Singh (DIN: 11288339), IRSE, ED/CE(BS), Railway Board, was entrusted with additional charge of Director (Projects), IRCON,w.e.f. 02.01.2026 until further orders of the Ministry of Railways. Shri Sudhir Singh has relinquished the additional charge of post of Director (Projects), IRCON (additional charge) w.e.f. 13.02.2026, hence he is ceased to be Director (Projects) of the company.
4. Shri Rajesh Naik (DIN: 11543707) has been appointed as Director (Projects) w.e.f 13.02.2026 till the date of his superannuation i.e. 31.05.2030 or until further orders of the Ministry of Railways.

Chief Financial Officer and Company Secretary

Name	Designation
Shri Alin Roy Choudhury	Chief Financial Officer (CFO)
Smt. Pratibha Aggarwal	Company Secretary

Other Directors

Government Nominee Part-Time (Official) Directors

Name	Designation
Shri Anupum Singh	Government Nominee Part-Time (Official) Director
Shri Anand Bhatia	Government Nominee Part-Time (Official) Director
Shri T.Varadharajan	Independent Part-time (Non-Official) Director (Appointed w.e.f. 15.05.2025)

(v) Post Employment Benefit Plans

Ircon Gratuity Trust
Ircon Employees Contributory PF Trust
Ircon Medical Trust
Ircon Defined Contribution Superannuation Pension Scheme, 2009 Trust

(vi) Government Related Entities:

The Company is a Central Public Sector Enterprise (CPSE) under the Ministry of Railways. The Company is controlled by Government of India (GOI), by holding 65.17 % of equity shares in the name of President of India as at 31st March, 2026. Pursuant to Para 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements.

The Company has significant transaction with the following government related entities:

Name of the Entity	Relationship
Ministry of Railways	Controlling Entity
Rail Land Development Authority	Statutory Authority under Ministry of Railways
Indian Railway Finance Corporation	Railway PSU

(vii) Other Related Parties:

Associate of Joint Venture Companies

Mahanadi Coalfield Limited

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Transactions with Key Management Personnel (KMP) of the Company are as follows:

(₹ in crore)

S.No.	Designation	For the year ended 31st March 2026	For the year ended 31st March 2025
1	Short term employment benefits (i)	3.67	3.57
2	Post-employment benefits	0.93	0.57
3	Other long-term employment benefits	0.10	0.19
4	Sitting fees	0.08	0.18
	Total	**4.78**	**4.51**

Note :

(i) Figures of FY 2025-26 include PRP of ₹ **0.56 crore** paid during the year for the previous financial years 2023-24 and 2024-25 on provisional basis (For FY 2024-25 include PRP of ₹ 0.59 crore paid during the year for the previous financial year 2022-23 and 2023-24 on provisional basis)

(ii) Recovery as applicable has been made from Directors who have been provided with Company accommodation and car.

Transactions with other related parties are as follows:

(₹ in crore)

S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
1	**Sale of goods and services**				
1.1	**Contract Revenue**	Ircon Infrastructure and Services Limited	Subsidiary Companies	0.90	0.94
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	24.67	67.83
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	38.01	94.91
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	8.65	14.50
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	186.63	99.85
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	397.61	373.41
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	82.40	318.04
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	316.11	566.29
		Ircon Haridwar Bypass Limited	Subsidiary Companies	115.18	240.10
		Ircon Renewable Power Limited	Subsidiary Companies	4.50	13.76
		Chhattisgarh East Railway Limited	Joint Venture Companies	297.11	130.16
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	607.97	972.34
		Mahanadi Coal Railway Limited	Joint Venture Companies	-	11.10
		Jharkhand Central Railway Limited	Joint Venture Companies	200.32	363.37
		Mahanadi Coalfield Limited	Associate of Joint Venture	5.61	4.41

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
		Rail Land Development Authority	Government Related Entities	117.58	93.92
		Ministry of Railways	Government Related Entities	3,871.08	4,994.60
1.2	**Rent Income**	Ircon Infrastructure and Services Limited	Subsidiary Companies	0.67	0.69
		Ircon PB Tollway Limited	Subsidiary Companies	0.03	0.03
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	0.03	0.03
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	0.03	0.03
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	0.03	0.03
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	0.03	0.04
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	0.03	0.03
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	0.03	0.03
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	0.03	0.03
		Ircon Haridwar Bypass Limited	Subsidiary Companies	0.03	0.03
		Ircon Renewable Power Limited	Subsidiary Companies	0.03	0.03
		Ircon-Soma Tollway Private Limited	Joint Venture Companies	0.05	0.04
		Rail Land Development Authority	Government Related Entities	0.09	0.09
2	**Purchase of goods and services**	Ircon Infrastructure and Services Limited	Subsidiary Companies	7.25	5.81
		Ministry of Railways	Government Related Entities	-	1.93
3	**Reimbursement of Deputation Staff Expenses, Rent & Other Misc. Expenses (Income)**	Ircon Infrastructure and Services Limited	Subsidiary Companies	1.39	2.21
		Ircon PB Tollway Limited	Subsidiary Companies	0.26	0.28
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	0.31	0.50
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	0.26	0.27
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	0.33	0.23
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	0.20	0.62
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	0.10	0.61
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	0.11	0.41

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	0.18	0.41
		Ircon Haridwar Bypass Limited	Subsidiary Companies	0.16	0.19
		Ircon Renewable Power Limited	Subsidiary Companies	-	0.13
		Ircon-Soma Tollway Private Limited	Joint Venture Companies	0.69	0.64
		Chhattisgarh East Railway Limited	Joint Venture Companies	1.18	0.52
		Mahanadi Coal Railway Limited	Joint Venture Companies	0.52	0.42
		Jharkhand Central Railway Limited	Joint Venture Companies	0.86	0.46
		Indian Railway Stations Development Corporation Limited	Joint Venture Companies	-	0.16
4	**Interest Income**				
4.1	**Interest Income on loans**				
		Ircon PB Tollway Limited	Subsidiary Companies	16.66	16.17
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	1.60	0.86
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	4.23	4.27
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	-	4.16
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	1.22	1.51
		Mahanadi Coal Railway Limited	Joint Venture Companies	0.47	0.50
4.2	**Interest Income on Bonds**	Indian Railway Finance Corporation	Government Related Entities	2.24	3.92
4.3	**Interest Income on Debentures**	Ircon Renewable Power Limited	Subsidiary Companies	11.95	5.09
4.4	**Dividend Income**	Ircon Infrastructure and Services Limited	Subsidiary Companies	9.10	8.83
		Ircon-Soma Tollway Private Limited	Joint Venture Companies	34.50	102.50
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	13.00	-
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	9.86	-
5	**Dividend / Profit on sale of investment**				
5.1	**Dividend distribution**	Ministry of Railways	Government Related Entities	134.84	180.82

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
5.2	**Profit on Sale of Investment Passed on**	Ministry of Railways	Government Related Entities	2.79	4.18
6	**Interest Expense**				
6.1	**Interest Expense on Advance**				
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	0.26	3.19
		Ircon Haridwar Bypass Limited	Subsidiary Companies	0.00	1.16
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	-	0.33
6.2	**Interest Expense Passed on**	Ministry of Railways	Government Related Entities	27.45	28.74
		Mahanadi Coal Railway Limited	Joint Venture Companies	-	0.19
		Mahanadi Coalfield Limited	Associate of Joint Venture	0.74	1.14
		Rail Land Development Authority	Government Related Entities	0.43	0.38
7	**Investment in Equity Shares**				
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	5.00	-
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	3.16	7.49
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	9.98	5.40
8	**Interest free loan / Deemed equity given**				
		Ircon PB Tollway Limited	Subsidiary Companies	0.95	1.85
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	25.83	-
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	34.60	53.44
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	20.00	45.54
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	45.00	30.00
		Ircon Renewable Power Limited	Subsidiary Companies	-	19.79
		Chhattisgarh East Railway Limited	Joint Venture Companies	-	15.60
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	128.88	48.36
		Jharkhand Central Railway Limited	Joint Venture Companies	59.65	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
9	**Financial Guarantee Contract**				
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	0.08	0.11
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	0.00	0.01
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	0.05	0.01
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	0.01	0.01
		Ircon Haridwar Bypass Limited	Subsidiary Companies	0.06	0.01
10	**Debentures**	Ircon Renewable Power Limited	Subsidiary Companies	22.99	66.00
11	**Loans granted**				
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	-	18.57
12	**Recovery of Loans**				
		Ircon PB Tollway Limited	Subsidiary Companies	18.17	5.62
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	-	68.96
13	**Advances Received**				
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	24.60	46.06
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	14.72	-
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	-	15.94
		Ircon Haridwar Bypass Limited	Subsidiary Companies	2.51	4.00
		Chhattisgarh East Railway Limited	Joint Venture Companies	52.51	18.05
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	134.73	311.54
		Jharkhand Central Railway Limited	Joint Venture Companies	168.09	456.52
		Rail Land Development Authority	Government Related Entities	116.14	108.13
		Ministry of Railways	Government Related Entities	2,879.87	4,336.16

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
14	**Repayment of Advances**				
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	-	20.70
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	26.97	25.51
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	8.33	19.20
		Ircon Akloli Shirsad Expressway Limited	Subsidiary Companies	14.39	26.35
		Ircon Haridwar Bypass Limited	Subsidiary Companies	3.84	18.35
		Chhattisgarh East Railway Limited	Joint Venture Companies	51.63	5.34
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	155.08	292.51
		Jharkhand Central Railway Limited	Joint Venture Companies	251.41	394.86
		Rail Land Development Authority	Government Related Entities	130.33	108.66
		Ministry of Railways	Government Related Entities	3,133.17	4,934.15
15	**Redemption of Bonds**	Indian Railway Finance Corporation	Government Related Entities	55.20	-
16	**Post Employment Benefit Plans**				
16.1	**Expense recognised during the year**	Ircon Gratuity Trust	Post Employment Benefit Plans	5.29	4.64
	Contribution during the year	Ircon Employees Contributory PF Trust	Post Employment Benefit Plans	38.79	44.40
	Expense recognised during the year	Ircon Medical Trust	Post Employment Benefit Plans	6.43	5.02
16.2	**Amount Recoverable From**	Ircon Employees Contributory PF Trust	Post Employment Benefit Plans	11.43	-

Note :

(i) Refer Note 37 for guarantees and other commitments with subsidiary companies, joint venture companies and joint operations .

(ii) Purchases from Ministry of Railways are heterogeneous in nature, thus immaterial. Hence not disclosed.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

c) Outstanding balances with the related parties are as follows: (₹ in crore)

S.No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
1.	**Equity Investments (Including Deemed Equity)**	Ircon Infrastructure and Services Limited	Subsidiary Companies	65.00	65.00
		Ircon PB Tollway Limited	Subsidiary Companies	228.55	227.60
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	150.19	150.19
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	187.69	187.69
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	205.98	205.98
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	114.49	88.58
		Ircon Akloli Shirsad Expressway Limited	Subsidiary Companies	149.11	109.50
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	134.46	111.26
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	147.15	92.15
		Ircon Haridwar Bypass Limited	Subsidiary Companies	82.72	82.66
		Ircon Renewable Power Limited	Subsidiary Companies	111.82	111.83
		Ircon-Soma Tollway Private Limited	Joint Venture Companies	64.15	64.15
		Chhattisgarh East Railway Limited	Joint Venture Companies	244.05	244.05
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	387.35	258.47
		Mahanadi Coal Railway Limited	Joint Venture Companies	110.50	110.50
		Jharkhand Central Railway Limited	Joint Venture Companies	200.02	140.37
		Bastar Railway Private Limited	Joint Venture Companies	76.34	76.34
		Indian Railway Stations Development Corporation Limited	Joint Venture Companies	52.00	52.00
2	**Investment in Bonds**	Indian Railway Finance Corporation	Government Related Entities	-	55.20
3	**Investment in Debentures**	Ircon Renewable Power Limited	Subsidiary Companies	88.99	66.00
4	**Amount Recoverable towards loans granted**	Ircon PB Tollway Limited	Subsidiary Companies	203.74	206.20
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	18.57	18.57
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	47.13	47.13
5	**Amount recoverable other than loans**				
5.1	**Trade Receivables**	Ircon Infrastructure and Services Limited	Subsidiary Companies	0.01	0.01
		Ircon PB Tollway Limited	Subsidiary Companies	15.35	15.35
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	2.86	10.43
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	0.29	29.87
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	3.27	1.17

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S.No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	44.27	10.49
		Ircon Akloli Shirsad Expressway Limited	Subsidiary Companies	87.85	52.91
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	-	10.97
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	185.42	234.11
		Ircon Haridwar Bypass Limited	Subsidiary Companies	12.12	44.98
		Ircon Renewable Power Limited	Subsidiary Companies	12.15	8.82
		Chhattisgarh East Railway Limited	Joint Venture Companies	27.27	14.08
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	30.38	69.24
		Mahanadi Coal Railway Limited	Joint Venture Companies	-	0.93
		Jharkhand Central Railway Limited	Joint Venture Companies	10.78	0.10
		Bastar Railway Private Limited	Joint Venture Companies	13.85	13.85
		Mahanadi Coalfield Limited	Associate of Joint Venture	0.26	0.77
		Rail Land Development Authority	Government Related Entities	29.98	21.25
		Ministry of Railways	Government Related Entities	772.34	624.40
5.2	**Contract Assets**				
(a)	**Billable Revenue/ Receivable not due and CWIP at Realisable Value**	Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	0.33	11.60
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	19.53	14.21
		Ircon Haridwar Bypass Limited	Subsidiary Companies	25.65	43.83
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	0.84	7.71
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	-	14.29
		Ircon Renewable Power Limited	Subsidiary Companies	-	9.00
		Chhattisgarh East Railway Limited	Joint Venture Companies	88.32	55.70
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	133.97	88.90
		Jharkhand Central Railway Limited	Joint Venture Companies	-	26.29
		Bastar Railway Private Limited	Joint Venture Companies	9.41	9.41
		Rail Land Development Authority	Government Related Entities	-	0.27
		Ministry of Railways	Government Related Entities	72.74	132.13

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S.No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
(b)	**Retention Money and Money Withheld**	Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	4.11	3.34
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	13.11	12.88
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	2.36	3.18
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	5.86	13.14
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	2.66	2.08
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	26.30	24.03
		Chhattisgarh East Railway Limited	Joint Venture Companies	15.98	3.83
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	54.99	16.66
		Mahanadi Coal Railway Limited	Joint Venture Companies	0.49	3.06
		Jharkhand Central Railway Limited	Joint Venture Companies	0.07	1.32
		Ministry of Railways	Government Related Entities	34.90	22.72
5.3	**Advance and Claims Recoverable**				
		Ircon Infrastructure and Services Limited	Subsidiary Companies	7.90	6.66
		Ircon PB Tollway Limited	Subsidiary Companies	0.38	0.34
		Ircon Shivpuri Guna Tollway Limited	Subsidiary Companies	0.11	0.08
		Ircon Davanagere Haveri Highway Limited	Subsidiary Companies	0.30	0.30
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	0.09	0.07
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	0.23	0.36
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	0.74	0.63
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	0.31	0.50
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	-	0.10
		Ircon Haridwar Bypass Limited	Subsidiary Companies	0.19	0.22
		Ircon Renewable Power Limited	Subsidiary Companies	-	0.03
		Ircon-Soma Tollway Private Limited	Joint Venture Companies	-	0.05
		Chhattisgarh East Railway Limited	Joint Venture Companies	0.25	0.65
		Mahanadi Coal Railway Limited	Joint Venture Companies	0.21	3.81
		Jharkhand Central Railway Limited	Joint Venture Companies	0.10	0.10
		Bastar Railway Private Limited	Joint Venture Companies	0.02	0.02

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S.No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
		Ministry of Railways	Government Related Entities	31.50	8.35
		Rail Land Development Authority	Government Related Entities	4.64	4.64
		Mahanadi Coalfield Limited	Associate of Joint Venture	19.04	-
5.4	**Interest Accrued on loans**				
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	-	5.76
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	14.03	12.93
		Mahanadi Coal Railway Limited	Joint Venture Companies	3.84	3.42
5.5	**Interest Accrued on advances**	Rail Land Development Authority	Government Related Entities	9.99	10.88
5.6	**Interest Accrued on Bonds**	Indian Railway Finance Corporation	Government Related Entities	-	2.70
5.7	**Interest Accrued on Debentures**	Ircon Renewable Power Limited	Subsidiary Companies	15.34	4.58
5.8	**Recoverable from Trust**	Ircon Gratuity Trust	Post Employment Benefit Plans	1.26	0.72
6	**Amount payable towards**				
6.1	**Trade Payables**	Ircon Infrastructure and Services Limited	Subsidiary Companies	15.83	7.73
6.2	**Contract Liabilities (Advances and Advance Contract Receipts)**	Ministry of Railways	Government Related Entities	325.67	482.09
		Rail Land Development Authority	Government Related Entities	-	14.19
		Ircon Vadodara Kim Expressway Limited	Subsidiary Companies	5.79	0.15
		Ircon Gurgaon Rewari Highway Limited	Subsidiary Companies	39.82	46.89
		Ircon Akloli Shirsad Expressway Limited	Subsidiary Companies	15.27	26.44
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	32.72	27.41
		Ircon Bhoj Morbe Expressway Limited	Subsidiary Companies	84.19	121.07
		Ircon Haridwar Bypass Limited	Subsidiary Companies	4.93	6.26
		Chhattisgarh East Railway Limited	Joint Venture Companies	27.94	27.10
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	94.64	114.99
		Jharkhand Central Railway Limited	Joint Venture Companies	-	83.32
6.3	**Other Payable to Client**				
		Ircon Ludhiana Rupnagar Highway Limited	Subsidiary Companies	0.06	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

S.No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
		Chhattisgarh East Railway Limited	Joint Venture Companies	0.61	0.61
		Mahanadi Coalfield Limited	Associate of Joint Venture	-	19.35
		Ministry of Railways	Government Related Entities	507.76	590.41
6.4	**Interest Payable on Advances**				
		Ircon Haridwar Bypass Limited	Subsidiary Companies	-	0.02
		Ircon Akloli-Shirsad Expressway Limited	Subsidiary Companies	-	2.74
		Chhattisgarh East Railway Limited	Joint Venture Companies	0.26	0.67
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	0.16	0.20
		Jharkhand Central Railway Limited	Joint Venture Companies	4.63	3.14
		Mahanadi Coal Railway Limited	Joint Venture Companies	-	0.01
		Rail Land Development Authority	Government Related Entities	3.21	2.78
		Mahanadi Coalfield Limited	Associate of Joint Venture	4.20	3.40
		Ministry of Railways	Government Related Entities	152.48	207.82
6.5	**Payable to Trust**	Ircon Gratuity Trust	Post Employment Benefit Plans	0.74	4.64

d) Terms and conditions of transactions with related parties

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) Outstanding balances of related parties at the year-end are unsecured and settlement occurs through banking transactions. These balances other than loans and interest bearing advances are interest free.

(iii) The loans to key management personnel are on the same terms and conditions as applicable to all other employees.

34. Interest in Subsidiaries, Joint Ventures and Joint Operations

A. Disclosures in compliance with Ind AS 27 "Separate Financial Statements" are as under:

Investment in following subsidiary companies, joint venture companies and joint operations is accounted at cost.

Investment in Subsidiary Companies

S.No.	Name of the Subsidiary Company	Principal Place of Business and Country of Incorporation	As at 31st March, 2026		As at 31st March, 2025	
			Proportion of direct ownership interest	Proportion of voting rights	Proportion of direct ownership interest	Proportion of voting rights
1	Ircon Infrastructure and Services Limited	India	100.00	100.00	100.00	100.00
2	Ircon PB Tollway Limited	India	100.00	100.00	100.00	100.00

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S.No.	Name of the Subsidiary Company	Principal Place of Business and Country of Incorporation	As at 31st March, 2026		As at 31st March, 2025	
			Proportion of direct ownership interest	Proportion of voting rights	Proportion of direct ownership interest	Proportion of voting rights
3	Ircon ShivpuriGuna Tollway Limited	India	100.00	100.00	100.00	100.00
4	Ircon Davanagere Haveri Highway Limited	India	100.00	100.00	100.00	100.00
5	Ircon Vadodara Kim Expressway Limited	India	100.00	100.00	100.00	100.00
6	Ircon Gurgaon Rewari Highway Limited	India	100.00	100.00	100.00	100.00
7	Ircon Renewable Power Limited	India	76.00	76.00	76.00	76.00
8	Ircon Akloli-Shirsad Expressway Limited	India	100.00	100.00	100.00	100.00
9	Ircon Ludhiana Rupnagar Highway Limited	India	100.00	100.00	100.00	100.00
10	Ircon Haridwar Bypass Limited	India	100.00	100.00	100.00	100.00
11	Ircon Bhoj Morbe Expressway Limited	India	100.00	100.00	100.00	100.00

Investment in Joint Venture Companies

S.No.	Name of the Joint Venture Company	Principal Place of Business and Country of Incorporation	As at 31st March, 2026		As at 31st March, 2025	
			Proportion of direct ownership interest	Proportion of voting rights	Proportion of direct ownership interest	Proportion of voting rights
1	Ircon-Soma Tollway Private Limited	Maharashtra, India	50.00	50.00	50.00	50.00
2	Chhattisgarh East Railway Limited	Chhattisgarh, India	25.31	26.00	25.31	26.00
3	Chhattisgarh East-West Railway Limited	Chhattisgarh, India	26.00	26.00	26.00	26.00
4	Mahanadi Coal Railway Limited	Odisha, India	26.00	26.00	26.00	26.00
5	Jharkhand Central Railway Limited	Jharkhand, India	26.00	26.00	26.00	26.00
6	Bastar Railway Private Limited	Chhattisgarh, India	26.00	26.00	26.00	26.00
7	Indian Railway Stations Development Corporation Limited	Delhi NCR, India	26.00	26.00	26.00	26.00

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Investment in Joint Operations

S. No.	Name of the Joint Operation	Principal Place of Business and Country of Incorporation	As at 31st March, 2026		As at 31st March, 2025	
			Proportion of direct ownership interest	Proportion of voting rights	Proportion of direct ownership interest	Proportion of voting rights
i)	**For projects in operation:**					
	Express Freight Consortium	Gujarat and Maharashtra, India	30.00	30.00	30.00	30.00
	Express Freight Railway Consortium	Maharashtra, India	30.00	30.00	30.00	30.00
	IRCON-PARAS-PCM JV	Uttarakhand, India	60.00	60.00	60.00	60.00
	IRCON-DRA JV	Odisha, India	51.00	51.00	51.00	51.00
	AMRIL-IRCON JV	Manipur, India	26.00	26.00	26.00	26.00
	BRC-IRCON JV	Meghalaya, India	26.00	26.00	26.00	26.00
	IRCON-SSNR JV	Madhya Pradesh, India	**60.00**	**60.00**	**60.00**	**60.00**
	IRCON JPW JV	Madhya Pradesh, India	70.00	70.00	0.00	0.00
	IRCON FJPS JV	Maharashtra, India	51.00	51.00	0.00	0.00
ii)	**Completed Joint Operations**					
	International Metro Civil Contractor	Delhi NCR, India	9.50	9.50	9.50	9.50
	Metro Tunnelling Group	Delhi NCR, India	9.50	9.50	9.50	9.50
iii)	**Financially Closed Joint Operations**					
	RICON	Delhi NCR, India	49.00	49.00	49.00	49.00
	Ircon- Sree Bhawani Builders	Chennai, India	24.21	24.21	24.21	24.21
	IRCON-AFCONS	Bangladesh	53.00	53.00	53.00	53.00
	Ircon-RCS-PFLEIDERER	J&K, India	65.08	65.08	65.08	65.08

35. Earnings Per Share

Disclosure as per Ind AS 33 'Earnings per share'

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit for the year attributable to the equity holders after considering the effect of dilution by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(i) Basic and diluted earnings per share (in ₹)

Particulars	Note	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit attributable to Equity holders (₹ in crore)	(ii)	618.45	737.59
Weighted average number of equity shares for Basic and Diluted EPS (In Numbers)	(iii)	94,05,15,740	94,05,15,740
Earnings per share (Basic)		6.58	7.84
Earnings per share (Diluted)		6.58	7.84
Face value per share		2.00	2.00

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For The Year Ended March 31, 2026

Interest in Subsidiaries, Joint Ventures and Joint Operations

B Financial Interest in Joint Operations (to the extent of Company's share)

(₹ in crore)

S.No.	Particulars	Name of the Joint Operation																					
		Express Freight Consortium		International Metro Civil Contractor		Metro Tunnelling Group		RCON-PARAS-PCM JV		RCON-DRA JV		AMRIL-IRCON JV (Pkg-03 & 04)		BRC-IRCON JV		IRCON SSNR JV		IRCON JPW JV		IRCON FJPS JV		Total	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
	As at Year End:																						
1	**Assets**																						
	PPE	-	-	-		-		0.03	0.01	-		-	-	-	-	-	-	-	-	-	-	**0.03**	**0.01**
	Capital Work in Progress	-	-	-		-		-				-		-	-	-	-	-	-	-	-	**-**	**-**
	Other Assets	-	-	3.54	4.51	0.81	0.85	5.92	1.01	0.74		0.33	-	0.01	-	17.74	-	39.54	-	0.08	-	**68.71**	**6.37**
														-	-						-	**-**	**-**
2	**Liabilities**													-	-						-	**-**	**-**
	Provisions	-	-	0.01	0.03	0.03	0.07	-	-			-	-	-	-	-	-	-	-	-	-	**0.04**	**0.10**
	Other Liabilities	-	-	0.85	0.90	0.00	0.02	5.98	1.02	0.06		0.02	-	-	-	16.47	-	37.04	-	-	-	**60.42**	**1.94**
														-	-						-	**-**	**-**
	For the year end:													-	-						-	**-**	**-**
3	Total Income	0.73	1.59	0.05	0.08	0.06	0.07	5.88	-	-		0.33	-	-	-	32.47	-	71.27	-	-	-	**110.79**	**1.74**
4	Total Expenses	0.22	0.68	0.03	0.00	0.02	0.02	5.88	-	-		0.28	-	-	-	31.98	-	70.74	-	-	-	**109.15**	**0.70**
5	Total Taxes	0.18	0.46	0.01	0.03	0.01	0.02	0.04	-	-		-	-	-	-	-	-	-	-	-	-	**0.24**	**0.51**
6	Profit after tax	0.33	0.45	0.01	0.05	0.03	0.03	(0.04)	-	-		0.05	-	-	-	0.49	-	0.53	-	-	-	**1.40**	**0.53**
7	Other Comprehensive Income	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
8	**Total Comprehensive Income**	**0.33**	**0.45**	**0.01**	**0.05**	**0.03**	**0.03**	**(0.04)**	**-**	**-**	**-**	**0.05**	**-**	**-**	**-**	**0.49**	**-**	**0.53**	**-**	**-**	**-**	**1.40**	**0.53**

Note:

Contingent Liabilities relating to Joint Operations are disclosed in Note 37.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

(ii) Profit attributable to equity shareholders (used as numerator) (₹ in crore)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit for the year as per Statement of Profit and Loss	618.45	737.59
Profit attributable to Equity holders of the company used for computing EPS:	618.45	737.59

(iii) Weighted average number of equity shares (used as denominator) (Nos.)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Opening balance of issued equity shares	94,05,15,740	94,05,15,740
Equity shares issued during the year	-	-
Increase in the Number of Share on account of Shares Split	-	-
Bonus share issued	-	-
Weighted average number of equity shares for computing Basic EPS	**94,05,15,740**	**94,05,15,740**
Dilution Effect:		
Add: Weighted average numbers of potential equity shares outstanding during the year	-	-
Weighted average number of equity shares for computing Diluted EPS	**94,05,15,740**	**94,05,15,740**

36. Impairment of Assets

During the year, Company has carried out assessment on impairment of individual assets by working out the recoverable amount based on lower of the net realizable value and carrying cost in terms of Ind AS 36, "Impairment of Assets" notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016. Accordingly, impairment loss of Nil (Nil) has been provided for.

37. Provisions, Contingencies and Commitments

(i) Provisions

The nature of provisions provided and movement in provisions during the year as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are disclosed in Note 19.

(ii) Contingent Liabilities

Disclosure of Contingent Liabilities as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are as under:

(₹ in crore)

S. No.	Particulars	Foot Note	As at 31st March 2025	Addition during the year	Claims settled / Paid during the year	As at 31st March 2026
a)	**Claims against the Company not acknowledged as debts :**					
	Disputed Direct tax demands					
	(i) in respect of the Company	1	44.72	3.60	(22.20)	**26.12**
	(i) in respect of the Joint Operations		0.01			**0.01**
	Disputed Indirect tax demands					
	(i) in respect of the Company	2	202.84	0.05	(38.11)	**164.78**
	(i) in respect of the Joint Operations	3	3.07	0.20	-	**3.27**
	Legal Cases					
	(i) in respect of the Company	4	528.02	208.30	(93.35)	**642.97**
	(i) in respect of the Joint Operations	5	0.02			**0.02**
	Claims by Employees	**6**	-			-

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S. No.	Particulars	Foot Note	As at 31st March 2025	Addition during the year	Claims settled / Paid during the year	As at 31st March 2026
b)	**Guarantees (excluding financial guarantees) issued by the company on behalf of**					
	Subsidiaries Companies	7 (i) (ii)	2,503.77	674.66	(50.94)	**3,127.49**
c)	**Other money for which company is contingent liable**					
	Liquidated damages pending disposal of application for extension of time by clients		9.27	-	(9.27)	-
	Total		**3,291.72**	**886.81**	**(213.87)**	**3,964.66**

Foot Note:

1. The Income Tax Authority have raised demands on account of various disallowances pertaining to different assessment years. Many of these matters were adjudicated in favour of Company but are disputed before higher authorities by the concerned departments. The Company is contesting these demands, which are pending at various appellate levels. Based on the advice from the independent tax experts and the developments on the appeals, the management is confident that additional tax so demanded will not be sustained on completion of the appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these financial statements.

2. There are various disputes pending with authorities of excise, customs, service tax, sales tax, VAT etc. The Company is contesting these demands raised by concerned authorities and are pending at various appellate authorities. Based on the grounds of appeal and advice of the independent legal experts, the management believes that there is reasonable strong likelihood of succeeding before the various authorities. Pending the final decisions on the above, no adjustment has been made in these financial statements. The above disputed indirect tax demands includes **₹ 115.60 Crore** which is reimbursable from clients.

3. In case of International Metro Civil Contractor, a Joint Operation of the Company, there is disputed demand pending with the sales tax authorities amounting to **₹ 3.27 Crore** (₹ 3.07 crore) on account of disallowance of labour expenses. The joint operation had filed appeals before the appropriate appellate authorities against the demand. The decision is pending before the appellate authorities and therefore, no provision has been made in the financial statements.

4. The Company is a party to several legal suits on construction contract terms related disputes, pending before various courts and arbitration proceedings in India and abroad. Some of the contractors have lodged claims on the company seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the company as being not admissible in terms of provisions of the respected contracts. Against a total claim of **₹ 711.12 crore** (₹ 592.33 crore), provision of **₹ 68.15 crore** (₹ 64.30 crore) has been made and balance **₹ 642.97 crore** (₹ 528.02 crore) is shown as contingent liability. The Company has also made counter claims on the contractors admissible as per the terms of the contract of **₹ 118.89 crore** (₹ 251.33 crore). Interest on claims is not considered, being unascertainable.

   There are certain other matters pending in litigations against the Company before various courts and appellate authorities on account of claims by some contractors in cost plus projects. In such cases, the Company envisages reimbursement from the Clients in full as per the terms of contract and expects no economic outflow of resources. In this respect, a total claim of **₹ 1710.96 crore** (₹ 1779.99 crore) is under litigation, for which provision of ₹ NIL (₹ NIL) has been made and reimbursable by the client. The Company has also made counter claims on the contractors of **₹ 75.12 crore** (₹ 116.52 crore). Interest on claims is not considered, being unascertainable.

5. One of the contractor, M/s Sai Engineers has filed suit against International Metro Civil Contractor for an amount of **₹ 0.02 Crore** (₹ 0.02 crore) for dispute on contract terms. The decision is pending before the appellate authorities and therefore, no provision has been made in the financial statements.

6. There are some cases relating to employees/others are pending in the Courts against the Company in respect of which the liability is not ascertainable.

7. (i) Company's Non Fund based limits earmarked for issuance of bank guarantee to subsidiary companies amounts to **₹ 750 crore** (₹ 750 crore). Out of the said limit, bank guarantees to the extent of ₹ 270.56 crore (₹245.62 crore) has been utilised as on 31.03.2026.Therefore, the balance limit for issuance of bank guarantee is **₹ 479.44 crore** (₹ 504.38 crore).

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

(ii) The Company has given corporate guarantee to various Banks on behalf of and in respect of term loan facility for its subsidiary companies for an amount of ₹ 3,841.63 crore (₹ 3,841.63 crore). The term loan availed (net of repayment) by the subsidiary companies as on 31.03.2026 is ₹ 2856.93 crore (₹ 2258.15 crore).

(iii) Contingent Assets

Disclosure of Contingent Assets as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is as under:

(a) Claims raised by company on some of its clients and awarded by arbitrators in favour of company against which clients have gone to court not accounted for as receivables are **₹ 453.33 crore** (₹ 454.6 crore) including interest calculated up to 31.03.2026 as per arbitration award.

(b) Counter Claims raised by company on sub-contractors and awarded by arbitrators in favour of company against which sub-contractors have gone to court, not accounted for as receivables are **₹ 15.62 crore** (₹ 15.36 crore).

(c) Insurance Claim of **USD 0.99 Mn** (USD 0.95 Mn) and **Ethiopian Birr 1.48 Mn** (Birr 1.34 Mn) equivalent to **₹ 9.28 crore** (₹ 8.16 crore) including interest calculated upto 31.03.2026 awarded by Honourable Supreme Court of Ethiopia in favour of company has not been accounted for, pending execution order by High Court of Ethiopia.

(iv) Commitments

(₹ in crore)

S. No.	Particulars	Foot Note	As at 31st March 2026	As at 31st March 2025
a)	**Capital Commitments** Estimated amount of contracts remaining to be executed on capital account (net of advance) and not provided for:	1	41.26	53.09
b)	**Other Commitments**			
(i)	Funding committed by way of equity and loans in Subsidiary Companies	2	220.25	340.53
(ii)	Funding committed by way of equity and loans in Joint Venture Companies	3	107.45	194.50
(iii)	Corporate Guarantee for Subsidiary Companies	4	804.62	1,452.97
(iv)	Sponsor's Support Agreement on behalf of Joint Venture	5 (i) (ii) (iii)	2,415.32	1,712.10
(v)	Commitment for Optionally Convertible Debentures (OCD) for Subsidiary Company	7	-	22.99
	Total		**3,588.90**	**3,776.18**

Foot Note:

(₹ in crore)

1.

S. No.	Capital Commitments	As at 31st March 2026	As at 31st March 2025
1	Estimated amount of contracts remaining to be executed on Property, Plant and Equipments	33.93	42.95
2	Estimated amount of contracts remaining to be executed on Investment Property	0.01	0.99
3	Estimated amount of contracts remaining to be executed on Intangible Assets under development	7.32	9.15
	Total	**41.26**	**53.09**

2. **Other Commitments on behalf of Subsidiaries:**

(₹ in crore)

S. No.	Name of the Subsidiary	As at 31st March 2026		As at 31st March 2025	
		Equity	Loans/OCD*	Equity	Loans/OCD*
1	Ircon PB Tollway Limited	-	-	-	-
2	Ircon ShivpuriGuna Tollway Limited	-	-	-	-
3	Ircon Davanagere Haveri Highway Limited	44.05	4.33	44.05	4.33
4	Ircon Vadodara Kim Expressway Limited	-	-	-	-
5	Ircon Gurgaon Rewari Highway Limited	-	43.25	-	14.83
6	Ircon Akloli Shirsad Expressway Limited	7.82	14.85	12.82	66.56
7	Ircon Ludhiana Rupnagar Highway Limited	-	8.47	3.16	28.47
8	Ircon Bhoj Morbe Expressway Limited	-	58.86	9.98	103.86
9	Ircon Haridwar Bypass Limited	-	38.62	-	29.48
10	Ircon Renewable Power Limited (Refer Note 9)	-	-	-	22.99
	Total	**51.87**	**168.38**	**70.01**	**270.52**

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

* Optionally Convertible Debentures

3. Other Commitment on behalf of Joint Venture

(₹ in crore)

S. No.	Name of the Joint Venture	As at 31st March 2026		As at 31st March 2025	
		Equity	Loans	Equity	Loans
1	Chhattisgarh East Railway Limited	0.07	59.90	0.07	18.07
2	Chhattisgarh East-West Railway Limited	0.01	-	0.01	128.88
3	Ircon Soma Tollway Pvt Ltd	-	-	-	-
4	Mahanadi Coal Railway Limited	-	22.13	-	22.13
5	Bastar Railway Private Limited	0.01	25.33	0.01	25.33
6	Jharkhand Central Railway Limited	-	-	-	-
	Total	**0.09**	**107.36**	**0.09**	**194.41**

4. The Company has given corporate guarantee to various Banks on behalf of and in respect of term loan facility for its subsidiary companies for an amount of **₹ 3841.63 crore** (₹ 3841.63 crore). The subsidiary companies have availed term loan of **₹ 3037.01 crore** (₹ 2388.66 crore) till 31.03.2026. The subsidiary companies have repaid an amount of **₹ 180.08 crore** (₹ 130.51 crore) against these term loans and the term loan balance as on 31.03.2026 is **₹ 2856.93 crore** (₹ 2258.15 crore).

5 (i) The Company along with SECL (Sponsors) have executed Promoters' Undertaking on behalf of its Joint Venture, Chhattisgarh East West Railway Ltd.(CEWRL) in favour of Power Finance Corporation towards refinance of existing term loan **of ₹ 3976.00 crore** which has been enhanced to **₹ 6680.70 crore**, wherein it has been stated that the Promoter shall infuse funds for meeting debt servicing requirement including principal and interest, in case of shortfall in revenue shall be restricted to the extent of its shareholding in CEWRL. IRCON's share as per the given amount of Rupee Term Loan is **₹ 1736.98** crore (26% of total loan of ₹ 6680.70 crore) as on 31st March 2026 (31st March, 2025: ₹ 1033.76 crore).

(ii) The Company along with CCL (Sponsors) have executed Sponsor's Support Agreement on behalf of its Joint Venture, Jharkhand Central Railway Ltd. (JCRL), wherein it has been stated that in case of termination of the Concession Agreement due to an event of default by the Borrower prior to the achievement of the Commercial Operation Date the Sponsors shall meet any shortfall in the Debt Service obligations of the Borrower, to the satisfaction of the Lenders, without recourse to the Borrower and/or the Project. IRCON's share as per the given amount of Rupee Term Loan is **₹ 327.60 crore** (26% of total loan of ₹ 1259.75 crore) as on 31st March 2026 (31st March, 2025: ₹ 327.60 crore)

(iii) The Company along with SECL and CSIDCL (Sponsors) have executed Sponsor's Support Agreement on behalf of its Joint Venture, Chhattisgarh East Railway Ltd.(CERL Ph-II), wherein it has been stated that in case of termination of the Concession Agreement due to an event of default by the Borrower prior to the achievement of the Commercial Operation Date the Sponsors shall meet any shortfall in the Debt Service obligations of the Borrower, to the satisfaction of the Lenders, without recourse to the Borrower and/or the Project. IRCON's share as per the given amount of Rupee Term Loan is **₹ 350.74 crore** (26% of total loan of ₹1,349.00 crore) as on 31st March 2026 (31st March, 2025: ₹ 350.74 crore).

6 There is an outstanding Letter of Credit as on 31st March, 2026 amounting to **₹ 109.16 crore** (31st March, 2025 ₹135.86 crore).

7 The Company in it's 273rd BoD held on 12.11.2021, approved the shareholder's agreement between IRCON and Ayana Renewable Power Private Limited. As per para 5.2.1 of SSHA, capital to the tune of ₹ 370.80 Crore are to be infused in IRPL in the form of hybrid securities. The company's share in these securities is ₹ 88.99 Crore, i.e., 24% share of hybrid securities. As per the schedule 10 of the SSHA, the hybrid securities shall :-

(A) be optionally converted to equity shares of the company at anytime after the receipt of second tranche of VGF, at the option of the holder or

(B) be redeemable at the end of 20 (twenty) years from the date of issuance, which may be extended (subject to applicable laws) to such date on which any Senior Loan, which were outstanding at the end of the fixed term, are repaid.

Further, the holders of hybrid securities shall have a right but not an obligation to convert any and/or all of the hybrid securities held by it into equity shares, anytime after the receipt of 2nd tranche of VGF in one or more tranches in accordance with the ratio determined in SSHA. In line with the SSHA, IRPL's Board of Directors have approved the issue of hybrid securities in the form of optionally convertible debentures (OCD's). The salient features of OCD's are as below:

i) the tenure of OCD's shall be 20 years

ii) the rate of interest shall be 14% p.a. and interest shall be payable only if IRPL has distributable profits, else interest will get accumulated

NOTES TO STANDALONE FINANCIAL STATEMENTS
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iii) interest payable shall remain subordinate to interest and principal payment of senior loans

iv) the OCD will be unsecured

v) the holders of hybrid securities shall have a right but not an obligation to convert the hybrid securities into equity shares, anytime after the receipt of second tranche of VGF.

IRCON has subscribed to ₹ 88.99 crore as on 31st March, 2026 (31st March, 2025 ₹ 66.00 crore) in above OCD's upon Private Placement by IRPL and the outstanding commitment of IRCON as on 31.03.2026 is NIL.

8 The Company has executed Sponsor Support Undertaking in favour of the lenders for loan availed by its Subsidiary Companies as under:-

(i) Ircon Shivpuri Guna Tollway Limited
(ii) Ircon Davanagere Haveri Highway Limited
(iii) Ircon Vadodara Kim Expressway Limited
(iv) Ircon Gurgaon Rewari Highway Limited
(v) Ircon Akloli-Shirsad Expressway Limited
(vi) Ircon Ludhiana Rupnagar Highway Limited
(vii) Ircon Bhoj Morbe Expressway Limited
(viii) Ircon Haridwar Bypass Limited
(ix) Ircon Renewable Power Limited

38. Segment Reporting

Disclosure as per Ind AS 108 " Operating Segment" is given as under:

A. General information

Operating segments are defined as components of an enterprise for which discrete financial information is available which is being evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. The Board of Directors of the Company is the Chief Operating Decision Maker (CODM). The operating segments have been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) for review of performance and allocating resources. The Company has determined reportable operating segments from geographical perspective.

B. Information about reportable segments and reconciliation to amounts reflected in the financial statements:

(₹ in crore)

Particulars	International		Domestic		Total	
	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
Segment Revenue						
Revenue from external customers	296.24	339.10	8,182.62	9,854.04	**8,478.86**	**10,193.14**
Total Operating Revenue	**296.24**	**339.10**	**8,182.62**	**9,854.04**	**8,478.86**	**10,193.14**
Interest income	35.37	26.18	216.26	266.43	**251.63**	**292.61**
Other Income	85.22	17.61	162.87	174.09	**248.09**	**191.70**
Inter – segment	-	-	–	–	**–**	**–**
Total Revenue	**416.83**	**382.89**	**8,561.75**	**10,294.56**	**8,978.58**	**10,677.45**
Segment Result						

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Particulars	International		Domestic		Total	
	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
Profit before provision, depreciation, interest and exceptional item and tax	225.90	97.26	819.37	1,115.73	**1,045.27**	**1,212.99**
Less: Provisions and write back	(38.73)	(4.54)	(154.38)	(246.32)	**(193.11)**	**(250.86)**
Less: Depreciation, amortization and impairment	(1.79)	(2.07)	(46.64)	(36.18)	**(48.43)**	**(38.25)**
Less: Interest	(0.23)	(0.33)	(5.65)	(5.74)	**(5.88)**	**(6.07)**
Profit before tax	**185.15**	**90.32**	**612.70**	**827.49**	**797.85**	**917.81**
Less: Tax expense	(9.16)	(7.29)	(170.24)	(172.93)	**(179.40)**	**(180.22)**
Profit after tax	**175.99**	**83.03**	**442.46**	**654.56**	**618.45**	**737.59**

C. Other Information

(₹ in crore)

Particulars	International		Domestic		Total	
	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
Total Assets	1,122.87	1,052.66	14,068.08	13,448.28	**15,190.95**	**14,500.94**
Total Liabilities	973.54	831.08	7,587.02	7,432.42	**8,560.56**	**8,263.50**
Investment in joint ventures accounted for by equity method	-	-	-	-	**-**	**-**
Non current asset other than financial instruments, deferred tax assets, net defined benefit assets	157.09	92.56	896.55	980.45	**1,053.64**	**1,073.01**
Capital Expenditure for the year ending (Addition to PPE, CWIP, Investment Property, Other Intangible Assets, Intangible assets under development and Right-to-use)	0.24	1.26	66.86	86.06	**67.10**	**87.32**

D. Information about major customer

During the year ended March 31, 2026, Operating Revenue of approximately 47.31 % (50.69 %) derived from a single external customer in Domestic Segment.

39. Revenue

A. Disaggregation of Revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers into operating segment and type of product or services:

(₹ in crore)

Type of Product or Services	For the year ended 31st March 2026						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss /Segment Reporting
	Dosmestic	International	Total	Input Method	Output Method		
Railways	6,728.68	246.62	**6,975.30**	6,975.30	-	19.44	**6,994.74**
Highway	1,170.51	34.59	**1,205.10**	1,205.10	-	0.25	**1,205.35**
Electrical			**-**	-	-		**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Type of Product or Services	For the year ended 31st March 2026						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss /Segment Reporting
	Dosmestic	International	Total	Input Method	Output Method		
Building			-	-	-		-
Others	222.95	14.67	**237.62**	237.62	-	41.15	**278.77**
Total	**8,122.14**	**295.88**	**8,418.02**	**8,418.02**	**-**	**60.84**	**8,478.86**

Out of the total revenue recognised under Ind AS 115 during the year, ₹ 8,478.86 crore is recognised over a period of time and Nil recognised point in time.

(₹ in crore)

Type of Product or Services	For the year ended 31st March 2025						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss /Segment Reporting
	Dosmestic	International	Total	Input Method	Output Method		
Railways	7,933.00	300.77	**8,233.77**	8,233.77	-	19.20	**8,252.97**
Highway	1,843.31	27.85	**1,871.16**	1,871.16	-	0.15	**1,871.31**
Electrical			-	-	-		-
Building			-	-	-		-
Others	23.04	6.51	**29.55**	29.55	-	39.31	**68.86**
Total	**9,799.35**	**335.13**	**10,134.48**	**10,134.48**	**-**	**58.66**	**10,193.14**

Out of the total revenue recognised under Ind AS 115 during the year, ₹ 10,193.14 crore is recognised over a period of time and Nil recognised point in time.

B. Contract balances

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Trade Receivables (Note 12.2)	1,667.77	1,649.31
Contract Assets (Note 8.3 and 12.6)	2,492.57	1,967.80
Contract Liabilities (Note 20 and 22)	3,256.26	2,886.20

(i) Trade receivables are non-interest bearing and the customer profile include Ministry of Railways, Public Sector Enterprises, State Owned Companies in India and abroad. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days.

(ii) Contract Assets are recognised over the period in which services are performed to represent the Company's right to consideration in exchange for goods or services transferred to the customer. It includes balances due from customers under construction contracts that arise when the Company receives payments from customers as per terms of the contracts however the revenue is recognised over the period under input method. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.

Movement in contract balances during the year (₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Contract asset at the Beginning of the year	1,967.80	1,566.61
Contract asset at the end of the year	2,492.57	1,967.80
Net increase/(decrease)	**524.77**	**401.19**

For the year 2025-26- there has been a net increase of **₹ 524.77 crore** and (₹ 401.19 crore) mainly due to recognition of Revenue based on input method whereas bills for work done are certified based on contract conditions.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

During the year ended March 31st, 2026, **₹ 650.11 crore** and March 31st 2025, **₹ 687.43 crore** of contract assets as of April 1st, 2025 and April 1st 2024 respectively has been reclassified to trade receivables upon billing to customers on completion of milestones.

(iii) Contract liabilities relating to construction contracts are balances due to customers, these arise when a particular milestone payment exceeds the revenue recognised to date under the input method and advance received in long term construction contracts. The amount of Advance received gets adjusted over the construction period as and when invoicing is made to the customer.

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Contract liabilities at the beginning of the year	2,886.20	3,048.61
Contract liabilities at the end of the year	3,256.26	2,886.20
Net increase/(decrease)	**370.06**	**(162.41)**

For the year 2025-26 there has been a net increase of **₹ 370.06 crore** due to advance received from client and for the FY 2024-25 there has been a net decrease of (₹ (162.41) crore) mainly due to adjustment of advance payment received from client against works executed.

C. Set out below is the amount of revenue recognised from:

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2026
Amount included in contract liabilities at the beginning of the year	988.54	1,343.93
Performance obligation satisfied in previous years	-	-

D. Cost to obtain the contract

Amount recognised as asset as at 31st March, 2026 is **Nil** (As at 31st March, 2025: Nil)
Amount of amortisation recognised in the statement of profit and loss during the year is Nil (FY 2024-25: Nil)

E. Cost to fulfil the contract

Amount recognised as asset as at 31st March, 2026 is **₹ 69.81 crore** (As at 31st March, 2025: ₹ 87.53 crore)
Amount of amortisation recognised in the statement of profit and loss during the year is **₹ 1.79 crore** (FY 2024-25: ₹ 2.04 crore)

F. Performance obligation

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

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31st March are, as follows:

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Within one year	8,000	9,500
More than one year to 2 years	9,000	8,300
More than 2 years	7,984	2,547
Total	**24,984**	**20,347**

40. Leases

a) Company as a Lessee

The Company as a lessee has entered into various lease contracts, which includes lease of land, office space, guest house and vehicles.

The Company also has certain leases of offices and guest house with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Right of Use Assets

The carrying amounts of right-of-use assets recognised and the movements during the year are disclosed in Note 7.

Lease Liabilities

Set out below are the carrying amounts of lease liabilities recognised and the movements during the year:

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Opening Balance at April 1, 2025	**3.39**	**3.24**
Addition in lease liability	6.27	0.88
Accreditation of interest	0.31	0.27
Payments	(6.83)	(1.00)
Balance at March 31, 2024	**3.14**	**3.39**
Current	**1.17**	**0.88**
Non-current	**1.97**	**2.51**

The maturity analysis of the lease liability is included in Note – 31 Financial risk management objectives and policies under maturities of financial liabilities.

Amounts recognised in Statement of Profit and Loss (₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Depreciation expense of right-of-use assets (Refer Note 29)	3.39	1.22
Interest expense on lease liabilities (Refer Note 28)	0.31	0.27
Expense relating to short-term leases (Refer Note 26 (iii))	8.61	8.50
Total	**12.31**	**9.99**

The Company has several lease contracts that include extension and termination options. These options are negotiated by management and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.
Following are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

(₹ in crore)

Particulars	Within Five Years	More than Five Years	Total
Extension options expected not to be exercised	-	-	-
Termination options expected to be exercised	-	-	-
Total	**-**	**-**	**-**

b) Company as a Lessor

(i) The Company has given buildings under operating lease. Lease income (rental and service charges) aggregating **₹ 33.48 crore** (₹ 28.08 crore) has been recognized in the Statement of Profit and Loss as per lease arrangements.

(ii) The Company has given Machinery under operating lease. Lease income aggregating **₹ 7.62 crore** (₹ 3.67 crore) has been recognized in the Statement of Profit and Loss as per lease arrangement.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Future minimum rentals receivable under non-cancellable operating leases is as follows:

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025
Within one year	22.96	16.70
After one year but not more than five years	49.06	45.90
More than five years	18.17	26.89
Total	**90.19**	**89.48**

41. Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

In compliance of Regulation 34(3) of SEBI (LODR) Regulation, 2015, the required information are given as under:

(₹ in crore)

	Name of the Company	Outstanding balance as at		Maximum amount outstanding during the year ended	
		For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
A	**Loans and advances in the nature of loans:**				
	To Subsidiary Companies				
	Ircon PB Tollway Limited	203.74	206.20	206.20	209.55
	Ircon Shivpuri Guna Tollway Limited	18.57	18.57	18.57	18.57
	Ircon Davanagere Haveri Highway Limited	47.13	47.13	47.13	47.13
	Ircon Vadodara Kim Expressway Limited		-	-	68.96
	To Joint Venture Companies				
B	**Investment by the loanee (as detailed above) in the shares of the Company and its subsidiaries**	-	-		-

Foot Note:

1. There are no transactions of loans and advances to subsidiaries/joint ventures/associates/firms/others in which Directors are interested other than as disclosed above.

42. Disclosure pursuant to section 186 of The Companies Act 2013:

(₹ in crore)

	Name of the Company	Purpose for which the loan/guarantee/security is proposed to be utilised by the recipient	For the year ended 31st March 2026	For the year ended 31st March 2025
(A)	**Loans and Advances**			
	Subsidiary Company			
	Ircon PB Tollway Limited	Project funding	203.74	206.20
	Ircon Shivpuri Guna Tollway Limited	Project funding	18.57	18.57
	Ircon Davanagere Haveri Highway Limited	Project funding	47.13	47.13
	Total		**269.44**	**271.90**
(B)	**Guarantees**		**Refer Note 37**	
(C)	**Investments in fully paid equity shares and deemed equity**		**Refer Note 8.1**	

43. Details of delayed payments to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

(₹ in crore)

S. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
	Principal amount due to micro and small enterprises	35.51	33.71
	Interest due on above	–	–
2	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	–	–
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	–	–
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	–	–

44. Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

a) Amount required to be spent on CSR Activities

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Gross amount required to be spent by the Company during the year	15.45	14.13
Amount approved by the Board to be spent during the year	15.45	14.13

b) Amount spent on CSR Activities

(₹ in crore)

Particulars		For the year ended 31st March 2026			For the year ended 31st March 2025		
		Paid in cash	Yet to be paid	Total	Paid in cash	Yet to be paid	Total
A. On Construction/ acquisition of any asset*							
(i) For Ongoing Activities	15.31	15.31	-	15.31	2.28	–	2.28
(ii) Other than ongoing Activities							
B. On purposes other than above							
(i) For Ongoing Activities		0.14	–	0.14	11.87	–	11.87
(ii) Other than ongoing Activities	0.14						
Total (A+B)		**15.45**	**–**	**15.45**	**14.15**	**–**	**14.15**

*Assets purchased and handed over to respective organisation and are not being held by the Company.

c) Break-up of the CSR expenses under major heads is as under:

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Eradicating hunger, poverty & malnutrition, promoting preventive healthcare & sanitation & making available safe drinking water	–	9.05
Promoting Education, including special education and employment enhancing vocation skills especially among children.	–	4.47
Ensuring environmental sustainability	–	0.12
Sports	–	0.28
Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine	15.31	–
Others (including Other Administrative Cost)	0.14	0.23
Total	**15.45**	**14.15**

d) **Details related to unspent obligations:**

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Unspent amount in relation to:		
– Ongoing project (#) *	15.31	2.25
– Other than ongoing project (##)	-	-

 # Ongoing Project:

(₹ in crore)

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
–	2.25	15.31	–	1.10	–	16.46

* Company has spent an amount of ₹ 0.14 crore for Adminstrative overheads and ₹ 15.31 crore has transferred in Unspent CSR Account for the FY 2025-26 as per Section 135 (6). There is an amount of ₹ 1.15 crore (₹ 2.25 crore) pertaining to FY 2024-25 earmarked for specific ongoing project of CSR. Further, an amount of ₹ 0.17 crore in unspent account for earlier years has been adjusted during the year.

Other than ongoing project:

(₹ in crore)

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
–	–	–	–	–

e) **Details related to spent / unspent obligations:**

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Opening Balance	–	–
Gross amount required to be spent by the Company during the year (as per (a) above)	15.45	14.13
Amount spent by the Company during the year (as per (b) above)*	15.45	14.15
Shortfall/(Excess) amount spent by the company	**(0.00)**	**(0.02)**

* There are no related party transaction in respect to CSR expenditure.

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f) Other disclosure:

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard (1)	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

45. Other Regulatory Disclosure

a) Disclosure of ratios

(₹ in crore)

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for change more than 25%
Current ratio	Current Assets	Current Liabilities	1.61	1.59	1.26%	
Debt-equity ratio	Total Debt	Shareholder's Equity	0.01601	0.00054	2864.81%	Refer Comment (i)
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+ Interest	Debt service = Interest & Lease Payments + Principal Repayments	75.82	183.44	-58.67%	Refer Comment (i)
Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	9.61%	12.28%	-21.74%	
Inventory turnover ratio	Cost of goods sold	Average Inventory	152.58	141.12	8.12%	
Trade receivables turnover ratio	Net credit sales = Gross credit sales – sales return	Average Trade Receivable	5.11	7.85	-34.90%	Refer Comment (ii)
Trade payable turnover ratio	Net credit purchases = Gross credit purchases – purchase return	Average Trade Payables	6.50	9.04	-28.10%	Refer Comment (iii)
Net capital turnover ratio	Net sales = Total sales – sales return	Working capital = Current assets – Current liabilities	2.06	2.60	-20.77%	
Net profit ratio	Net Profit	Net sales = Total sales – sales return	6.89%	6.91%	-0.29%	
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	11.94%	14.82%	-19.43%	
Return on investment	Interest (Finance Income)	Investment	6.07%	7.18%	-15.46%	

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

Comments:-

(i) Change was primarily on account of working capital demand loan availed during the current year.

(ii) Average trade receivables has increased in comparison to previous year.

(iii) Average trade payable has increased in comparison to previous year.

(b) The Company do not have any transactions with companies struck off in current year and previous year.

(c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period in current year and previous year.

(d) The Company has not traded or invested in crypto currency or virtual currency during the current year and previous year.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity (is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall in current year and previous year:

   (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."

(f) The Company has not received any fund from any person(s) or entity(is), includingforeign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall in current year and previous year:

   (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"

(g) The Company does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the on going tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) in current year and previous year.

(h) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property in current year and previous year.

(i) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority in current year and previous year.

(j) The Company has complied with the number of layers prescribed under the Companies Act, 2013 in current year and previous year.

46. Recent pronouncement

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

Amendments effective from April 1, 2025

a. **Ind AS 21 – The Effects of Changes in Foreign Exchange Rates In May 2025, Ind AS 21 Amendments –** Currency Exchangeability Clarifies how to assess exchangeability and determine spot rates when currencies can't be exchanged, with disclosure of impacts on performance, position, and cash flows.. The Company has evaluated the impact of the said amendment and concluded that it does not have any impact on its financial statements.

b. **Ind AS 1 –** Presentation of Financial Statements In August 2025, the MCA notified amendments relating to the classification of liabilities as current or non-current, including guidance on non-current liabilities with covenants. The amendments clarify that the right to defer settlement must exist as at the reporting date and should be substantive. The Company has assessed the amendment and concluded that there is no impact on the classification of its current and non-current liabilities.

c. **Ind AS 7 – Statement of Cash Flows and Ind AS 107 –** Financial Instruments: Disclosures The amendments introduce disclosure requirements for supplier finance arrangements, including details of the nature of such arrangements, carrying amounts of related liabilities, and payment terms. Additionally, such arrangements are considered in assessing concentration of liquidity risk. The Company has evaluated these amendments and determined that they do not have any impact on its financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS
For The Year Ended March 31, 2026

d. **Ind AS 12 - Income Taxes - International Tax Reform:** Pillar Two Model Rules The amendments introduce a temporary mandatory exception from the recognition of deferred taxes arising from the implementation of the Pillar Two Model Rules and require disclosure of its application. As the Company has not undertaken transactions of this nature, these amendments have no impact on its financial statements.

47. Other Disclosures

a) (i) The company has been claiming deduction under section 80 IA from assessment years 2000-01 to 2019-20. The deduction under section 80 IA has been allowed by Income Tax Appellate Tribunal (ITAT). However, Income Tax Department has filled appeal before High Court against order of ITAT for the assessment year 2000-01. Further upto assessment year 2019-20 company was offering global income for tax in India after excluding the income in accordance with DTAA agreements where income earned from foreign countries are excluded from global income offered for taxation. The company was allowed exclusion method upto assessment year 2005-06, thereafter credit against taxes paid in foreign countries have been allowed from taxes computed on global income by department. After paying the due tax the issue has been contested by filing appeals. This issue has been allowed in favour of the company by ITAT.
(ii) The provision for income tax with respect to earlier years has been written back / income tax expenses has been reversed amounting to **₹ 0.54 crore** (₹ 24.32 crore) on account of favourable orders received from Income tax authorities.

b) In line with the Government of India's initiative to facilitate timely payments to Micro, Small and Medium Enterprises (MSMEs), the Company enables eligible MSME vendors to avail invoice discounting facilities through the Trade Receivables Discounting System (TReDS) platforms. The arrangement is intended solely to facilitate early realisation of dues by MSME vendors and does not result in any additional financing or credit support to the Company. Further, the amounts involved under such arrangements are not material in relation to the Company's total trade payables.

c) Hon'ble High Court has permitted to release an arbitration award, amounting to **₹ 97.96 Crore** against NHAI for UP-05 ,Orai Highway Project against submission of bank guarantee of equivalent amount. The company has provided liability of equivalent amount till final decision of the Court.

d) The Company has a system of obtaining periodic confirmation of balances from banks and other parties. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters were sent to the parties. Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any. Reconciliations are carried out on on-going basis. However, management does not expect to have any material financial impact of such pending confirmations / reconciliations.

e) In the opinion of the management, the value of assets, other than property, plant and equipment and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

f) Certain reclassifications and recasting have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements. These reclassifications have no effect on the reported results of operations.

g) Previous year figures are shown under bracket () to differentiate from current year figures.

As per our Report of even date attached

For Ramesh C Agrawal and Company
Chartered Accountant
FRN : 001770C

Paritosh Agarwal
Partner
M. No. 436238

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

Place : New Delhi
Date : 22nd May 2026

Consolidated Financial Statements 2025–26

FORM AOC – 1

Statement containing salient features of Financial Statements of Subsidiaries/Associate Companies/Joint Ventures as at 31.03.2026

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

Part A "Subsidiaries"

(₹ in crore)

Sr. No.	Name and CIN of the Subsidiary	Ircon Shivpuri Guna Tollway Limited (ISGTL) CIN: U45400 DL2015GO I280017	Ircon PB Tollway Limited (IPBTL) CIN: U45400 DL2014GO I272220	Ircon Davanagere Haveri Highway Limited (IDHHL) CIN: U45500 DL2017GO I317401	Ircon Infrastructure & Services Limited (IISL) CIN: U45400 DL2009GO I194792	Ircon Vadodara Kim Expressway Limited (IVKEL) CIN: U74999 DL2018 GOI334028	Ircon Gurgaon Rewari Highway Limited (IGRHL) CIN: U45309 DL2020 GOI374941
1	Reporting period for the Subsidiary	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
2	The date since when Subsidiary was acquired	12.05.2015	30.09.2014	11.05.2017	30.09.2009	16.05.2018	24.12.2020
	"Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii))"	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)
2	Reporting Currency	₹	₹	₹	₹	₹	₹
3	Share Capital(Including share application money pending allotment)	150.00	165.00	173.00	65.00	10.00	0.05
4	Other Equity/Reserves & Surplus (as applicable)	(115.33)	(91.94)	109.37	118.17	404.40	121.90
5	Liabilities	542.60	291.19	306.54	144.07	490.50	361.81
6	Total Equity and Liability	577.27	364.25	588.91	327.24	904.90	483.76
7	Total Assets	577.27	364.25	588.91	327.24	904.90	483.76
8	Investments	-	-	-	-	-	-
9	Turnover	173.33	35.30	93.58	92.45	120.78	201.87
10	Profit before Taxation	16.28	(37.58)	28.70	9.72	60.03	(4.55)
11	Provision for Taxation	-	-	7.40	2.51	15.37	(1.14)
12	Profit after Taxation	16.28	(37.58)	21.30	7.21	44.66	(3.41)
13	Interim Dividend - Equity	-	-	9.86	4.19	13.00	-
14	Interim Dividend - Preference	-	-	-	-	-	-
15	Proposed Dividend - Equity	4.88	-	1.56	3.14	3.58	-
16	Proposed Dividend - Preference	-	-	-	-	-	-
17	% of share holding	100%	100%	100%	100%	100%	100%
a	Name and CIN of subsidiaries which are yet to commence operations			Not Applicable			
b	Name and CIN of subsidiaries which have been liquidated or have ceased to be a subsidiary during the year.			Not Applicable			

As per our Report of even date attached

For Ramesh C Agrawal & Company
Chartered Accountants
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
Membership No: 436238

Place : New Delhi
Date : 22nd May 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN: 08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

FORM AOC – 1

Statement containing salient features of Financial Statements of Subsidiaries/Associate Companies/Joint Ventures as at 31.03.2026

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

Part "A" Subsidiaries

(₹ in crore)

Sr. No.	Name and CIN of the Subsidiary	Ircon Renewable Power Limited (IRPL) CIN: U40106DL2022GOI392384	Ircon Akloli Shirsad Expressway Limited (ASEL) CIN: U45309DL2021GOI391629	Ircon Ludhiana Rupnagar Highway Limited (ILRHL) CIN: U45309DL2021GOI391675	Ircon Bhoj Morbe Expressway Limited (IBMEL) CIN: U45203DL2022GOI392148	Ircon Haridwar Bypass Limited (IHBL) CIN: U45209DL2022GOI392406
1	Reporting period for the Subsidiary	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
2	The date since when Subsidiary was acquired	13.01.2022	23.12.2021	24.12.2021	06.01.2022	13.01.2022
3	"Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii))"	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)
4	Reporting Currency	₹	₹	₹	₹	₹
5	Share Capital(Including share application money pending allotment)	5.00	9.34	14.27	20.58	0.05
6	Other Equity/Reserves & Surplus (as applicable)	111.53	134.40	118.45	131.12	72.49
7	Liabilities	2,729.03	693.39	500.13	764.55	310.53
8	Total Equity and Liability	2,845.56	837.14	632.86	916.25	383.06
9	Total Assets	2,845.56	837.14	632.86	916.25	383.06
10	Investments	–	–	–	–	–
11	Turnover	115.87	415.22	99.54	305.90	139.98
12	Profit before Taxation	(40.01)	(24.62)	(12.55)	(23.29)	(19.62)
13	Provision for Taxation	(8.96)	(6.17)	(3.08)	(5.81)	(4.94)
14	Profit after Taxation	(31.05)	(18.46)	(9.47)	(17.48)	(14.68)
15	Interim Dividend – Equity	–	–	–	–	–
16	Interim Dividend – Preference	–	–	–	–	–
17	Proposed Dividend – Equity	–	–	–	–	–
18	Proposed Dividend – Preference	–	–	–	–	–
19	% of share holding	76%	100%	100%	100%	100%
a	Name and CIN of subsidiaries which are yet to commence operations		Not Applicable			
b	Name and CIN of subsidiaries which have been liquidated or have ceased to be a subsidiary during the year.		Not Applicable			

As per our Report of even date attached

For Ramesh C Agrawal & Company
Chartered Accountants
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
Membership No: 436238

Place : New Delhi
Date : 22nd May 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN: 08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

FORM AOC – 1

Statement containing salient features of Financial Statements of Subsidiaries/Associate Companies/Joint Ventures as at 31.03.2026

Part "B": Joint Ventures

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

(₹ in crore)

Sr. No.	Name of Joint Ventures	Bastar Railway Private Limited	Chhattisgarh East Railway Limited	Chhattisgarh East West Railway Limited	Ircon - Soma Tollway Private Limited	Jharkhand Central Railway Limited	Mahanadi Coal Railway Limited	Indian Railway Stations Development Corporation Ltd
1	Latest audited Balance Sheet Date	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
2	Date on which the Associates or Joint Ventures was associated or acquired	05-May-16	12-Mar-13	25-Mar-13	19-Apr-05	31-Aug-15	31-Aug-15	12-Apr-12
	Shares of Associate / Joint Venture held by the company on the year end %	26.00%	26.00%	26.00%	50.00%	26.00%	26.00%	26.00%
	Number of shares held	7,63,37,300	19,78,55,700	19,39,91,200	6,38,70,000	2,62,56,438	2,60,00,000	5,19,99,700
	Amount of Investment in Associate / Joint Venture (Note 2 Below)(in ₹)	76,33,73,000	1,97,85,57,000	1,93,99,12,000	63,87,00,000	26,25,64,380	26,00,00,000	51,99,97,000
	Total No of Shares	29,36,05,000	78,15,78,074	73,60,27,617	12,77,40,000	10,09,86,300	9,00,05,000	19,99,99,400
	Extent of Holding (%)	26.00%	25.31%	26.36%	50%	26.00%	28.89%	26.00%
3	Description of how there is significant influence	Refer Note 1 (Below)						
4	Reason why the Associate / Joint Venture is not consolidated	NA	NA	NA	NA	NA	NA	NA
5	Net worth attributable to shareholding as per latest audited balance sheet (₹ in Crore)	76.27	57.98	342.83	151.46	200.27	100.22	64.65
6	Profit/ (loss) for the year (₹ in Crore)	0.16	(120.92)	(13.29)	222.57	6.48	3.12	11.16
	(i) Considered in consolidation (₹ in Crore)	0.04	(30.61)	(3.46)	111.29	1.68	0.81	2.90
	(ii) Not considered in consolidation (₹ in Crore)	0.12	(90.31)	(9.83)	111.29	4.80	2.31	8.26
a	Name and CIN of associates or joint ventures which are yet to commence operations				Not Applicable			
b	"Name and CIN of associates or joint ventures which have been liquidated or have ceased to be associate or joint				Not Applicable			

Notes

1 Significant influence is demonstrated by holding 20% or more of the voting power of the investee.

2 Amount of Investment in Joint Venture

As per our Report of even date attached

For Ramesh C Agrawal & Company
Chartered Accountants
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
Membership No: 436238

Place : New Delhi
Date : 22nd May 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN: 08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **IRCON INTERNATIONAL LIMITED** (hereinafter referred to as the ''Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31st March, 2026, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended on that date and notes to the financial statements including summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Ind AS Financial Statements").

We have audited the financial statements of the three (3) foreign branches situated at South Africa, Malaysia and Sri Lanka (Indian part) for the year ended 31st March, 2026. However, we have not visited any foreign branch and the relevant information for the audit purpose was provided to us by the management at corporate office level.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 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 Group and its jointly controlled entities as at 31st March, 2026, the consolidated profit, the consolidated total comprehensive income, the consolidated changes in equity and the consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group and its jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS 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 obtained by us and other auditors in terms of their reports referred to in the "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Emphasis of Matters

Reference is invited to footnote no. (i) and (ii) of Note no. 9 of the Consolidated Ind AS Financial Statements wherein it has been stated that financial statements of the jointly controlled entities i.e. Ircon-Soma Tollway Private Limited (ISTPL) and Indian Railway Stations Development Corporation Ltd. (IRSDC) have been prepared on liquidation basis and that the Group does not foresee any impairment in the value of investments held by it in the said companies.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. Considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality, below Key Audit Matters have been reproduced from the Independent Auditor's Reports on the audit of Standalone Ind AS Financial Statements of the Holding Company.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

Key Audit Matter	How our audit addressed the matter
Revenue Recognition in terms of Ind AS 115 "Revenue from Contracts with Customers" Accounting Standard on Revenue which prescribes five steps revenue recognition model. The Holding Company recognizes revenue for a performance obligation satisfied over time after estimating its progress towards complete satisfaction of the performance obligation. The recognition of revenue requires assessments and judgments to be made on changes in work scope, claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied. The company measures the performance obligation by applying input method. In the contracts where performance obligation cannot be measured by input method, the output method is applied, which faithfully depict the Company's performance towards complete satisfaction of the performance obligation. During order fulfillment, contractual obligations may need to be reassessed. In addition, change orders or cancellations have to be considered. As a result, total estimated project costs may exceed total contract revenues and therefore require immediate recognition of the expected loss. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The application of the revenue accounting standard involves certain key judgements relating to – i. identification of distinct performance obligations; ii. determination of transaction price of the identified performance obligations; iii. the appropriateness of the basis used to measure revenue recognized at a point in time or over a period of time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Revenue recognition from these judgements were identified as a Key Audit Matter and required a higher extent of audit effort. Refer Note No. 43 to the Consolidated Ind AS Financial Statements.	- Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. We evaluated the effectiveness of control over the preparation of information that is designed to ensure the completeness and accuracy. We selected a sample of contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and satisfaction of performance obligations. We also examined costs included within WIP balances on a sample basis and tested their recoverability through comparing the net realizable values as per the agreements with estimated cost to complete. - We performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract and whether the performance obligation is being satisfied over the period of time or at a point in time: • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations. • Checked whether the performance obligation is being satisfied over the period of time or at a point in time. • Performed analytical procedures for reasonableness of revenues disclosed

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

Key Audit Matter	How our audit addressed the matter
Contingent Liabilities There are a number of litigations pending before various forums against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases. Refer Note no. 40 of the Consolidated Financial Statements, read with the Accounting Policy No. 2.2.16.	We have obtained an understanding of the Company's procedure in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedure: • Reviewing the current status and material developments of legal matters. • Examining recent orders from competent authorities and/or communication received from various authorities, judicial forums and follow-up action thereon. • Review and analysis of evaluation of the contentions of the company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.
System Environment and internal Controls The Company is having SAP system in place and only FI-CO, Payroll, Financial Control, Human Capital Management, Employee Self Service / Manager Self Service (ESS / MSS) etc. modules are in use throughout the organization. However, Project Systems (PS), Materials Management (MM) and Document Management System (DMS) modules have been developed and rolled out partially. SD module is configured and is in advanced stage for invoicing. The IT system in the company is not fully automated and manual interventions are in place in preparing and reporting of financial statements. This required a high degree of auditor judgement in evaluating the audit evidence and a higher extent of audit effort.	**Our procedures included but were not limited to:** • Discussing with management and IT department on the IT environment and consideration of the key financial processes to understand where IT systems were integral to the financial reporting process. • Testing the design of the key IT controls relating to financial reporting systems of the company. • We also tested the company's controls around system interfaces. • We applied substantive audit procedures to ensure that areas where there are manual controls are operating effectively. • Our audit planning and procedures also include the various reports which the system generates and without which it is difficult for us to collect the data of the various heads of the Balance sheet

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the Consolidated Ind AS Financial Statements, standalone financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Ind AS Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated change in equity and consolidated cash flows of the Group and its jointly

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

controlled entities in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entities 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 Consolidated Ind AS 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 Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for assessing the ability of the Group and of its jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors of the companies included in the Group and its jointly controlled entities either intends to liquidate the entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Ind AS 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 Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiaries and jointly controlled entities which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its jointly controlled entities to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and jointly controlled entities to express an opinion on the Consolidated Ind AS Financial Statements we are responsible for the direction, supervision and performance of the audit of the financial

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Statements.

We communicate with those charged with governance of the Holding company, its subsidiaries and jointly controlled entities included in the Consolidated Ind AS 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 financial controls that we identify during our audit.

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

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

Other Matters

- We did not audit the financial statements / financial information of four (4) foreign branches included in the standalone Ind AS financial statement of the company whose financial statements/financial information reflect total assets of ₹ 861.95 Crores (Previous year ₹ 923.62 Crores) as at 31st March 2026, total revenue of ₹ 378.16 Crores (Previous Year ₹ 357.35 crores) and total PBT of ₹ 157.95 crores (previous year Rs 74.63 crores), for the year ended on that date, as considered in the standalone financial statements. The financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosure included in respect of these branches, is based solely on the reports of such branch auditors.
- The financial statements include profit/(loss) of ₹ 0.00 (Previous Year ₹ 0.08 Crores), the company's share in three (3) integrated joint operations (unincorporated) accounts which have been audited by other firms of chartered Accountants and profit/(loss) of ₹ 0.33 Crores (Previous Year ₹ 0.45 Crores) the company's share in one (1) joint operation accounts which have been certified by the management for the year ended 31st March 2026.
- We did not audit the financial statements/ financial information of eleven (11) subsidiaries whose financial statements/ financial information reflect Total Assets of ₹ **8861.21 Crores** (Previous Year ₹ 7585.92 Crores) as at 31st March 2026, Total Revenues of ₹ **1793.82 Crores** (Previous Year ₹ 2397.84 Crores) and net increase/ (decrease) in cash flows amounting to ₹ (-) **128.59 Crores** (Previous Year ₹ (-)48.80 Crores) for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated financial statements also include the Group's share of ₹ **79.72 Crores** (Previous Year ₹ 58.51 Crores) profit (net) using equity method in five (5) jointly controlled entities whose financial statements/ financial information have been audited by other firm of Chartered Accountants, and also included Group's share of ₹ 2.94 Crores (Previous Year ₹ 1.26 Crores) profit (net) using equity method in two (2) jointly controlled entities whose financial statements/ financial information have not been audited by their auditor but certified by the management and included in the Consolidated Ind AS financial statements for the year ended 31st March, 2026.
- Reference is invited to Note no. 46 of the Consolidated Ind AS Financial Statements regarding amendments made in the IndAS-1, IndAS-7, IndAS-12 and IndAS-21. As explained by the Management there is no financial impact of such amendments.

These financial statements/ financial information which have been audited by other auditors whose financial statement / financial information have been furnished to us by the management and our opinion on the Consolidated Ind AS Financial Statements in so far as it relates to the amounts and disclosure included in respect of these audited subsidiaries, jointly controlled entities and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other Auditors after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

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

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, based on our audit we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other Auditors on separate financial statements and the other financial information of the subsidiaries and jointly controlled entities mentioned in the 'Other Matters' paragraph, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

   b) In our opinion, proper books of account as required by law maintained by the Group and its jointly controlled entities including relevant records relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The reports on the accounts of the branch offices of the Holding Company, its subsidiaries and jointly controlled entities incorporated in India, audited under Section 143(8) of the Act by their auditors have been sent to us and have been properly dealt with in preparing this report.

   d) 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 maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

   e) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015 (as amended).

   f) On the basis of the reports of the statutory auditors of joint ventures incorporated in India, none of the directors of the joint ventures incorporated in India is disqualified as on 31st March'2026 from being appointed as a director in terms of section 164(2) of the Act. We are informed that the provisions of section 164(2) of the Act are not applicable to the Holding Company and its subsidiary companies incorporated in India being Government Companies in terms of notification No.G.S.R.463(E) dated 5th June, 2015, issued by the Ministry of Corporate Affairs.

   g) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   h) We are informed that the provisions of section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Holding Company and its subsidiaries incorporated in India, being a government company, in terms of Ministry of Corporate Affairs Notification No. G.S.R. 463 (E) dated 5th June 2015. On the basis of the reports of the statutory auditors of joint ventures incorporated in India, no remuneration has been paid by the Joint Ventures to its directors during the year.

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

      (i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entities. Refer Note No. 40 to the Consolidated Ind AS Financial Statements.

      (ii) The Group and its jointly controlled entities have made provision as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts. Refer Note No.21.2 to the Consolidated Ind AS Financial Statements. The Group and its jointly controlled entities did not have any long-term derivative contracts.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

(iii) There has been no delay in transferring the amount required to be transferred to the Investor Education and Protection Fund of the Holding Company.

(iv) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries of the Holding Company and its jointly controlled entities incorporated in India.

(v) a) The respective Managements of the Holding Company, its subsidiaries and jointly controlled entities which are the companies incorporated in India whose financial statements have been audited under the Act have represented to us and other Auditors of such subsidiaries and jointly controlled entities respectively that, to the best of their knowledge and belief, other than as disclosed in Note no 45 to the accounts, that none of them have advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiaries and jointly controlled entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the Holding Company, its subsidiaries and jointly controlled entities which are companies incorporated in India whose financial statements have been audited under the Act, have represented to us and other Auditors of such subsidiaries and jointly controlled entities that, to the best of their knowledge and belief, other than as disclosed in Note no 45 to the accounts, no funds have been received by the Holding Company, its subsidiaries and jointly controlled entities from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiaries and jointly controlled entities incorporated in India whose financial statements have been audited under the Act, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries and jointly controlled entities incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(vi) As stated in Note no 2.2.15 to the Consolidated Ind AS Financial Statements

a. The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with section 123 of the Act to the extent applicable.

b. The interim dividend declared and paid by the Holding Company during the year and until the date of this report is in accordance with section 123 of the Act.

c. The Board of Directors of the Holding Company has proposed final dividend for the current year which is subject to the approval of

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent applicable.

(vii) Based on our examination and report of the auditors of subsidiaries and jointly controlled entities, the Group and the jointly controlled entities has used accounting software for maintaining its books of account for the financial year ended 31st March, 2026 which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. The audit trail has been preserved by the Group and its jointly controlled entities as per the statutory requirements for record retention.

For Ramesh C Agrawal & Company
Chartered Accountants
Firm Registration No: 001770C

Sd/-
CA Paritosh Agarwal
(Partner)
Membership No: 436238
UDIN:26436238LUDQWK6313

Place: New Delhi
Date: 22-05-2026

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of IRCON INTERNATIONAL LIMITED

In terms of the information and explanation sought by us and given by the company and to the best of our knowledge and belief, we state that:

3(xxi) In respect of the Companies (Auditor's Report) Order, 2020 (CARO 2020), report of the auditor of the holding company, its subsidiaries and joint ventures included in the consolidated financial statements have given their remarks in the following clauses:

S. No.	Name of the Company included in the Consolidated financial statements	Corporate Identification No. (CIN)	Holding Company/ subsidiary/ Associate/ Joint Venture.	Clause number of the CARO report of the company which is qualified or adverse.
1.	Chhattisgarh East Railway Limited	U45203CT2013GOI000729	Joint Venture	Clause no 3(xvii)
2.	Chhattisgarh East-West Railway Limited	U45203CT2013GOI000768	Joint Venture	Clause no 3(i)(c), 3(xvii)
3.	Ircon Soma Tollway Private Limited	U74999DL2005PTC135055	Joint Venture	Clause no 3(vii)(a), vii(b), xix
4.	Ircon International Limited	L45203DL1976GOI008171	Holding Company	Clause no 3(i)(c)
5.	Ircon Bhoj Morbe Expressway Limited	U45203DL2022GOI392148	Subsidiary Company	Clause no 3(xvii)
6.	Ircon Akloli Shirsad Expressway Limited	U45309DL2021GOI391629	Subsidiary Company	Clause no 3(xvii)
7.	Ircon Ludhiana Rupnagar Highway Limited	U45309DL2021GOI391675	Subsidiary Company	Clause no 3(xvii)
8.	Ircon Haridwar Bypass Limited	U45209DL2022GOI392406	Subsidiary Company	Clause no 3(xvii)

The report of the following Two (2) joint venture company included in the consolidated Ind AS financial statements have not been issued by the respective auditor till the date of our audit Report on the Ind AS consolidated financial statements.

S. No	Name of the Company included in the Consolidated financial statements	Corporate Identification No (CIN)
1.	Indian Railway Stations Development Corporation Limited	U45204DL2012GOI234292
2.	Bastar Railway Private Limited	U74900CT2016PTC007251

For Ramesh C Agrawal & Company
Chartered Accountants
Firm Registration No: 001770C

Sd/-
CA Paritosh Agarwal
(Partner)
Membership No:436238
UDIN:26436238LUDQWK6313

Place: New Delhi
Date: 22-05-2026

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

"Annexure B" to the Independent Auditors' Report of even date on the Consolidated Ind AS Financial Statements of IRCON INTERNATIONAL LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of IRCON INTERNATIONAL LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Jointly controlled entities as of March 31, 2026 in conjunction with our audit of the consolidated Ind AS financial statements of the Group and its jointly controlled entities for the year ended on that date. We did not audit the internal financial controls over financial reporting of its Eleven subsidiary companies and seven jointly controlled entities, out of which two jointly controlled entities are unaudited as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company and jointly controlled company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its Subsidiary Company and jointly controlled company which are companies incorporated in India 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 respective 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 report, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Holding company's internal financial control over financial reporting 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 Holding company's internal financial control over financial reporting 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 Holding company are being made only in accordance with

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of un-authorized acquisition, use, or disposition of the Holding company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies and jointly controlled entities, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding 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. However, internal control needs further strengthening in respect of the following areas identified as on 31.03.2026 as it appears from our examination of the books and records of the Holding company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities audited.

The Holding Company has an integrated ERP system which was not used at its full potential. Some of the jointly controlled entities have used the Tally ERP system for the preparation of financial accounts with manual interventions. Further, Project Systems (PS), Materials Management (MM) and Document Management System (DMS) modules have been developed and rolled out partially.

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, insofar as it relates to eleven audited subsidiary companies, seven jointly controlled entities out of which two unaudited jointly controlled companies which are companies incorporated in India, is based on the corresponding reports of their other auditors and management certificate respectively (also refer paragraph on Other Matters of the Independent Auditors' Report on Consolidated Ind AS Financial Statements).

We have considered the identified areas and reported above in determining the nature, timing and extent of audit procedures applied in our audit of the consolidated financial statements of the group for the year ended 31st March, 2026 and these areas do not affect our opinion on the Consolidated Ind AS financial statements of the Company.

For Ramesh C Agrawal & Company
Chartered Accountants
Firm Registration No: 001770C

Sd/-
CA Paritosh Agarwal
(Partner)
Membership No:436238
UDIN:26436238LUDQWK6313

Place: New Delhi
Date: 22-05-2026

CONSOLIDATED BALANCE SHEET
AS AT 31st MARCH 2026

(₹ in crore)

Particulars			Note No.	As at 31st March 2026	As at 31st March 2025*	As at 1st April 2024*
I.	**ASSETS**					
1	**Non-Current Assets**					
	(a)	Property, Plant and Equipment	3	2,085.57	963.10	209.01
	(b)	Capital Work-in-Progress	4	594.51	975.86	548.91
	(c)	Investment Property	5	533.94	541.98	543.07
	(d)	Intangible Assets	6	834.93	908.08	977.53
	(e)	Intangible Assets under Development	7	-	-	-
	(f)	Right-of-use Assets	8	69.40	39.64	6.59
	(g)	Investments accounted for using the equity method	9	1,064.81	828.15	806.93
	(h)	Financial Assets	10			
		(i) Investments	10.1	-	-	125.19
		(ii) Loans	10.2	0.25	0.28	0.45
		(iii) Others	10.3	3,571.55	3,091.13	2,247.79
	(i)	Deferred Tax Assets (Net)	11	182.65	144.51	119.52
	(j)	Other Non-Current Assets	12	565.41	757.21	663.47
	Total Non-Current Assets			**9,503.02**	**8,249.94**	**6,248.46**
2	**Current Assets**					
	(a)	Inventories	13	12.30	90.83	47.71
	(b)	Financial Assets	14			
		(i) Investments	14.1	366.87	410.70	563.51
		(ii) Trade Receivables	14.2	1,398.34	1,328.25	803.33
		(iii) Cash and Cash Equivalents	14.3	2,190.35	2,279.84	2,179.78
		(iv) Bank balances other than cash and cash equivalents	14.4	2,619.00	2,501.79	2,804.55
		(v) Loans	14.5	0.88	1.57	0.92
		(vi) Other Financial Assets	14.6	3,163.13	2,342.21	2,010.65
	(c)	Current Tax Assets (Net)	15	46.61	108.46	72.54
	(d)	Other Current Assets	16	2,005.73	2,150.12	2,663.13
				11,803.21	**11,213.77**	**11,146.12**
	Assets held for sale		17	0.45	-	-
	Total Current Assets			**11,803.66**	**11,213.77**	**11,146.12**
	Total Assets			**21,306.68**	**19,463.71**	**17,394.58**
II.	**EQUITY AND LIABILITIES**					
1	**Equity**					
	(a)	Equity Share Capital	18	188.10	188.10	188.10
	(b)	Other Equity	19	6,450.54	6,080.68	5,625.25
	Equity attributable to Owners of the parent			**6,638.64**	**6,268.78**	**5,813.35**
	Non Controlling Interests		19A	32.05	35.60	35.18
	Total Equity			**6,670.69**	**6,304.38**	**5,848.53**

CONSOLIDATED BALANCE SHEET
AS AT 31st MARCH 2026

(₹ in crore)

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025*	As at 1st April 2024*
2 Liabilities				
(i) Non-Current Liabilities				
(a) Financial Liabilities	20			
(i) Borrowings	20.1	5,423.21	4,134.64	2,456.68
(ii) Lease Liabilities	20.2	56.46	31.92	2.52
(iii) Trade Payables	20.3			
– Total outstanding dues of Micro Enterprises and Small Enterprises		–	–	–
– Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		–	–	–
(iv) Other Financial Liabilities	20.4	821.01	584.62	777.42
(b) Provisions	21	326.14	258.58	221.96
(c) Other Non-Current Liabilities	22	858.56	923.28	1,069.66
Total Non-Current Liabilities		**7,485.38**	**5,933.04**	**4,528.24**
(ii) Current Liabilities				
(a) Financial Liabilities	23			
(i) Borrowings	23.1	240.42	129.68	110.48
(ii) Lease Liabilities	23.2	5.54	2.91	0.72
(iii) Trade Payables	23.3			
– Total outstanding dues of Micro Enterprises and Small Enterprises		35.99	34.39	6.36
– Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,165.28	1,222.91	887.74
(iv) Other Financial Liabilities	23.4	2,600.95	3,023.13	3,087.56
(b) Other current liabilities	24	2,775.98	2,495.61	2,549.67
(c) Provisions	21	300.64	301.79	308.72
(d) Current Tax liability (Net)	25	25.81	15.87	66.56
Total Current Liabilities		**7,150.61**	**7,226.29**	**7,017.81**
Total Equity and Liabilities		**21,306.68**	**19,463.71**	**17,394.58**
III. Summary of Material Accounting Policies Information	2			
IV. Notes to Financial Statements	1 – 49			

*Restated – Refer Note 47

As per our Report of even date attached

For Ramesh C Agrawal and Company
Chartered Accountants
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
M. No. 436238

Place : New Delhi
Date : 22nd May, 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director
and CEO
DIN-08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH 2026

(₹ in crore)

	Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
I.	**Revenue :**			
	Revenue from operations	26	9,071.05	10,759.58
II.	Other income	27	430.92	371.45
III.	**Total Income (I + II)**		**9,501.97**	**11,131.03**
IV.	Expenses:			
	Materials and Stores Consumed	28 (i)	826.98	668.16
	Project Expenses	28 (ii)	7,140.49	8,892.58
	Employee Benefits Expenses	29	260.47	275.71
	Finance Costs	30	350.11	219.13
	Depreciation, Amortisation and Impairment	31	162.72	117.88
	Other Expenses	28 (ii)	77.36	78.32
	Total Expenses (IV)		**8,818.13**	**10,251.78**
V.	Profit before exceptional items and tax (III – IV)		683.84	879.25
VI.	Exceptional items		–	–
VII.	Share in Profit/(Loss) of Joint Ventures accounted for using equity method		82.66	59.77
VIII.	Profit before tax (V + VI + VII)		766.50	939.02
IX	**Tax expenses:**			
	(1) Current tax	11		
	– For the Period		213.18	261.28
	– For earlier years (net)		(0.46)	(25.10)
	(2) Deferred tax (net)		(38.14)	(24.99)
	Total Tax Expense		**174.58**	**211.19**
X	**Profit for the year from continuing operation (VIII – IX)**		**591.92**	**727.83**
XI	**Other Comprehensive Income**	32		
	A. Items that will not be reclassified to profit or loss			
	(i) Net actuarial gains/(losses) on remeasurements of defined benefit plans		4.63	0.05
	Income Tax relating to net actuarial gains/(losses) on remeasurements of defined benefit plans		(1.17)	(0.01)
	(ii) Share of other comprehensive income/(expense) of joint ventures accounted for using the equity method (net of tax)		(0.04)	(0.01)
	B. Items that will be reclassified to profit or loss			
	(i) Exchange differences in translating the financial statements of foreign operations		1.00	7.30
	Income Tax relating to exchange differences in translating the financial statements of foreign operations		(0.25)	(1.84)
	Other Comprehensive Income/(Expense) for the year, net of income tax		**4.17**	**5.49**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH 2026

(₹ in crore)

	Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
XII	**Total Comprehensive Income for the year (X +XI) (Comprising Profit and Other Comprehensive Income for the year)**		**596.09**	**733.32**
XIII	Profit attributable to:			
	Owners of the Parent		595.47	727.41
	Non Controlling Interest		(3.55)	0.42
XIV	Other Comprehensive Income attributable to:			
	Owners of the Parent		4.17	5.49
	Non Controlling Interest		-	-
XV	Total Comprehensive Income attributable to			
	Owners of the Parent		599.64	732.90
	Non Controlling Interest		(3.55)	0.42
XVI	**Earnings Per Equity Share attributable to owners of the parent:**			
	(For Continuing Operation)			
	(1) Basic (in ₹)	38	6.33	7.73
	(2) Diluted (in ₹)		6.33	7.73
	Face Value Per Equity Share (in ₹)		2.00	2.00
XVII	Summary of Material Accounting Policies	2		
XVIII	Notes to Financial Statements	1 - 49		

As per our Report of even date attached

For Ramesh C Agrawal and Company
Chartered Accountants
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
M. No. 436238

Place : New Delhi
Date : 22nd May, 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31st MARCH 2024

(₹ in crore)

Particulars		For the year ended 31st March 2026	For the year ended 31st March 2025
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before taxation		766.50	939.02
Adjustment for :			
Interest on unwinding of financial instruments (Net)		(0.02)	(0.09)
Amortisation of financial instruments (Net)		0.02	0.10
Finance Cost		341.55	216.63
Depreciation, amortization and impairment		162.72	117.88
Profit on Sale of Assets (net)		(0.57)	(0.04)
Profit on Sale of Mutual Funds		(50.35)	(49.25)
Share in Profit/(Loss) of Joint Ventures		(82.66)	(59.77)
Interest Income		(359.12)	(405.91)
Gain on Changes of Fair Value of Mutual Funds		(1.63)	(1.01)
Reclassification of Exchange Gain/Loss to Profit and Loss		(27.31)	-
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents		(88.37)	(21.65)
Operating Profit before working capital changes	**(1)**	**660.76**	**735.91**
Adjustment for :			
Decrease / (Increase) in Trade Receivables		(70.09)	(524.92)
Decrease / (Increase) in Inventories		78.53	(43.11)
Decrease / (Increase) in Loans, Other Financial Assets & Other Assets		(1,162.65)	(851.72)
(Decrease) / Increase in Trade Payables		(56.03)	363.20
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		234.71	(482.16)
	(2)	**(975.53)**	**(1,538.71)**
Cash generated from operation	**(1+2)**	**(314.77)**	**(802.80)**
Income Tax Paid		(302.81)	(306.73)
NET CASH FROM OPERATING ACTIVITIES	**(A)**	**(617.58)**	**(1,109.53)**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment including CWIP		(532.16)	(1048.36)
Viability Gap Funding Received			
Acquisition of Intangible Assets and Intangible Assets under Development		(1.01)	(3.71)
Purchase / Proceeds of Investment Property		(0.70)	(11.28)
Sale of Property, Plant and Equipment & Intangible Assets		2.53	0.98
Sale of Mutual Funds		11,745.18	10,631.21
Purchase of Mutual Fund		(11774.56)	(10304.45)
Sale / Purchase of Govt. Securities		-	1.51
Interest Received		364.71	421.72
Dividend Received from Joint Venture Companies		34.50	102.50
Investment in Joint Venture Companies		(188.53)	(63.96)
Redemption of Bonds		125.20	-
Bank Balance Other than Cash and Cash Equivalents		(141.11)	305.76
NET CASH FROM INVESTING ACTIVITIES	**(B)**	**(365.95)**	**31.92**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds From Borrowings		2,114.37	2,156.00
Repayment of Borrowings		(784.07)	(458.85)
Payment of Lease Liabilities		(9.86)	(1.83)
Final Dividend paid		(94.05)	(122.27)
Interim Dividend paid		(112.86)	(155.19)
Finance Cost paid		(312.30)	(261.82)
Payment for share issue expenses		(0.01)	(0.02)
NET CASH FROM FINANCING ACTIVITIES	**(C)**	**801.22**	**1,156.02**
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	(D)	92.82	21.65
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	**(A+B+C+D)**	**(89.49)**	**100.06**

(₹ in crore)

Particulars		For the year ended 31st March 2026	For the year ended 31st March 2025
CASH AND CASH EQUIVALENTS (OPENING) (Refer Note 2, 4, 5 below)	**(E)**	**2,279.84**	**2,179.78**
CASH AND CASH EQUIVALENTS (CLOSING) (Refer Note 2, 4, 5 below)	**(F)**	**2,190.35**	**2,279.84**
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	**(F – E)**	**(89.49)**	**100.06**

Notes:

1. The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) – 7 on Statement of Cash Flows.
2. Reconciliation of Cash and Cash Equivalents and Components of Cash and Cash Equivalents included in the above Consolidated Statement of Cash Flows :

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025
Cash in hand	0.04	0.05
Cheques/drafts on hand	–	–
Balances with banks:		
– On current accounts	747.94	673.35
– Flexi Accounts	283.52	303.46
– Deposits with original maturity of less than 3 months	1,158.85	1,302.98
Total Cash and Cash Equivalents as per Balance Sheet and Consolidated Statement of Cash Flows	**2,190.35**	**2,279.84**

3. Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities:

(₹ in crore)

Particulars	Borrowings*	Lease Liabilities
As at 1 April 2024	**2,567.41**	**3.24**
(a) Cash Flows during the year	1,697.15	(1.83)
(b) Non Cash Changes due to :		
Addition to Lease Liabilities	–	31.66
Interest cost on Lease Liabilities	–	1.76
Interest accrued on borrowings (net of interest paid)	15.37	–
As at 31st March 2025	**4,279.93**	**34.83**
(a) Cash Flows during the year	1,330.30	(9.86)
(b) Non Cash Changes due to :		
Addition to Lease Liabilities	–	32.62
Interest cost on Lease Liabilities	–	4.41
Interest accrued on borrowings (net of interest paid)	105.73	–
As at 31st March 2026	**5,715.96**	**62.00**

* Includes current maturities of non-current borrowings and interest accrued thereon, Note 20.1, Note 20.4, Note 23.1 and Note 23.4

4. Previous year's figures have been regrouped/reclassified and restated wherever applicable.
5. Earmarked and restricted balances are mentioned in Note 14.3 and 14.4.
6. Figures in brackets represent outflow of cash.

As per our Report of even date attached

For Ramesh C Agrawal and Company
Chartered Accountants
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
M. No. 436238

Place : New Delhi
Date : 22nd May, 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31st MARCH 2026

A. Equity Share Capital

(₹ in crore)

Particulars	Amount
Balance as at 01 April, 2024	**188.10**
Changes in equity share capital during the year	-
Balance as at 31st March, 2025	**188.10**
Changes in equity share capital during the year	-
Balance as at 31st March, 2026	**188.10**

B. Other Equity

For the year ended 31st March, 2025

(₹ in crore)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2024	**3,284.64**	**2,372.83**	**4.93**	**20.42**	**5,682.82**
Changes in accounting policy or prior period errors	–	(57.57)	–	–	(57.57)
Restated Balance as at 1 April, 2024	**3,284.64**	**2,315.26**	**4.93**	**20.42**	**5,625.25**
Profit for the year	–	727.41	–	–	727.41
Other Comprehensive Income					
Remeasurement of Defined Benefit Plans	–	0.04	–	–	0.04
Share of other comprehensive income/ (expense) of joint ventures accounted for using the equity method	–	(0.01)	–	–	(0.01)
Foreign Exchange translation difference	–	–	–	5.47	5.47
Exchange loss reclassified to profit and loss	–	–	–	–	–
Total Comprehensive Income for the year	**–**	**727.44**	**–**	**5.47**	**732.91**
Share issue expenses	–	(0.02)	–	–	(0.02)
Dividends Paid	–	(277.46)	–	–	(277.46)
Balance as at March 31, 2025	**3,284.64**	**2,765.22**	**4.93**	**25.89**	**6,080.68**

For the year ended 31st March, 2026

(₹ in crore)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2025	**3,284.64**	**2,765.22**	**4.93**	**25.89**	**6,080.68**
Changes in accounting policy or prior period errors	–	–	–	–	–
Restated Balance as at 1 April, 2025	**3,284.64**	**2,765.22**	**4.93**	**25.89**	**6,080.68**
Profit for the year	–	595.47	–	–	595.47
Other Comprehensive Income					
Remeasurement of Defined Benefit Plans	–	3.46	–	–	3.46
Share of other comprehensive income/ (expense) of joint ventures accounted for using the equity method	–	(0.04)	–	–	(0.04)
Foreign Exchange translation difference	–	–	–	0.75	0.75
Exchange loss reclassified to profit and loss	–	–	–	(22.86)	(22.86)
Total Comprehensive Income for the year	**–**	**598.89**	**–**	**(22.11)**	**576.78**
Share issue expenses	–	(0.01)	–	–	(0.01)
Dividends Paid	–	(206.91)	–	–	(206.91)
Balance as at March 31, 2026	3,284.64	3,157.19	4.93	3.78	6,450.54

As per our Report of even date attached

For Ramesh C Agrawal and Company
Chartered Accountants
FRN : 001770C

Sd/-
Paritosh Agarwal
Partner
M. No. 436238
Place : New Delhi
Date : 22nd May, 2026

For and on behalf of Board of Directors

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For The Year Ended 31st March 2026

1. Group Information

The Consolidated financial statements comprise financial statements of Ircon International Limited ("the Company" or "Holding Company") and its subsidiaries (collectively referred to as "the Group") along with joint control entities for the year ended 31st March 2026. The Holding Company is a public sector construction company, with emphasis on infrastructure projects, domiciled in India (CIN: L45203DL1976GOI008171) and is incorporated under the provision of companies Act, with specialization in execution of Railway projects on turnkey basis and otherwise. After commencing business as a Railway construction group, it diversified progressively along with its subsidiaries ("the Group") and Joint Ventures to roads, buildings, electrical substation and distribution, airport construction, commercial complexes, as well as metro rail works. The Group caters to both domestic and international markets. The Holding Company is an ISO certified company for Quality, Environment and Occupational Health and Safety Management systems; a Schedule 'A' public sector company and a Nav Ratna company. The registered office of the Holding Company is located at Plot No. C – 4, District Centre, Saket, New Delhi -110017 India and the shares of the Holding Company are listed on National Stock Exchange and BSE.

The presentation and functional currency of the Group is Indian Rupees (INR). Figures in financial statements are presented in crore, by rounding off up to two decimals except for per share data and as otherwise stated.

The Consolidated financial statements are approved for issue by the Holding Company's Board of Directors in their meeting held on 22nd May, 2026.

2. Material Accounting Policies

2.1 Basis of preparation

(i) Statement of compliance

The Consolidated Financial Statements of the Group have been prepared on going concern basis following accrual system of accounting and in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated financial statements.

(ii) Basis of measurement

The Consolidated Financial Statements have been prepared under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Provisions, where the effect of time value of money is material are measured at present value
- Certain financial assets and liabilities measured at fair value
- Defined benefit plans and other long-term employee benefits

Basis of Consolidation

a) The Consolidated financial statements comprise the financial statements of the Group as at 31st March 2026. Control is achieved when 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

b) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a subsidiary of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies

c) The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on 31st March.

d) Consolidated procedure for:

i) **Subsidiaries**

- 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.
- 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.
- Profit or loss and each component of other comprehensive income (OCI) are attributed to the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

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 transactions 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.

ii) Joint arrangement

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Holding Company has both joint operations and joint ventures

- Joint operations: Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the standalone financial statements under the appropriate headings.
- Joint ventures: Interests in joint ventures are accounted for using the equity method after initially being recognised at cost in the Consolidated statement of financial position

e) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. If the investee subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profit equals the share of losses not recognised.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy of impairment.

2.2 Summary of material accounting policies

A summary of the material accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.2.1 Current vs non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has determined twelve months as its operating cycle for the purpose of classification of its assets and liabilities as current and non-current in the balance sheet.

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

2.2.2 Property, plant and equipment

Property, plant and equipment are initially stated at their cost.

The cost of an item of property, plant and equipment includes:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) Cost directly attributable to the acquisition of the asset which is incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) Incidental expenditure during the construction period is capitalised as part of the indirect construction cost to the extent the expenditure is directly related to construction or is incidental there to.

d) Present value of the estimated costs of dismantling & removing the items & restoring the site to the original condition on which it is located if recognition criteria are met.

Freehold land is carried at historical cost.

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the assets 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 Group and the cost of the item can be measured reliably. Cost of replacement, major inspection, repair of significant parts for long-term construction projects are capitalised if the recognition criteria are met.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values and is charged to the Statement of Profit and Loss. Depreciation on property, plant and equipment, excluding freehold land and leasehold

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

land acquired on perpetual lease is provided on straight line basis over the estimated useful lives of the assets as specified under part C of schedule II of the Companies act, 2013. However, in case of certain class of assets, the Group uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical evaluation, taking into account the nature of those classes of assets, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from the asset. The estimated useful life as per the technical evaluation viz-a-viz Schedule II of the Companies Act, 2013 has been disclosed in the notes to accounts. The residual values is not more than 5% of the original cost of assets.

Each part of an item of Property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

Property plant and equipment acquired during the period, individually costing up to ₹5000/- are fully depreciated, by keeping ₹ 1 as token value for identification. However, Mobile phones provided to employees are charged to statement of profit and loss irrespective of its value.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

2.2.3 Capital work in progress

Property, plant and equipment that are not yet ready for their intended use on the reporting date are disclosed as "capital work in progress". Capital work in progress is carried at cost less accumulated impairment loss, if any. The cost comprises of direct cost and related incidental expenses.

2.2.4 Investment properties

Investment property comprises of completed property, property under construction and property held under a lease. Investment properties are measured initially at cost, including transaction costs. Subsequently investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent cost is added if recognition criteria is met.

The Group depreciates building component of investment property on straight line basis over 60 years from the date of original purchase/ completion of construction. Leasehold land acquired on perpetual lease is not amortised. Depreciation methods and useful lives are reviewed at each financial year end.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair value determined based on an annual evaluation performed by an accredited external independent valuer applying valuation model acceptable internationally.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

2.2.5 Intangible assets

Intangible assets are initially measured at cost. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets underdevelopment".

Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Software cost up to ₹1 Lakh in each case is fully amortised in the period of purchase, by keeping ₹1 as token value for identification.

The cost of capitalised software is amortised over a period of 36 months from the date of its acquisition. The residual values is not more than 5% of the original cost of assets.

Amortisation methods and useful lives are reviewed at each financial year end.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

Toll Collection Right (Toll Road Service Concession Arrangement)

Toll collection rights obtained in consideration for rendering construction or upgradation services in a service concession arrangement (SCA), represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the Group.

Toll collection rights on initial recognition are measured at cost (which is the fair value of the consideration received for the construction services delivered) net of Viability GAP Funding(VGF).

Toll collection rights are capitalised as intangible assets upon completion of the project in all respects and when the Group receives the completion certificate (Provisional or Final) from the authority as specified in the Concession Agreement at the cumulative construction costs. Till the completion of the project, the same is recognised under intangible assets under development.

Subsequently, the toll collection rights are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

The estimated useful life of an intangible asset in a service concession arrangement is the period from where the Group is able to charge the public for use of infrastructure to the end of the concession period.

Toll collection rights are amortised using straight line method on pro-rata basis from the date of addition or from the date when the right brought in to service to the expiry of concession period.

Amortisation methods and useful lives are reviewed at each financial year end.

The carrying value of intangible asset is reviewed for impairment annually or more often by external valuers if events or changes in circumstances indicate that the carrying value may not be recoverable.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss within other gains/(losses).

2.2.6 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

2.2.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on First in First out (FIFO) basis.

Construction costs incurred for future contract activities are recognised as assets if it is probable that they will be recovered during the contract period and classified as construction work-in-progress under inventories.

Loose tools are expensed in the period of purchase.

2.2.8 Revenue recognition

The Group operates in construction industry and it earns revenue primarily from the Engineering, Procurement and Construction ('EPC') business. The contracts with the customers are of construction of railways, construction of roads & highways, construction of commercial and residential buildings, electrification work and others. The type of work in these contracts involve geotechnical investigations, topographical surveys, resource-planning, preparation of DPR, construction, engineering, designing, supply of materials, redevelopment of system, installation, project management, operations and management etc. ("together called as construction related services"). The Group provides these construction services on a fixed-sum turnkey basis as well as on cost plus basis. Group's revenues also arise from sale of power from solar plants.

Revenue from contract with customers is recognised when control of the goods or services ("performance obligation") are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services ("transaction price").

a) Revenue from construction related services

The Group's contracts with the Customers for the construction related services are accounted for as a single performance obligation as contract is negotiated as a package with a single commercial objective and involves complex integration of construction and maintenance services.

Revenue is recognised over the time using input method (i.e. percentage-of-completion method) which is consistent with the transfer of control to the customer because there is a direct relationship between the Group's effort (i.e., cost incurred) and the transfer of service to the customer. Under input method, contract revenue is recognised as revenue by reference to the stage of completion as at the reporting date. The stage of completion is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. However, where the Group is not able to reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognise revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation. A cumulative catch-up adjustment would be recognized in the period in which the Group is able to reasonably measure its progress. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. In cases where the input method does not realiably depicts the progress towards completion of performance obligation, then output method is used to recognise revenue.

Any expected losses on contracts in progress are charged to statement of profit & Loss, in total, in the period the losses are identified.

Revenue is measured at the transaction price that is allocated to the performance obligation and is adjusted for variable considerations. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, incentives, if any. The Group recognises revenue for variable consideration when it is probable that

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

a significant reversal in the amount of cumulative revenue recognised will not occur. The Group estimates the amount of revenue to be recognised on variable consideration using most likely amount method. Consequently, amounts allocated to a satisfied performance obligation are recognised as revenue, or as a reduction of revenue, in the period in which the transaction price changes.

The Group recognises asset from the costs incurred to fulfill the contract such as initial contract expenses on new projects for mobilisation which will be used in satisfying the contract and are expected to be recovered. The asset is amortised over the contract tenure on a systematic basis that is consistent with the transfer of control to the customer of the goods or services to which the asset relates i.e., stage of completion of the contract as at the end of reporting period. Site mobilisation expenditure to the extent not written off valued at cost.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price

b) Service concession arrangement

Financial asset under service concession arrangements (Appendix D to Ind AS 115 – Revenue from Contracts with Customers)

The Group recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor ("NHAI") for the construction services and Operation & Maintenance services). Such financial assets are initially measured at fair value and subsequently at amortised cost using the Effective Interest Rate (EIR) method. Group combine the two or more contracts entered into at or near the same time with the same customer and account for the contracts as a single contract if contracts are negotiated as a package with a single commercial objective or amount of consideration to be paid in one contract depends on the price or performance of the other contract or goods or services promised in the contracts are single performance obligation.

Intangible asset under service concession arrangements (Appendix D to Ind AS 115 – Revenue from Contracts with Customers)

In respect of Public to Private Arrangements (PPA), on a Built-Operate-Transfer (BOT) basis, Intangible Assets i.e. Right to collect toll/tariff are recognised when the Group has been granted rights to charge a toll/tariff from the users of such public services.

Toll collection is recognized in the period of collection of toll / user fee which coincides with the usage of the infrastructure (Road) i.e. at point of time.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work to the extent that it is probable that they will result in revenue and can be measured reliably. The Group has a fixed contract with third party for collecting toll on behalf of the Group. Any recovery charged from the third party due to shortfall identified while comparing with average monthly agreed remittance is considered as variable consideration over and above fixed part and are recognized as revenue when it is highly probable that it will result in revenue.

c) Sale of Power

The Group's contracts with customers for the sale of power generally include one performance obligation. Revenue from sale of power is recognized net of estimated rebates and other similar allowances over time for each unit of electricity delivered at the agreed tariff rate as defined in Power Purchase Agreement which is consistent with the transfer of control to the customer.

d) Contract balances

Contract assets: If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Group's remaining performance as specified under the contract, which is consistent with the industry practice.

Trade receivables: A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group hold the trade receivable with the objective of collecting the contractual cash flows and therefore measure them subsequently at amortised cost using the effective interest rate method less loss allowance, if any.

Contract liabilities: If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For The Year Ended 31st March 2026

e) Other operating income

- The Rental income of the Group mainly arises from leasing of machinery, unutilised office space and investment properties. These rental incomes are accounted for on straight-line basis over the lease terms.
- The Interest Income on balance annuity payments of financial assets under Service Concession Arrangements (SCA) is presented under other operating income.
- Other operating income represents income earned from the activities incidental to business and is recognised when performance obligation is satisfied and right to receive the income is established as per terms of contract.

f) Other income

- Dividend income is recognised when the right to receive payment is established.
- Interest income is recognised using Effective Interest rate method.
- Miscellaneous income is recognised when performance obligation is satisfied and right to receive the income is established as per terms of contract.

2.2.9 Government grant

Grant from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. The carrying amount of the asset is adjusted for the amount of the government grant recognised.

2.2.10 Borrowing cost

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are charged to statement of profit and loss in the period in which they are incurred except when it meets the criteria for capitalisation as part of qualifying assets as per Ind AS 23.

2.2.11 Taxes

Tax expense comprises current tax and deferred income tax.

a) Current income Tax

Current tax is determined as the tax payable in respect of taxable income for the period and is computed in accordance with relevant tax regulations. Current income tax is recognised in statement of profit and loss except to the extent it relates to items recognised outside profit or loss in which case it is recognised either in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and tax liabilities are offset where the group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred Tax

Deferred tax is provided for temporary taxable/ deductible difference arising on the difference of tax base and accounting base of assets/liabilities using the liability method and are measured at the enacted tax rates or substantively enacted tax rates at reporting date.

Deferred tax is recognised in statement of profit and loss except to the extent it relates to items recognised outside profit or loss, in which case it is recognised (either in other comprehensive income or in equity).

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 profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.2.12 Foreign currencies

Functional and presentation currency

The functional currency and presentation currency of the Group is Indian Rupees.

Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the reporting date are reported in the functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are not retranslated and are reported using the exchange rate at the date of the transaction.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise and are presented on net basis

Foreign Operations

Financial statements of foreign operations whose functional currency is different from Indian Rupees are translated into Indian Rupees as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

a) assets and liabilities (both monetary and non-monetary) are translated at the closing rate at the date of Balance Sheet;

b) income and expenses are translated at average exchange rate for the reporting period, unless exchange rate fluctuate significantly during the period, in which case, the exchange rates at the dates of transaction are used; and

c) all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to statement of profit and loss on disposal of such foreign operations.

2.2.13 Employee benefit

a) Short-term employee benefits

Employee benefits such as wages and salaries, short term compensated absences, and Performance Related Pay (PRP) falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the statement of profit and loss in the period in which the employee renders the related services.

b) Post-employment benefits

Defined Contribution Plan: The Group has defined contribution plans which include an employee pension scheme and a post-retirement medical benefit scheme.

The pension scheme was initially administered through a separate trust, Ircon Defined Contribution Superannuation Pension Scheme 2009 Trust, and has subsequently been transferred to the National Pension System (NPS).

The post-retirement medical benefit scheme is administered through a trust fund (Ircon Medical Trust) to which the Group contributes in accordance with the Department of Public Enterprises (DPE) guidelines.

The Contributions to these defined contribution plans are recognised as an expense in the statement of profit and loss in the period in which the contributions become due. The Group has no further payment obligations once the contributions are made to such Schemes/Trust.

Defined Benefit Plan: The Group's liability towards gratuity and provident fund are in the nature of defined benefit plans.

The gratuity is funded by the Group and is managed by a separate trust (Ircon Employees Group Gratuity Trust). The contributions to the gratuity trust for the period are recognised as expense and are charged to statement of profit and loss. The Group pays fixed contribution to the recognised provident fund at predetermined rates to a separate trust (Ircon Contributory Provident Fund Trust), which invests the funds in permitted securities. The contributions to the fund for the period are recognised as expense and are charged to statements of profit and loss. The obligation of the Group is to make such fixed contributions and to ensure a minimum rate of return to the members as specified by the Government of India.

The Group's net obligation in respect of defined benefit plans is measured separately for each plan at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

The calculation is performed by an independent actuary using the projected unit credit method and provided for if the circumstances indicate that the Trusts may not be able to generate adequate returns to cover the interest rates notified by the Government.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to statement of profit and loss.

c) Other long-term employee benefits

The Group treats leave encashment expected to be carried forward beyond twelve months and leave travel concession as long-term employee benefit for measurement purposes. The obligation recognised in respect of these long-term benefits is measured at present value of the obligation based on actuarial valuation using the projected unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the statement of profit and loss as employee benefit expenses.

2.2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes unrestricted cash and short-term deposits with original maturities of three months and less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.2.15 Dividend

Annual Dividend distribution to the Group's equity shareholders is recognised as liability in the period in which dividend is approved by the shareholders. Any interim dividend is recognised as liability on approval by the Board of Directors. Dividend payable is recognised directly in equity.

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2.2.16 Provisions, contingent assets 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.

Provisions recognised by the Group include provisions for Maintenance, Demobilization, Decommissioning costs in case of Solar power, Legal Cases, Corporate Social Responsibility (CSR), Onerous Contracts and others.

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.

These provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent assets

Contingent assets are not recognised though are disclosed, where an inflow of economic benefits is probable.

2.2.17 Leases

If the contract conveys the right to control the use of an identified asset for a period in exchange for consideration, it is treated as lease.

a) Group as a lessee

The Group recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liabilities.

iii) Short-term lease and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices

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(i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

b) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. 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.

2.2.18 Financial instruments

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a) Financial assets

Initial recognition and measurement

All financial assets (excluding trade receivables which do not contain a significant financing component, being measured at transaction price) are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of financial asset. Transaction costs directly attributable to the acquisition of financial assets carried at fair value through profit or loss (FVTPL) are expensed in statement of profit and loss.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories based on the Group's business model and the cash flow characteristics of the asset:

- **Financial assets at amortised cost**

After initial measurement, the financial assets that are held for collection of contractual cash flows where those cash flow represent solely payments of principal and interest (SPPI) on the principal amount outstanding are measured at amortised cost using the effective interest rate (EIR) method. Interest income from these financial assets is included in other income.

- **Financial assets at fair value through other comprehensive income (FVTOCI):**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss (FVTPL). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Impairment of financial assets

The Group applies the expected credit loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost or financial assets measured at FVTOCI.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

Under simplified approach, impairment loss allowance is recognised based on lifetime ECLs at each reporting date.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss.

The balance sheet presentation of impairment for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance. The impairment allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e., as a liability.

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- Debt instruments measured at FVTOCI: For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance is recognised in other comprehensive income as the 'accumulated impairment amount".

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

The difference between the carrying amount and the amount of consideration received / receivable is recognised in the statement of profit and loss.

b) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities includes trade payables, borrowings and other financial liabilities etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss.**

The Group has not designated any financial liabilities at FVTPL.

- **Financial liabilities at amortised cost**

Borrowings, trade payables and other financial liabilities

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortised cost using the EIR method.

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.

Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable contractual legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.2.19 Fair value measurement

The Group measures financial instruments at fair value at each reporting period.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy and are disclosed accordingly in the financial statements.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

2.2.20 Earnings per Share

In determining basic earnings per share, the Group considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares. The Group does not have any dilutive potential equity shares.

2.2.21 Non – current asset held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the

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asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment, investment property and intangible assets are not depreciated or amortised once classified as held for sale. Assets classified as held for sale/distribution are presented separately in the balance sheet.

If the criteria stated by IND AS 105 "Non-current Assets Held for Sale" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale. The depreciation reversal adjustment related property, plant and equipment, investment property and intangible assets is charged to statement of profit and loss in the period when non-current assets held for sale criteria are no longer met.

2.2.22 Prior Period Adjustment

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 0.50% of total operating revenue as per last audited financial statement of the Group.

2.2.23 Significant accounting estimates and judgments

The preparation of Consolidated Financial Statements requires the management to make judgements, accounting estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Grouping 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.

This policy provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Significant areas of estimation and judgements as stated in the respective accounting policies that have the most significant effect on the financial statements are as follows:

Allowances for uncollected trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivables balances and historical experiences. Individual trade receivables are written off when management deems not to be collectible.

Defined benefit plans

The costs of post-retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes.

Impairment of financial assets

The impairment provision for financial assets is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the group companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax

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assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. Determining the recoverable amount of the assets is judgmental and involves the use of significant estimates and assumptions. The estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and do not reflect unanticipated events and circumstances that may occur.

Non-current asset held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Revenue recognition

The Group's revenue recognition policy is central to how the Group values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of Contracts, which require, assessments and judgements to be made on changes in scope of work and claims and variations.

There are several long-term and complex projects where the Group has incorporated significant judgements over contractual entitlements. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract:

- Determination of stage of completion
- Estimation of project completion date
- Provisions for foreseeable losses
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviewed at each reporting date and adjust to reflect the current best estimates.

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3. Property, Plant and Equipment

(₹ in crore)

Particulars	Freehold Land	Freehold Buildings/ Flats-Residential	Freehold Buildings/ Flats-Non-Residential	Plant & Machinery	Survey Instruments	Computers	Office Equipments	Furniture & Fixtures	Caravans, Camps and Temporary Sheds	Vehicles	Total
Foot Notes							(i)	(ii)			
Gross Carrying Amount (At Cost)											
As at 1 April 2024	**44.15**	**6.55**	**43.61**	**240.29**	**3.97**	**9.16**	**6.18**	**7.87**	**3.45**	**4.32**	**369.55**
Additions	1.37	-	13.15	762.54	-	2.02	0.95	4.76	0.24	-	**785.03**
Disposals/Adjustments	-	-	-	(0.81)	(0.19)	(1.01)	(0.57)	(0.26)	-	-	**(2.84)**
Exchange Gain / (Loss) (Refer Note-iii)	-	-	0.81	2.14	0.02	0.03	0.03	0.02	0.02	0.10	**3.17**
As at 31 March 2025	**45.52**	**6.55**	**57.57**	**1,004.16**	**3.80**	**10.20**	**6.59**	**12.39**	**3.71**	**4.42**	**1,154.91**
Additions (Refer Note-iv)	0.69	-	0.56	1,188.86	-	3.73	1.23	1.17	-	-	**1,196.24**
Disposals/Adjustments	-	-	-	(3.80)	(0.10)	(1.21)	(1.00)	(0.71)	(0.01)	-	**(6.83)**
Transfer to Investment Property	-	-	-	-	-	-	(0.01)	(4.75)	-	-	**(4.76)**
Transfer to Assets held for sale (Refer Note 17)	-	-	-	(3.80)	-	-	-	-	-	-	**(3.80)**
Exchange Gain / (Loss) (Refer Note-iii)	-	-	2.84	7.93	0.03	0.05	0.07	0.06	0.05	0.20	**11.23**
As at 31 March 2026	**46.21**	**6.55**	**60.97**	**2,193.35**	**3.73**	**12.77**	**6.88**	**8.16**	**3.75**	**4.62**	**2,346.99**
Depreciation and Impairment											
As at 1 April 2024	**-**	**4.62**	**23.27**	**110.56**	**1.35**	**7.04**	**4.32**	**3.42**	**2.93**	**3.03**	**160.54**
Depreciation charge for the year	-	0.05	1.61	25.75	0.34	1.13	0.52	1.02	0.19	0.43	**31.04**
Impairment	-	-	-	-	-	-	-	-	-	-	**-**
Disposals/Adjustments	-	-	-	(0.20)	(0.13)	(0.91)	(0.51)	(0.14)	-	-	**(1.89)**
Exchange Gain / (Loss) (Refer Note-iii)	-	-	0.46	1.50	0.01	0.01	0.03	0.02	0.01	0.08	**2.12**
As at 31 March 2025	**-**	**4.67**	**25.34**	**137.61**	**1.57**	**7.27**	**4.36**	**4.32**	**3.13**	**3.54**	**191.81**
Depreciation charge for the year	-	0.05	2.48	63.10	0.33	1.61	0.64	0.80	0.19	0.18	**69.38**
Impairment	-	-	-	-	-	-	-	-	-	-	**-**
Disposals/Adjustments	-	-	-	(2.89)	(0.06)	(1.02)	(0.82)	(0.52)	-	-	**(5.31)**
Transfer to Investment Property	-	-	-	-	-	-	-	(0.79)	-	-	**(0.79)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Particulars	Freehold Land	Freehold Buildings/ Flats-Residential	Freehold Buildings/ Flats-Non-Residential	Plant & Machinery	Survey Instruments	Computers	Office Equipments	Furniture & Fixtures	Caravans, Camps and Temporary Sheds	Vehicles	Total
Transfer to Assets held for sale (Refer Note-17)	-	-	-	(1.45)	-	-	-	-	-	-	**(1.45)**
Exchange Gain / (Loss) (Refer Note-iii)	-	-	1.55	5.86	0.03	0.02	0.06	0.06	0.04	0.16	7.78
As at 31 March 2026	**-**	**4.72**	**29.37**	**202.23**	**1.87**	**7.88**	**4.24**	**3.87**	**3.36**	**3.88**	**261.42**
Net Book Value											
At 31 March 2026	**46.21**	**1.83**	**31.60**	**1,991.12**	**1.86**	**4.89**	**2.64**	**4.29**	**0.39**	**0.74**	**2,085.57**
At 31 March 2025	**45.52**	**1.88**	**32.23**	**866.55**	**2.23**	**2.93**	**2.23**	**8.07**	**0.58**	**0.88**	**963.10**
At 1 April 2024	**44.15**	**1.93**	**20.34**	**129.73**	**2.62**	**2.12**	**1.86**	**4.45**	**0.52**	**1.29**	**209.01**

Foot Notes:-

i) Office Equipment includes Electrical Appliances and Air Conditioners.

ii) Furniture & Fixtures includes Furnishings.

iii) Carrying amount include Foreign Exchange Gain/(Loss) on account of Property, Plant & Equipment (PPE) translation from functional currency to presentation currency.

(iv) Freehold Buildings / Flats – Non-Residentials and Plant & Machinery have been capitalised from Capital Work in Progress.

(v) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets.

Estimated useful life of assets are as follows:

Class of Assets	Useful lives as per Schedule II (in Years)	Useful life adopted based on technical evaluation (in years)
Building/flats residential/non residential *	60	8-60
Plant and Machinery *	8-40	1-30
Survey instruments	10	10
Computers	3-6	3-6
Office Equipment's	5-10	5-10
Furniture and fixtures	10	10
Caravans, Camps and temporary shed	3-5	3-5
Vehicles	8-10	8-10

* Each significant component of the asset has been considered for determination of useful life of the assets as per the technical evaluation.

(vi) Refer Note – 2.2.2 for Material Accounting Policies Information of Property, Plant and Equipment (PPE).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

4. Capital Work in Progress

(₹ in crore)

Particulars	Amount
As at 1 April 2024	**548.91**
Additions (subsequent expenditure)	1,240.12
Adjustments	(67.51)
Impairment	–
Capitalised during the year	(745.66)
As at 31 March 2025	**975.86**
Additions (subsequent expenditure)	881.87
Adjustments	(112.37)
Impairment	–
Capitalised during the year	(1,150.85)
As at 31 March 2026	**594.51**
Net Book Value	
At 31 March 2026	**594.51**
At 31 March 2025	**975.86**
At 1 April 2024	**548.91**

Foot Notes:

(i) Ageing of Capital Work in Progress

The Ageing Schedule of Capital Work in Progress for the year ended as at 31st March 2026, 31st March 2025 and 1 April, 2024 are as follows:

(₹ in crore)

Particulars	Amount in Capital Work in Progress for a period of				
	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2026					
Projects in progress (Refer note iv)	589.30	5.21	–	–	**594.51**
Projects temporarily suspended	–	–	–	–	**-**
	589.30	**5.21**	**-**	**-**	**594.51**
As at March 31, 2025					
Projects in progress (Refer note iv)	963.61	12.25	–	–	**975.86**
Projects temporarily suspended	–	–	–	–	**-**
	963.61	**12.25**	**-**	**-**	**975.86**
As at April 1, 2024					
Projects in progress	**540.41**	**8.50**	**-**	**-**	**548.91**
Projects temporarily suspended	–	–	–	–	–
	540.41	**8.50**	**-**	**-**	**548.91**

(ii) There are no projects where activity has been suspended.

(iii) Below are the details of ageing for the projects whose completion is overdue or has exceeded its cost compared to its original plan:

As at 31 March, 2026 and 31 March 2025, no projects are overdue or exceeded estimated cost except the solar project of Ircon Renewable Power Limited, a Subsidiary Company which is overdue with a total cost of ₹ **2,801.10 Crore** and ₹ **2,770.45 Crore** respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at March 31, 2026				
Projects in progress				
Solar Power Project	147.33	-	-	-
As at March 31, 2025				
Projects in progress				
Solar Power Project	994.12	-	-	-

(iv) Includes 500 MW Solar Plant under construction by Ircon Renewable Power Limited, a Subsidiary Company. The carrying amount of the solar power plant (capital-work-in-progress) facility at 31 March 2026 was ₹ **579.74 crore** (31 March 2025: ₹ 942.20 crore and 1 April 2024: ₹ 542.35 crore) and proportionate amount of Viability Gap Funding (VGF) amounting to ₹ **112.35** crore (FY 2024-25 : ₹ **67.41** crore) has been adjusted against Capital Work-in-Progress in FY 2025-26 and the unutilised VGF balance of **Nil** (FY 2024-25: ₹ 44.94 crore) is shown in Note 22 (Refer Foot Note (i) of Note 22). The amount of borrowing cost (net of interest income of ₹ 0.19 crore) added to Capital Work in progress during the year 31st March 2026 was ₹ **88.13 crore** (31st March 2025: ₹ 90.99 crore (net of interest income of ₹ 0.60 crore)).

(v) During the current year, the Group has capitalised CWIP under the head Property, plant and equipment amounting of ₹ **1,150.85 crore** (FY 2024-25: ₹ 745.66 crore).

5. Investment Property

(₹ in crore)

Particulars	Noida			Gurugram			Bangalore	Total
	Land	Capital work in progress	Building	Land	Capital work in progress	Building	Land and Building	
As at 1 April 2024	**327.20**	**1.14**	**157.62**	**2.23**	**1.48**	**95.04**	**3.04**	**587.75**
Additions (subsequent expenditure)	-	0.72	1.08	-	8.97	0.51	-	**11.28**
Capitalised during the year	-	-	-	-	-	-	-	**-**
As at 31 March 2025	**327.20**	**1.86**	**158.70**	**2.23**	**10.45**	**95.55**	**3.04**	**599.03**
Additions (subsequent expenditure)	-	-	0.06	-	-	0.64	-	**0.70**
Capitalised during the year	-	(1.29)	1.29	-	(10.45)	10.45	-	**-**
Transferred from Property, Plant and Equipment	-	-	-	-	-	4.76	-	**4.76**
As at 31 March 2026	**327.20**	**0.57**	**160.05**	**2.23**	**-**	**111.40**	**3.04**	**604.49**
Depreciation and Impairment								
As at 1 April 2024	**-**	**-**	**32.85**	**-**	**-**	**10.44**	**1.39**	**44.68**
Depreciation during the year	-	-	8.66	-	-	3.62	0.09	**12.37**
As at 31 March 2025	**-**	**-**	**41.51**	**-**	**-**	**14.06**	**1.48**	**57.05**
Depreciation during the year	-	-	9.04	-	-	3.58	0.09	**12.71**
Transferred from Property, Plant and Equipment	-	-	-	-	-	0.79	-	**0.79**
As at 31 March 2026	**-**	**-**	**50.55**	**-**	**-**	**18.43**	**1.57**	**70.55**
Net Block								
At 31 March 2026	**327.20**	**0.57**	**109.50**	**2.23**	**-**	**92.97**	**1.47**	**533.94**
At 31 March 2025	**327.20**	**1.86**	**117.19**	**2.23**	**10.45**	**81.49**	**1.56**	**541.98**
at 1 April 2024	**327.20**	**1.14**	**124.77**	**2.23**	**1.48**	**84.60**	**1.65**	**543.07**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Information regarding income and expenditure of Investment property

(₹ in crore)

Particulars	31 March 2026	31 March 2025
Rental income derived from investment properties*	29.98	23.80
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the year	5.88	5.63
Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the year	-	-
Profit arising from investment properties before depreciation and indirect expenses	**24.10**	**18.17**
Less: Depreciation during the year	(12.71)	(12.37)
Profit arising from investment properties before indirect expenses	**11.39**	**5.80**

* Includes maintenance income from properties

Reconciliation of fair value

(₹ in crore)

Particulars	Noida			Gurugram			Bangalore	Total
	Land	Capital work in progress	Building	Land	Capital work in progress	Building	Land and Building	
As at 1 April 2024	**330.03**	**-**	**128.92**	**74.50**	**-**	**86.40**	**10.51**	**630.37**
Addition during the year	-	-	-	-	-	-	-	**-**
Fair value difference for the year	29.38	-	(0.81)	9.10	-	5.76	1.23	**44.65**
As at 31 March 2025	**359.41**	**-**	**128.11**	**83.60**	**-**	**92.16**	**11.74**	**675.02**
Addition during the year	-	-	-	-	-	-	-	**-**
Fair value difference for the year	(3.50)	-	41.47	51.89	-	22.92	2.06	**114.84**
As at 31 March 2026	**355.91**	**-**	**169.58**	**135.49**	**-**	**115.08**	**13.80**	**789.86**
Note:-								
Investment Property acquired	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Investment Property self constructed	**355.91**	**-**	**169.58**	**135.49**	**-**	**115.08**	**13.80**	**789.86**
	355.91	**-**	**169.58**	**135.49**	**-**	**115.08**	**13.80**	**789.86**

Foot Notes:-

(i) These valuations are based on valuations performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 applying valuation model acceptable internationally. Fair Values are based on income/cost/market value approach.

(ii) The fair value measurement is categorised in Level 3 of fair value hierarchy.

(iii) Investment property in Noida is at three locations having lease term of 90 years, Properties in Gurugram and Bangalore are at one location only which are freehold.

(iv) Other provisions amounting to ₹ 0.57 crore has been created towards capital work in progress in FY 2023-24 for the Sector 125, Noida property due to pending resolution of the dispute with the Noida Authority.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

6. Intangible Assets

(₹ in crore)

Particulars	Intangibles (Software/ Lease Rights/Toll Road)			
	Software	Lease Rights	Toll Road	Total
Gross Block				
As at 1 April 2024	**14.85**	**72.34**	**1,266.37**	**1,353.57**
Addition during the year	3.72	-	-	**3.72**
Sales / adjustment during the year	(0.01)	-	-	**(0.01)**
As at 31 March 2025	**18.56**	**72.34**	**1,266.37**	**1,357.27**
Addition during the year	1.01	-	-	**1.01**
Sales / adjustment during the year	(0.02)	-	-	**(0.02)**
As at 31 March 2026	**19.55**	**72.34**	**1,266.37**	**1,358.26**
Amortisation and Impairment				
As at 1 April 2024	**5.95**	**13.87**	**356.21**	**376.04**
Amortisation during the year	4.34	1.64	67.17	**73.16**
Sales / adjustment during the year	-	-	-	-
As at 31 March 2025	**10.29**	**15.52**	**423.38**	**449.19**
Amortisation during the year	5.35	1.64	67.17	**74.16**
Sales / adjustment during the year	(0.02)	-	-	**(0.02)**
As at 31 March 2026	**15.62**	**17.16**	**490.55**	**523.33**
Net book value				
At 31 March 2026	**3.93**	**55.18**	**775.82**	**834.93**
At 31 March 2025	**8.27**	**56.82**	**842.99**	**908.08**
At 1 April 2024	**8.90**	**58.47**	**910.16**	**977.53**

Foot Notes:

Software : Software includes capital expenditure made for acquiring SAP S4 / HANA ERP software.

Lease Rights :- Ircon Infrastructure and Services Limited has entered into an agreement with RLDA (Rail Land Development Authority) to build Multi Functional Complexes (MFCs) at various railway stations. The Land belongs to Railways and the company has construct the buildings on the same and having lease rights (commercial Rights) of 45 years from the date of commencement of MFC. The Lease Rights has been amortised over the lease period from the date in which the concerned project comes into commercial operations on prorata basis. The amount amortised during the year amounts to **₹1.64 crore** (F.Y. 2024-25 ₹ 1.64 crore).

Toll Road :- Toll Road also includes value of IT Infrastructure Software along with some small movable assets essential for the toll road and bundled with the EPC works of the Toll Road. The same is not separately quantifiable and is an integral part of the Asset.

7. Intangible Assets under Development

(₹ in crore)

Particulars	Intangible assets under development		
	Software	Toll Road	Total
Gross Block			
As at 1 April 2024	**-**	**-**	**-**
Addition during the year	-	-	**-**
Capitalisation during the year	-	-	**-**
Sales / adjustment during the year	-	-	-
As at 31 March 2025	**-**	**-**	**-**
Addition during the year	-	-	**-**
Capitalisation during the year	-	-	**-**
Sales / adjustment during the year	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Particulars	Intangible assets under development		
	Software	Toll Road	Total
As at 31 March 2026	-	-	-
Amortisation and Impairment			
As at 1 April 2024	-	-	-
Amortisation during the year	-	-	-
Impairment	-	-	-
Sales / adjustment during the year	-	-	-
As at 31 March 2025	-	-	-
Amortisation during the year	-	-	-
Impairment	-	-	-
Sales / adjustment during the year	-	-	-
As at 31 March 2026	-	-	-
Net book value			
At 31 March 2026	-	-	-
At 31 March 2025	-	-	-
At 1 April 2024	-	-	-

Foot Notes:

(i) The Group does not have any Intangible assets under development as at 31 March 2026, 31 March 2025 and 1 April 2024.

(ii) The Ageing Schedule of Intangible Assets under Development for the year ended as at 31st March 2026, 31st March 2025 and 1 April 2024 is as follows.

(₹ in crore)

Particulars	Amount in Intangible Assets under Development for a period of				
	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2026					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
As at March 31, 2025					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
As at April 1, 2024					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

(iii) Below are the details of ageing for the projects whose completion is overdue or has exceeded its cost compared to its original plan :

As at 31 March, 2026 and 31 March, 2025 , no projects are overdue or exceeded estimated cost.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

(₹ in crore)

Particulars	Amount in Intangible Assets under Development for a period of				
	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2026					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	**-**	**-**	**-**	**-**
As at March 31, 2025					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

8. Right-of-use Assets

(₹ in crore)

Particulars	Land (ii)	Building (i)	Vehicles	Total
Gross Block				
As at 1 April 2024	**1.89**	**8.23**	**0.04**	**10.16**
Addition during the year	34.93	-	-	**34.93**
Disposals / adjustment during the year	-	-	-	**-**
As at 31 March 2025	**36.82**	**8.23**	**0.04**	**45.09**
Addition during the year	34.96	-	-	**34.96**
Disposals / adjustment during the year	-	-	-	**-**
As at 31 March 2026	**71.78**	**8.23**	**0.04**	**80.05**
Depreciation and Impairment				
As at 1 April 2024	**0.46**	**3.07**	**0.04**	**3.57**
Depreciation during the year (Refer Note-iv)	0.95	0.93	-	**1.88**
Impairment during the year	-	-	-	**-**
Disposals / adjustment during the year	-	-	-	**-**
As at 31 March 2025	**1.41**	**4.00**	**0.04**	**5.45**
Depreciation during the year (Refer Note-iv)	4.27	0.93	-	**5.20**
Impairment during the year	-	-	-	**-**
Disposals / adjustment during the year	-	-	-	**-**
As at 31 March 2026	**5.68**	**4.93**	**0.04**	**10.65**
Net Book Value				
At 31 March 2026	**66.10**	**3.30**	**-**	**69.40**
At 31 March 2025	**35.41**	**4.23**	**-**	**39.64**
At 1 April 2024	**1.43**	**5.16**	**-**	**6.59**

Foot Notes:

i) Includes lease hold building on Railways land for 30 years lease at San Martin Marg, New Delhi & Pali Hill, Mumbai & Metro Railway Service Building, Kolkata for which agreement is yet to be finalised.

ii) Lease hold land includes land at Greater Noida Industrial Development Authority (GNIDA) for construction of proposed Central Inspection Cell (CIC) by the holding company (Gross value ₹0.76 crore). The Holding Company has received an extension of time vide letter dated 6th January, 2025 and is in the process of obtaining the completion certificate from GNIDA. The Leased land also includes lease arrangements for land with various land owners in case of Ircon Renewable Power Limited, a subsidiary company and these lease terms are negotiated locally and subject to local rules and regulations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

iii) Title deeds of immovable properties not held in name of the holding company :

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held 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 (also indicate if in dispute)
Right-of-use Assets	Pali Hill, Bandra Flat No. 401 Mumbai	0.21	WESTERN RAILWAY	NA	14th August, 2002	Flats are constructed on Railway Land and has been leased to holding company by respective Zonal Railway for a period of 30 years based on instruction issued in this regard.
Right-of-use Assets	Flats at St. Martin, New Delhi	2.26	NORTHERN RAILWAY	NA	16th September, 2004	
Right-of-use Assets	Metro Rail Service Building, Kolkata	0.75	METRO RAIL, KOLKATA	NA	3rd March, 2000	Office accommodation constructed by Metro Railway, Kolkata on Railway Land and has been leased out to holding company for a period of 30 years as per instruction issued in this regard.

iv) Part of depreciation for the year have been capitalised in CWIP amounting to ₹**0.62 crore** (FY 2024–25: ₹0.57 crore).

9. Investments accounted for using the equity method

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Investments in Equity Instruments (fully paid-up, unquoted, using Equity Method)			
Joint Venture Companies			
Ircon-Soma Tollway Private Limited 6,38,70,000 equity shares of ₹ 10 each (31 March 2025 : 6,38,70,000 and 1 April, 2024: 6,38,70,000) (Refer foot note (i))	151.46	74.72	79.78
Indian Railway Stations Development Corporation Limited 5,19,99,700 equity shares of ₹10 each (31 March 2025 : 5,19,99,700 and 1 April 2024 : 5,19,99,700) (Refer foot note (ii))	64.26	61.35	59.89
Bastar Railway Private Limited 7,63,37,300 equity shares of ₹ 10 each (31 March 2025 : 7,63,37,300 and 1 April 2024 : 7,63,37,300) (Refer foot note (iii))	76.27	76.23	76.42
Jharkhand Central Railway Limited 2,62,56,438 equity shares of ₹ 10 each (31 March 2025 : 2,62,56,438 and 1 April 2024 : 2,62,56,438) (Refer foot note (iv))	205.71	144.38	143.14
Mahanadi Coal Railway Limited 2,60,00,000 equity shares of ₹ 10 each (31 March 2025 : 2,60,00,000 and 1 April 2024 : 2,60,00,000) (Refer foot note (v))	111.26	110.44	109.73

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Chhattisgarh East Railway Limited 19,78,55,700 equity shares of ₹ 10 each (31 March 2025 : 19,78,55,700 and 1 April 2024 : 19,78,55,700) (Refer foot note (vi))	72.45	103.05	128.30
Chhattisgarh East-West Railway Limited 19,39,91,200 equity shares of ₹ 10 each (31 March 2025 : 19,39,91,200 and 1 April 2024 : 19,39,91,200) (Refer foot note (vii))	383.40	257.98	209.67
Total	**1,064.81**	**828.15**	**806.93**
Aggregate Book Value of Unquoted Investments	**1,064.81**	**828.15**	**806.93**
Aggregate amount of Impairment in Value of Investments	-	-	-

Foot Notes:-

(i) Pursuant to the the Concession Agreement dated 28th September 2005, the toll collection rights of the Ircon-Soma Tollway Private Limited (ISTPL), a Joint Venture Company with 50% holding, in which Group has an investment of ₹ 63.87 crore, are scheduled to cease on 14th May, 2026 upon expiry of the extended concession period. Subsequently, the highway assets shall be handed over to NHAI in accordance with the terms of the Concession Agreement. Based on Management assessment and intention to cease operations upon completion of the concession period, the financials of the Joint Venture company have been prepared on a basis other than going concern. As on 31.03.2026, net worth of ISTPL comes to ₹ 302.92 crore, out of which 50% share i.e. ₹ **151.46 crore** pertains to Group. Therefore, management does not perceive any impairment in the value of investment in ISTPL.

(ii) Ministry of Railways (MoR) vide its letter No. 2011/LMB/22/1/39 dated 18.10.2021, granted 'in-principle' approval for the closure of Indian Railway Station Development Corporation Limited (IRSDC), a Joint Venture Company and transfer of its business to RLDA/MoR. During the financial year 2024-25, with the consent of all joint venture partners i.e. IRCON, RITES & RLDA, it was decided to transfer the assets and liabilities of IRDSC (except investments in SITCO and GARUD/Station Facility Management (SFM)) to RLDA on a slump sale basis at book value as on 31.12.2024, amounting to approximately ₹39.89 crore (+/- 5%). The Business Transfer Agreement was signed on 09 April 2025, and the consideration of ₹ 39.89 crore was received by IRSDC from RLDA on 11 April, 2025.

Further, consideration against SITCO has also been received from RLDA against their share of ₹ 6.30 crore in FY 2023-24 and acquired IRSDC's share in GARUD for ₹12.49 crore in June 2025.

The financial statements of IRSDC have been prepared on a liquidation basis since FY 2021-22. In the Extraordinary General Meeting (EGM) held on 05 May 2026, shareholders approved voluntary liquidation under Section 59 of the Insolvency & Bankruptcy Code (IBC) and appointed a Liquidator. Liquidation formally commenced on the same date.

As at the balance sheet date i.e. 31 March 2026, the Group continues to monitor the developments closely and does not foresee any impairment in the value of investment. The Group's share in IRSDC's reported net worth stands at **₹64.65 crore i.e. 26% of ₹248.67 crore.**

(iii) Ministry of Railway (MoR) has granted in-principle approval for closure of Bastar Railway Private Limited, a joint venture company and transfer of its assets and liabilities to MoR. The legal formalities, pricing and related modalities are in process and the Group does not foresee any impairment in the value of investment at this stage.

(iv) The Board of Directors of Ircon International Limited have approved Interest free loan, of **₹173.76 crore** (31 March 2025: ₹ 114.11 crore) in favour of Jharkhand Central Railway Limited , out of which **₹173.76 crore** (31st March, 2025: ₹ 114.11 crore) has been paid. The loan will repaid only on winding up of the Joint Venture or end of concession period which ever is later.

(v) The Board of Directors of Ircon International Limited have approved Interest free loan, of **₹106.63 crore** (31 March 2025: ₹ 84.50 crore) in favour of Mahanadi Coal Railway Limited (a Joint Venture Company), out of which **₹84.50 crore** (31st March, 2025: ₹ 84.50 crore) has been paid. The loan will repaid only on winding up of the Joint Venture or end of concession period which ever is later. Further, it has been decided to handover Phase- I (Angul - Balram, 14 KM already operational) and Phase- II (Balram-Putgadia-Tentuloi,54 KM under construction) of MCRL Project to Ministry of Railways (MoR). The legal formalities, pricing and related modalities are in process and the Group does not foresee any impairment in the value of investment at this stage.

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(vi) The Board of Directors of Ircon International Limited have approved Interest free loan of ₹**106.10 crore** (31 March 2025: ₹ 64.27 crore) in favour of Chhattisgarh East Railway Limited (CERL), out of which ₹**46.20 crore** (31 March 2025: ₹ 46.20 crore) has been paid. The loan will repaid only on winding up of the Joint Venture or end of concession period which ever is later.

(vii) The Board of Directors of Ircon International Limited have approved Interest free loan of ₹**193.36 crore** (31 March 2025: ₹193.36 crore) in favour of Chhattisgarh East-West Railway Limited (CEWRL), out of which ₹**193.36 crore** (31 March 2025: ₹ 64.48 crore) has been paid. The loan will repaid only on winding up of the Joint Venture or end of concession period which ever is later.

10. Non-Current Assets – Non-Current Financial Assets

10.1 Non-Current Financial Assets – Investments

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Investment in Bonds (Quoted, at Amortised cost)			
7.15% Tax Free Indian Railway Finance Corporation Limited (IRFC) Bonds, Nil (31 March 2025 : Nil, 1 April 2024 : 250 units of ₹ 10,00,000 each)	-	-	24.99
7.07% Tax Free Indian Railway Finance Corporation Limited (IRFC) Bonds, Nil (31 March 2025 : Nil, 1 April 2024 : 3,02,000 units of ₹ 1,000 each)	-	-	30.20
7.14% Tax Free NHAI Bonds, Nil (31 March 2025 : Nil, 1 April 2024 : 1,99,989 units of ₹ 1,000 each)	-	-	20.00
7.02% Tax Free NHAI Bonds, Nil (31 March 2025 : Nil, 1 April 2024 : 500 units of ₹ 10,00,000 each)	-	-	50.00
Total	**-**	**-**	**125.19**
Aggregate Book Value of Quoted Investments	**-**	**-**	**125.19**
Aggregate Market Value of Quoted Investments	**-**	**-**	**130.43**
Aggregate Book Value of Unquoted Investments	**-**	**-**	**-**
Aggregate amount of Impairment in Value of Investments	**-**	**-**	**-**

10.2 Non-Current Financial Assets – Loans

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
A. Considered Good : Secured			
Staff Loans and Advances	-	-	0.02
B. Considered Good : Unsecured			
(i) Loans to Related Parties:	**-**	**-**	**-**
(ii) Others:			
Staff Loans & Advances	0.25	0.28	0.43
Total	**0.25**	**0.28**	**0.45**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Foot Note:

(i) (₹ in crore)

Particulars	As at 31st March 2026		As at 31st March 2025		As at 1st April 2024	
	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^
Loan to Promoters	-	-	-	-	-	-
Loan to Directors	-	-	-	-	-	-
Loan to KMPs	-	-	-	-	-	-
Loan to Related parties	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	-

* represents loan or advance in the nature of loan

^ represents percentage to the total Loans and Advances in the nature of loans

10.3 Non-Current Assets - Other Financial Assets

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Considered Good :			
Security Deposits			
- Government Departments	1.20	1.32	0.64
- Others	0.23	0.24	0.60
Contract Asset:			
- Retention Money with Client	27.31	31.28	14.75
- Construction cost incurred in terms of SCA {Refer foot note (i)}	3,527.71	3,058.01	2,216.47
Fixed Deposits having remaining maturity of more than 12 months {Refer foot note (ii)}	14.97	-	0.01
Fixed deposits having remaining maturity of more than 12 months (Bank Guarantee) {Refer foot note (iii)}	-	0.05	0.04
Interest Accrued on Advances to Staff {Refer foot note (iv)}	0.13	0.23	0.28
Recoverable from Rail Land Development Authority (RLDA)	-	-	15.00
Total	**3,571.55**	**3,091.13**	**2,247.79**

Foot Notes:-

(i) Construction Cost pertains to the Highway being made by the group under Hybrid Annuity Model (HAM).

(ii) Includes FDRs under Lien for ₹ **14.97 crore** (31st March 2025 : Nil and 1st April, 2024 : ₹ 0.01 crore)

(iii) ₹ 0.004 Crore as at 31st March 2026 (31st March 2025: ₹ 0.05 crore and 1st April, 2024 : ₹ 0.04 crore) represents fixed deposit pledged to Statutory Authorities/Other parties against ongoing projects in case of Ircon Infrastructure & Services Limited, a Subsidiary Company.

(iv) Details of amount due from Directors:

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 31st March 2024
Amount due from directors included in interest accrued on staff loans and advances	-	-	-
Total	**-**	**-**	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

11. Deferred Tax Assets and Income Tax

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) The major components of income tax expense for the year ended 31 March 2026 and 31 March 2025 are :

(₹ in crore)

S. No.	Particulars	For the Year ended	
		31st March 2026	31st March 2025
1	**Profit and Loss Section**		
	Current income tax :		
	Current income tax charge	213.18	261.28
	Adjustment in respect of current tax of previous year	(0.46)	(25.10)
	Deferred tax :		
	Relating to origination and reversal of temporary differences	(38.14)	(24.99)
	Income tax expense reported in the Profit and Loss section	**174.58**	**211.19**
2	**Other Comprehensive Income (OCI) Section**		
	Income tax related to items recognised in OCI during the year:		
	Net loss/(gain) on remeasurements of defined benefit plans	1.21	0.01
	Net loss/(gain) on foreign operation translation	0.25	1.84
	Income tax expense reported in the OCI section	**1.46**	**1.85**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2026 and 31 March 2025:

(₹ in crore)

S. No.	Particulars	For the Year ended	
		31st March 2026	31st March 2025
1	Accounting profit before income tax	772.13	946.37
2	Tax on Accounting profit	215.52	268.33
3	Effect of Tax Adjustments:		
(i)	Adjustments in respect of current income tax of previous years	(0.46)	(25.10)
(ii)	Utilisation of previously unrecognised tax losses	(18.72)	(35.40)
(iii)	Impact of Rate Difference	-	0.49
(iv)	Tax on Income exempt from tax	-	-
(v)	Non-deductible expenses for tax purposes:		
	-Other country additional tax	0.39	4.91
	-Other non-deductible expenses	(0.90)	6.73
(vi)	Tax effect of various other items	(19.79)	(6.92)
4	**Income tax expense reported in the Statement of Profit and Loss**	**176.04**	**213.04**
5	Effective Tax Rate	22.80%	22.51%

(c) Components of deferred tax assets and (liabilities) recognised in the Balance Sheet and Statement of Profit or Loss

(₹ in crore)

S. No.	Particulars	Balance sheet		Statement of Profit and Loss	
		31st March 2026	31st March 2025	31st March 2026	31st March 2025
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	(398.17)	(229.73)	168.44	28.87

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(₹ in crore)

S. No.	Particulars	Balance sheet		Statement of Profit and Loss	
		31st March 2026	31st March 2025	31st March 2026	31st March 2025
2	Provisions	190.93	157.43	(33.49)	(17.68)
3	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	34.08	41.55	7.47	4.51
4	Business Losses	350.24	172.91	(177.34)	(41.20)
5	Preliminary Expenses and Others	5.57	2.35	(3.22)	0.51
	Net deferred tax assets/(liabilities)	**182.65**	**144.51**	**(38.14)**	**(24.99)**

(d) Reflected in the balance sheet as follows:

(₹ in crore)

S. No.	Particulars	31st March 2026	31st March 2025	1st April, 2024
1	Deferred tax assets	580.82	374.24	320.38
2	Deferred tax liability	(398.17)	(229.73)	(200.86)
	Deferred Tax Asset/(Liabilities) (Net)	**182.65**	**144.51**	**119.52**

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

(e) Reconciliation of deferred tax (liabilities)/assets:

As at 31st March 2026

(₹ in crore)

S. No.	Particulars	Balance As at 1st April 2025 (Net)	Recognised in Statement of Profit and Loss	Recognised in OCI	Balance As at 31st March, 2026 (Net)
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	(229.73)	(168.44)	-	**(398.17)**
2	Provisions	157.43	33.49	-	**190.92**
3	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	41.55	(7.47)	-	**34.08**
4	Business Losses	172.91	177.34	-	**350.25**
5	Preliminary Expenses and Others	2.35	3.22	-	**5.57**
	Net deferred tax assets/(liabilities)	**144.51**	**38.14**	**-**	**182.65**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

As at 31st March 2025

(₹ in crore)

S. No.	Particulars	Balance As at 1st April 2024 (Net)	Recognised in Statement of Profit and Loss	Recognised in OCI	Balance As at 31st March, 2025 (Net)
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	(200.86)	(28.87)	-	**(229.73)**
2	Provisions	139.75	17.68	-	**157.43**
3	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	46.06	(4.51)	-	**41.55**
4	Business Losses	131.71	41.20	-	**172.91**
5	Preliminary Expenses and Others	2.86	(0.51)	-	**2.35**
	Net deferred tax assets/(liabilities)	**119.52**	**24.99**	**-**	**144.51**

12. Other Non-Current Assets

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Considered Good			
a) Capital Advances			
Capital Advance to Contractor	7.85	225.85	315.41
b) Advances Other than Capital Advances			
Advances to Contractors against Material and Machinery	15.53	36.68	62.82
Advances to Contractors, Suppliers and Others	181.60	182.02	222.13
(c) Others			
Balances with Goods & Services Tax	323.99	257.73	-
Deposits with Tax Departments	0.86	0.55	-
Interest Accrued on Advances to Contractors, Suppliers & Others	7.69	7.05	5.98
Project Construction Cost	27.83	47.25	56.90
Prepaid Expenses	-	-	0.18
Fair valuation adjustment	0.06	0.08	0.05
Total	**565.41**	**757.21**	**663.47**

13. Inventories

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Raw Material (Valued at Cost or NRV whichever is lower, unless otherwise stated)			
- In Hand	4.38	6.23	24.41
- With Third Parties	1.86	1.93	12.02
- In Transit	6.43	82.67	10.98
Others (Track and Construction Material)	-	-	0.30
Less : Provision for Diminution in Value of Inventory	(0.37)	-	-
Total	**12.30**	**90.83**	**47.71**

Foot Notes:-

(i) Above carrying value of inventories is subject to a charge to secure the Holding Company's secured working capital demand loan (Refer Note - 23.1)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

14. Current Assets - Current Financial Assets

14.1 Current Financial Assets - Investments

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
1. Investment in Bonds (Quoted, at Amortised cost)			
7.15% Tax Free Indian Railway Finance Corporation Limited (IRFC) Bonds : Nil (31st March, 2025: 250 units of ₹10,00,000 each and 1 April 2024: Nil)	-	25.00	-
7.07% Tax Free Indian Railway Finance Corporation Limited (IRFC) Bonds : Nil (31st March, 2025: 3,02,000 units of ₹1,000 each and 1 April 2024: Nil)	-	30.20	-
7.14% Tax Free NHAI Bonds : Nil (31 March 2025 : 1,99,989 units of ₹ 1,000 each and 1 April 2024: Nil))	-	20.00	-
7.02% Tax Free NHAI Bonds : Nil (31 March 2025 : 500 units of ₹ 10,00,000 each and 1 April 2024: Nil))	-	50.00	-
7.35% Government of India (GOI) Bond 2024 : Nil (31st March, 2025: Nil and 1 April 2024: Face Value ₹ 1,50,40,000)	-	-	1.51
2. Investment in Mutual Funds (Quoted, at Fair Value through Profit & Loss (FVTPL))			
Union Liquid Fund No. of units - Nil (31st March, 2025 : Nil and 1 April 2024: 2,27,140.24 units)	-	-	52.89
Aditya Birla Sun Life Liquid Fund No. of units - 48,47,878.10 (31st March, 2025 : Nil and 1 April 2024: Nil)	215.75	-	-
Axis Liquid Fund No. of units - 3,49,537.27 (31st March, 2025 : 3,66,150.89 and 1 April 2024: 2,69,473.15)	107.12	105.58	72.39
Axis Overnight Fund No. of units - Nil (31st March, 2025 : No. of units - 59,334.56 and 1 April 2024: Nil)	-	8.02	-
Canara Robeco Liquid Fund No. of units - Nil (31st March, 2025 : No. of units - 5,53,057.70 and 1 April 2024: Nil)	-	171.90	-
Bandhan Liquid Fund No. of units - Nil (31st March, 2025 : Nil and 1 April 2024: 2,27,140.24)	-	-	166.10
Nippon India Liquid Fund No. of units - 65,236.35 (31st March, 2025 : Nil and 1 April 2024: 3,16,143.76)	44.00	-	186.81
LIC Mutual Fund No. of units - Nil (31st March, 2025 : Nil and 1 April 2024: 1,91,133.26)	-	-	83.81
Total	**366.87**	**410.70**	**563.51**
Aggregate Book Value of Quoted Investments	**366.87**	**410.70**	**563.51**
Aggregate Market Value of Quoted Investments	**366.87**	**413.58**	**563.50**
Aggregate Book Value of Unquoted Investments	**-**	**-**	**-**
Aggregate amount of Impairment in Value of Investments	**-**	**-**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

14.2 Current Financial Assets – Trade Receivables

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Secured, considered good	14.23	14.07	13.55
Unsecured, considered good (Refer Foot Note (i))	1,431.05	1,369.62	832.32
Trade Receivables which have significant increase in credit risk	14.04	6.78	2.54
Trade Receivables – credit impaired	44.15	50.44	42.72
Impairment Allowance (allowance for bad and doubtful debts):			
Unsecured, considered good	(57.40)	(59.85)	(42.54)
Trade Receivables which have significant increase in credit Risk	(3.58)	(2.37)	(2.54)
Trade Receivables – credit impaired	(44.15)	(50.44)	(42.72)
Total	**1,398.34**	**1,328.25**	**803.33**

Foot Notes:-

(i) Includes receivables from Cost Plus Projects amounting to ₹**855.18 crore** (as at 31st March, 2025: ₹733.55 crore and 1 April, 2024: ₹166.46 crore) and receivables from related parties are disclosed in Note 37 (c) 4.1.

(ii) Above carrying value of trade receivables is subject to a charge to secure the Holding Company's secured working capital demand loan (Refer – Note – 23.1)

(iii) Trade Receivable Ageing Schedule for the year ended as at 31st March 2026 31st March 2025 and as at 1 April 2024

As at 31st March 2026

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2026 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	14.27	991.27	131.29	63.01	107.11	63.29	75.04	**1,445.28**
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	1.32	1.27	3.64	2.17	3.65	**12.05**
Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–	**-**
Disputed Trade Receivables considered good	–	–	–	–	–	–	–	**-**
Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	1.99	**1.99**
Disputed Trade Receivables – credit impaired	–	–	–	–	0.22	0.27	43.66	**44.15**
	14.27	**991.27**	**132.61**	**64.28**	**110.97**	**65.73**	**124.34**	**1,503.47**
Impairment Allowance								**(105.13)**
Total								**1,398.34**

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As at 31st March 2025

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2025 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	757.20	192.81	182.11	129.23	52.84	69.50	**1,383.69**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0.28	0.27	3.16	0.96	0.12	**4.79**
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables considered good	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	1.99	**1.99**
Disputed Trade Receivables – credit impaired	-	-	0.14	0.08	0.27	4.71	45.24	**50.44**
	-	**757.20**	**193.23**	**182.46**	**132.66**	**58.51**	**116.85**	**1,440.91**
Impairment Allowance								**(112.66)**
Total								**1,328.25**

As at 1st April 2024

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding as at 1st April, 2024 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	203.25	373.26	72.25	122.86	62.67	9.59	**843.88**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0.03	-	0.13	0.03	2.35	**2.54**
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables considered good	-	-	-	-	-	-	1.99	**1.99**
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables – credit impaired	-	-	-	0.25	4.11	5.75	32.61	**42.72**
	-	**203.25**	**373.29**	**72.50**	**127.10**	**68.45**	**46.54**	**891.13**
Impairment Allowance								**(87.80)**
Total								**803.33**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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14.3 Current Financial Assets – Cash and Cash equivalents

(₹ in crore)

Particulars	Foot Note	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Cash on hand		0.04	0.05	0.05
Cheques/drafts on hand		-	-	-
Balances with banks:				
- On current accounts	(ii), (iii), (iv), (viii), (ix), (x), (xi), (xii), (xiii) (xiv) & (xv)	747.94	673.35	619.78
- Flexi Accounts	(i) (ii) (iii), (iv), (ix) & (xv)	283.52	303.46	514.44
- Deposits with original maturity of less than 3 months	(i), (ii), (iv), (viii), (ix), (x), (xi), (xii), (xiii), (xiv) & (xv)	1,158.85	1,302.98	1,045.51
Total		**2,190.35**	**2,279.84**	**2,179.78**

14.4 Current Financial Assets – Other Bank Balances

(₹ in crore)

Particulars	Foot Note	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Deposits with original maturity of more than 3 months but less than 12 months	((i), (iii), (v), (vi), (vii), (ix) & (xv)	2,615.84	2,499.81	2,802.85
Earmarked Balances:				
- Lien on account of penalty imposed by NHAI		1.06	1.06	1.06
- CSR Bank Account		1.27	0.17	0.17
- Dividend Distribution Account		0.83	0.75	0.47
Total		**2,619.00**	**2,501.79**	**2,804.55**

Foot Notes (Note 14.3 and 14.4) : -

(i) Includes Clients Fund of ₹**1,165.23 crore** (As at 31st March 2025 : ₹1,893.60 crore and 1 April 2024: ₹**2,898.36 crore**) on which interest is passed on to them. Also, includes Project Fund against trade payable ₹**2,036.54 crore** (As at 31st March 2025 : ₹1,375.35 crore and 1 April 2024: ₹ 716.24 crore)

(ii) Includes ₹**0.50 crore** (As at 31st March 2025 : ₹5.56 crore and 1 April 2024: ₹ 16.53 crore) balance pertains to ESCROW account, flexi linked accounts and deposits which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon PB Tollway Limited.

(iii) Includes ₹ **70.63 crore** (As at 31st March 2025 : ₹**60.97** crore and 1 April 2024: ₹ **115.72 crore**) balance pertains to ESCROW account and flexi linked accounts which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Shivpuri Guna Tollway Limited. Further, ₹ **46.67 crore** in deposits under other bank balances includes (As at 31st March 2025 : ₹**46.67 crore** and 1 April 2024: ₹46.67 crore) earmarked amount as Lien for Major Maintenance Reserve account (available for use for maintenance work) as per terms of Loan Agreement with SBI.

(iv) Includes Clients Fund of ₹ **9.06 crore** (As at 31st March 2025 : ₹ 11.19 crore and 1 April 2024: ₹ 21.58 crore) in respect of Ircon Infrastructure & Services Limited on which interest is passed on to them.

(v) Includes Client fund of ₹**51.39 crore** (As at 31st March 2025 : ₹ 47.99 crore and 1 April 2024: ₹ 57.02 crore) and ₹**0.74 crore** (As at 31st March 2025: ₹ 0.10 crore and 1 April 2024: Nil) from own fund represents fixed deposit with bank against BG in respect of Ircon Infrastructure & Services Limited on which interest is passed on to them.

(vi) Includes deposits of ₹**26.46 crore** (As at 31st March 2025 : ₹ 26.46 crore and 1 April 2024: ₹26.46 crore) of Ircon Davanagere Haveri Highway Limited which is under lien with the Punjab National Bank and ₹**115.50 crore** (As at 31st March 2025 : ₹ 96.31 crore and 1 April 2024: ₹ 27.30 crore) are earmarked funds as per concession agreement entered with NHAI.

(vii) Includes ₹**89.11 crore** (As at 31st March 2025 : ₹51.44 crore and 1 April 2024: ₹31.21 crore) held in deposits which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Vadodara Kim Expressway Limited.

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(viii) Includes ₹**6.81 crore** (As at 31st March 2025 : ₹10.74 crore and 1 April 2024: ₹12.58 crore) balance pertains to ESCROW account and deposits which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Vadodara Kim Expressway Limited.

(ix) Includes ₹**8.25 crore** (As at 31st March 2025 : ₹ 19.48 crore and 1 April 2024: ₹ 86.23 crore) balance pertains to Current, ESCROW account and deposits which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Gurgaon Rewari Highway Limited.

(x) Includes ₹**16.41 crore** (As at 31st March 2025 : ₹ 13.68 crore and 1 April 2024: ₹ 41.82 crore) balance pertains to ESCROW account and deposits which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Davanagere Haveri Highway Limited.

(xi) Includes ₹**18.57 crore** (As at 31st March 2025 : ₹ 67.41 crore in escrow account & deposits and 1 April 2024: ₹ 31.03 crore in escrow account) balance pertains to ESCROW account and deposit which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Akloli-Shirsad Expressway Limited.

(xii) Includes ₹**9.06 crore** (As at 31st March 2025 : ₹ 15.86 crore in escrow account & deposits and 1 April 2024: ₹ 4.58 crore in escrow account) balance pertains to ESCROW account and deposits which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Bhoj Morbe Expressway Limited.

(xiii) Includes ₹**3.76 crore** (As at 31st March 2025 : ₹ 44.89 crore and 1 April 2024: ₹ 5.23 crore) balance pertains to ESCROW account and deposits which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Haridwar Bypass Limited.

(xiv) Includes ₹**0.91 crore** (As at 31st March 2025 : ₹ 10.83 crore and 1 April 2024: ₹ 2.16 crore) balance pertains to ESCROW account and deposits which are earmarked funds as per concession agreement entered with NHAI in respect of Ircon Ludhiana Rupnagar Highway Limited .

(xv) Includes ₹**97.31 crore** (As at 31st March 2025 : ₹ 53.06 crore and 1 April 2024: ₹ 9.41 crore) Escrow cum Trust and Retention Account, flexi accounts and deposits linked with Escrow cum Trust and Retention Account in respect of Ircon Renewable Power Limited.

14.5 Current Financial Assets - Loans

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
A. Considered Good : Secured			
Staff Loans and Advances	-	0.01	0.02
B. Considered Good : Unsecured			
Staff Loans & Advances	0.88	1.56	0.90
Total	**0.88**	**1.57**	**0.92**

Foot Notes:

(i) Loan or advances in the nature of Loans granted to related parties:

(₹ in crore)

Particulars	As at 31st March 2026		As at 31st March 2025		As at 1st April 2024	
	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^	Amount of loan or advance in the nature of loan outstanding*	% of total Loans and Advances in the nature of loans^
Loan to Promoters	-	-	-	-	-	-
Loan to Directors	-	-	-	-	-	-
Loan to KMPs	-	-	-	-	-	-
Loan to Related parties	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

* represents loan or advance in the nature of loan

^ represents percentage to the total Loans and Advances in the nature of loans

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

14.6 Current Assets – Other Financial Assets

(₹ in crore)

Particulars	Foot Note	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Considered Good :				
Security Deposits				
– Government Departments		13.20	11.63	5.41
– Others		75.29	70.25	126.21
Contract Asset:				
– Billable Revenue / Receivable not due	(i) (a) & (b)	358.31	343.81	246.80
– Construction Work in Progress (At realisable value)	(i) (b)	1,508.71	1,088.73	873.48
– Construction cost incurred in terms of SCA	(ii)	270.44	172.66	99.59
– Retention Money with Client	(iii)	158.16	134.69	136.66
– Money Withheld by Client	(iii)	463.88	346.62	319.22
Earnest Money Deposit		1.87	1.05	1.11
Fixed deposits having remaining maturity of less than 12 months	(iv)	9.25	0.32	3.31
Interest Accrued on :				
– Advance to Staff	(v)	0.09	0.09	0.07
– Loans to Related Parties		17.87	16.35	14.54
– Advances to Rail Land Development Authority (RLDA)		9.99	10.88	9.56
– Deposits with Banks		63.94	58.45	73.21
– Bonds and Government Securities		–	7.62	7.63
Share Application Money pending Allotment :				
Indian Railway Stations Development Corporation Limited – 300 equity shares of ₹ 10 each (31 March 2025 : 300 and 1 April 2024 : 300)		–	–	–
Other Recoverable :				
(a) Recoverable from Related Parties (Joint Ventures)				
– International Metro Civil Contractor		2.69	3.58	3.53
– Metro Tunnelling Group		0.78	0.75	1.76
– Ircon Soma Tollway Private Limited		–	–	–
– Indian Railway Station Development Corporation Limited		–	–	–
– IRCON – AFCON JV		1.30	–	0.42
– Chhattisgarh East Railway Limited		0.25	0.65	0.39
– Bastar Railway Private Limited		0.02	0.02	0.02
– Mahanadi Coal Railway Limited		0.21	3.81	3.35
– Jharkhand Central Railway Limited		0.10	0.10	0.08
– Express Freight Consortium		3.41	3.08	2.64

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Particulars	Foot Note	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
(b) Recoverable from Rail Land Development Authority (RLDA)		4.64	4.64	4.64
(c) Claims Recoverable from Clients		89.45	29.68	35.71
(d) Advance Lease Rent		0.16	0.12	0.14
(e) Interest Recoverable on Financial Asset under SCA		23.90	28.69	30.94
(f) Government Grant Receivable		67.41	-	-
(g) Others		17.81	3.94	10.23
Considered Doubtful :				
Security Deposits				
- Government Departments		0.01	0.01	0.01
- Others		0.05	0.05	0.12
Earnest Money Deposit		0.16	0.16	0.16
Contract Asset:				
- Retention Money with Client		2.94	4.28	4.28
- Money Withheld by Client		2.10	2.10	2.67
- Billable Revenue / Receivable not due		8.69	8.69	4.57
Recoverable from Ircon Soma Tollway Pvt. Ltd.		0.05	0.05	0.05
Recoverable from Rail Land Development Authority (RLDA)		25.81	25.81	25.81
Claims Recoverable from Clients		7.87	8.40	7.87
Less : Impairment allowance for doubtful financial assets		(47.68)	(49.55)	(45.54)
Total		**3,163.13**	**2,342.21**	**2,010.65**

Foot Notes : -

((i) (a) Includes Value of work amounting to ₹ **209.32 crore** (As at 31st March 2025 : ₹ 275.30 crore and 1 April 2024: ₹ 201.20 crore) certified by client, but not billed by reporting date.

(b) Includes Receivables from related parties ₹ **304.44 crore** (As at 31st March 2025 : ₹312.70 crore and 1 April 2024: ₹196.19 crore) and are disclosed in Note : 37 (c) 4.2(a)

(ii) Construction Cost pertains to the Highway being made by the Group under Hybrid Annuity Model (HAM).

(iii) Includes Receivables from related parties ₹ **106.43 crore** (As at 31st March 2025 : ₹ 47.58 crore and 1 April 2024: ₹ 58.71crore) and are disclosed in Note : 37 (c) 4.2 (b)

(iv) Includes ₹ **0.39 crore** (As at 31st March 2025 : ₹ 0.32 crore and 1 April 2024: ₹ 3.31 crore) fixed deposit with bank against BG pledged against various projects/Statutory Authorities in respect of Ircon Infrastructure and Services Limited, a subsidiary company.

(v) Debts due by officers of the company, firms in which any director is a partner or private company in which any director is a member except JVs and Subsidiaries are **Nil** (31st March 2025 and 1 April 2024 : ₹ Nil). Further, interest accrued on advance to Director is **Nil** (31st March 2025 and 1 April 2024 : Nil).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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15. Current Tax Assets (Net)

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	46.61	108.46	72.54
Current tax Assets (Net)	**46.61**	**108.46**	**72.54**

16. Other Current Assets

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Considered Good			
Advances Other than Capital Advances			
Advances to Contractors against Material and Machinery	125.05	139.00	106.01
Advances to Contractors, Suppliers and Others	736.32	774.84	1,085.40
Balance with:			
– Sales Tax (including TDS)	320.31	320.17	320.23
Less : Deposited under Protest	(217.05)	(217.05)	(217.05)
– Value Added Tax	79.70	68.40	69.52
– Goods & Services Tax*	801.70	907.26	1,123.68
– Building Cess	1.06	0.81	2.07
– Income Tax	0.26	–	–
Security Deposits	35.12	45.07	45.09
Deferred project mobilisation cost	13.20	10.35	12.39
Project Construction Cost	28.78	29.93	22.63
Interest Accrued on:			
– Deposits & Advances with Contractors, Suppliers & Others	71.72	62.88	66.42
Prepaid Expenses	9.52	8.41	26.71
Fair Valuation Adjustment	0.04	0.04	0.03
Others	–	0.01	–
Considered Doubtful :			
Advances to Contractors, Suppliers and Others	19.40	16.99	16.99
Sales Tax (including TDS)	30.00	30.00	30.00
Value Added Tax	12.44	9.87	9.87
Less: Impairment allowance for doubtful advances	(61.84)	(56.86)	(56.86)
Total	**2,005.73**	**2,150.12**	**2,663.13**

***Note**: Includes Goods and Services Tax deposited for ₹ **0.56 Crore** (As at 31 March 2025 : ₹ 0.56 Crore and 1 April 2024: Nil) under dispute.

17. Assets held for sale

(₹ in crore)

Particulars	Foot Note	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Assets held for sale	(i) & (ii)	0.45	–	-
Total		**0.45**	**–**	**–**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Foot Notes:

(i) Property, Plant & Equipment beyond economic repair and / or held for disposal (at lower of the realisable value and book value) : -

(₹ in crore)

Block of assets	Description of the assets	Manner and expected time of disposal	Expected (Loss) / Gain on sale of non current assets	Segment	As at 31st March 2026		As at 31st March 2025		As at 1st April 2024	
					Gross Block	Net Block	Gross Block	Net Block	Gross Block	Net Block
Plant and Machinery										
Ircon Infrastructure and Services Limited	Plant and Machinery	Through auction in open market with expected time of disposal by end of year 2026	-	Domestic	3.80	0.45	-	-	-	-
Total					**3.80**	**0.45**	**-**	**-**	**-**	**-**

(ii) Property, Plant & Equipment classified as Held for Sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of re-classification. Accordingly, impairment loss of ₹ **1.89 crore** (FY 2024-25 : Nil) (Refer note 31) has been provided for.

18. Equity Share Capital

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Authorised Share Capital			
200,00,00,000 Equity shares of ₹ 2 each			
(200,00,00,000 Equity shares of Rs.2 each as at 31st March 2025 and 1 April 2024)	400.00	400.00	400.00
	400.00	**400.00**	**400.00**
Issued/Subscribed and Paid up Capital			
94,05,15,740 Equity shares of Rs.2 each-fully paid			
(94,05,15,740 Equity shares of Rs.2 each-fully paid as at 31st March 2025 and 1 April 2024)	188.10	188.10	188.10
	188.10	**188.10**	**188.10**

(a) Details of Shareholders holding more than 5% of fully paid-up equity shares:

S. No.	Name of the shareholder	As at 31st March 2026		As at 31st March 2025		As at 1st April 2024	
		No. of Share	% holding in the class	No. of Share	% holding in the class	No. of Share	% holding in the class
1	Government of India in the name of the President of India and Government nominees	61,29,28,392	65.17%	61,29,28,392	65.17%	61,29,28,392	65.17%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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(b) Aggregate no. of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

	As at 31st March 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share
Equity shares allotted other than cash	-	-	-	-	-	-
Equity shares issued as bonus shares	-	-	-	-	47,02,57,870	-
Equity shares Buy Back	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**47,02,57,870**	**-**

(c) Terms / Rights attached to Equity Shares :

(i) Voting

The Group has only one class of equity shares having a par value of Rs.2 per share. Each holder of equity share is entitled to one vote per share.

(ii) Liquidation

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

(iii) Dividend

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

(d) Reconciliation of the number of equity shares and share capital outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2026		As at 31st March 2025		As at 1st April 2024	
	No. of shares	Rs in crore	No. of shares	Rs in crore	No. of shares	Rs in crore
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	**94,05,15,740**	**188.10**	**94,05,15,740**	**188.10**	**94,05,15,740**	**188.10**
Add: Bonus Shares Issued during the year	-	-	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	**94,05,15,740**	**188.10**	**94,05,15,740**	**188.10**	**94,05,15,740**	**188.10**

(e) Details of shares held by promoters/promoter group

S. No.	Promoter Name	Shares held by Promoter as at 31st March, 2026			Shares held by Promoter as at 31st March, 2025			Shares held by Promoter As at 1st April 2024		
		No. of shares	% of total shares	% change during the year*	No. of shares	% of total shares	% change during the year*	No. of shares	% of total shares	% change during the year
1	Government of India in the name of the President of India and Government nominees	61,29,28,392	65.17%	0.00%	61,29,28,392	65.17%	0.00%	61,29,28,392	65.17%	0.00%

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19. Other Equity

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Retained Earnings	3,157.19	2,765.22	2,315.26
General Reserve	3,284.64	3,284.64	3,284.64
Capital Redemption Reserve	4.93	4.93	4.93
Other Comprehensive Income	3.78	25.89	20.42
Total	**6,450.54**	**6,080.68**	**5,625.25**

i) Movement as per below:

(a) Retained Earnings

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	As at 1st April 2024
Opening Balance	**2,765.22**	**2,315.26**	**2,372.83**
Changes in accounting policy or prior period errors	-	-	(57.57)
Restated Opening Balance	**2,765.22**	**2,315.26**	**2,315.26**
Transfer from surplus in statement of profit and loss	595.47	727.41	-
Dividend declared and paid during the year	(94.05)	(122.27)	-
Interim Dividend	(112.86)	(155.19)	-
Re-measurement of defined benefit plans (net of tax)	3.46	0.04	-
Share of other comprehensive income/ (expense) of joint ventures accounted for using the equity method (net of tax)	(0.04)	(0.01)	-
Share Issue Expenses	(0.01)	(0.02)	-
Closing Balance	**3,157.19**	**2,765.22**	**2,315.26**

(b) General Reserve

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	As at 1st April 2024
Opening and Closing Balance	**3,284.64**	**3,284.64**	**3,284.64**

(c) Capital Redemption Reserve

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	As at 1st April 2024
Opening and Closing Balance	**4.93**	**4.93**	**4.93**

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(d) Other Comprehensive Income

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	As at 1st April 2024
Opening Balance	**25.89**	**20.42**	**9.20**
Exchange loss reclassified to profit and loss	(22.86)	-	13.04
Foreign Currency Translation (net of tax) during the year	0.75	5.47	(1.82)
Closing Balance	**3.78**	**25.89**	**20.42**
Grand Total (a+b+c+d)	**6,450.54**	**6,080.68**	**5,625.25**

ii) Nature and Purpose of Other Reserves:

(a) Retained Earnings

Retained Earnings represents the undistributed profits of the Group.

(b) General Reserve

General Reserve represents the statutory reserves, this is in accordance with Corporate Law wherein portion of profit is apportioned to General Reserve. Under Companies Act, 2013, the transfer of any amount to General Reserve is at the discretion of the Group.

(c) Capital Redemption Reserve

The Holding Company has created Capital Redemption Reserve out of the profits after Buy Back of shares on 26th December 2017.

(d) Other Comprehensive Income

Other Comprehensive Income represents balance arising on account of exchange difference on translation of foreign operations.

iii) Dividend Distribution

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025
Cash dividends on equity shares declared / paid:		
Final Dividend of FY 2024-25 paid during FY 2025-26: INR 1.00 per share (Final Dividend of FY 2023-24 paid during FY 2024-25: INR 1.30 per share)	94.05	122.27
Interim dividend paid during FY 2025-26: INR 1.20 per share (FY 2024-25: INR 1.65 per share)	112.86	155.19
Total	**206.91**	**277.46**

iv) Dividends not recognised at the end of the reporting year

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025
Final dividend recommended by the Board of Directors, subject to the approval of shareholders in the ensuing Annual General Meeting :		
Dividend for 31 March 2026: INR 0.70 per share (31 March 2025: INR 1.00 per share)	65.84	94.05
Total	**65.84**	**94.05**

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For The Year Ended 31st March 2026

19A. Non-controlling interest

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Non-controlling interests	32.05	35.60	35.18
Total	**32.05**	**35.60**	**35.18**

Movement as per below:

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	As at 1st April 2024
Opening Balance	**35.60**	**35.18**	**35.18**
Share of profit/ (loss) for the year	(3.55)	0.42	-
Share of Other Comprehensive Income for the year	-	-	-
Closing Balance	**32.05**	**35.60**	**35.18**

20. Non-Current Liabilities - Non-Current Financial Liabilities

20.1 Non-Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Secured:			
Term Loan From Banks:			
Loan From Punjab National Bank {Refer Foot Note (A) below}	229.20	252.12	275.04
Loan From Bank of Baroda {Refer Foot Note (A) below}	2,030.33	1,582.64	1,033.79
Loan From Indian Overseas Bank {Refer Foot Note (A) below}	254.33	196.51	196.51
Loan From State Bank of India {Refer Foot Note (A) below}	688.41	648.93	580.13
Loan From Union Bank of India {Refer Foot Note (A) below}	1,424.95	579.82	125.04
Letter of credit backed Bill discounting:			
From Union Bank of India {Refer Foot Note (B) below}	514.18	665.62	246.17
Unsecured:			
Debenture:			
14% Optionally Convertible Debentures : 20,90,00,000 of ₹ 10 each (31st March 2025: 20,90,00,000 of ₹ 10 each, 1 April, 2024 : Nil) {Refer Foot Note (C) below}	281.81	209.00	-
Total	**5,423.21**	**4,134.64**	**2,456.68**

Foot Notes :

i) **Details of Repayment terms, Rate of Interest and Security disclosure :**

Secured borrowings from banks:

Loan from Punjab National Bank (Pertaining to Ircon Davanagere Highway Limited)

Sanction :- ₹ 502. 76 Crore

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1) Terms and Conditions

(i) Interest rate to be charged on loan shall be at 1 Month MCLR +0.30% as applicable subject to change from time to time.Presently, the applicable interest rate is 8.50% p.a.

(ii) Repayment period will be 10 years and 6 months (Starting w.e.f 24.04.2021 and last instalment on 24.07.2031).

(iii) Term loan shall be repaid in 42 Quarterly instalments starting from 24th April 2021.

(iv) Interest shall be paid as and when due.

(v) Term Loan to be backed by unconditional & irrevocable corporate guarantee of holding Company (rated CARE AAA) upto receipt of 1st annuity from NHAI or COD plus 180 days whichever is later.

2) Details of Security:

(a) First charge by way of hypothecation of all fixed asset/ movable assets of the subsidiary company(Other than project assets; Except those acquired out of the free flow of the company in operation phase) and being informed from time to time to lender.

(b) First charge on the book debts of the project, Operating cash flow,Receivables,Commission,Revenues of whatsoever nature and wherever arising, Present and future intangibles, goodwill and uncalled capital(Present and future).

(c) A first charge on projects bank account, including but not limited to the escrow account opened in designated bank, where all cash inflow from the project shall be deposited and proceeds shall be utilised in a manner and priority to be decided by lender and investors.

(d) Assignment of all group's rights and interest under all the agreement related to project, letter of credit(if any), and guarantee and performance bond provided by any party for any contract related to the project in favor of borrower.

(e) Substitution agreement executed by authority on behalf of lender for the facility.

(f) Assignment of all applicable insurance policies.

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

5) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

Loan From Bank of Baroda (Pertaining to Ircon Vadodara Kim Expressway Limited)

Sanction :- ₹ 724.12 Crore

1) Terms and Conditions

(i) Interest rate to be charged on the loan was revised from Bank of Baroda 1 month MCLR without Strategic Premium to Bank of Baroda overnight MCLR without Strategic Premium plus 0.09% w.e.f. 27.09.2023.Due to increase in credit rating of the Company, interest rate is now BOB overnight MCLR w.e.f.31.07.2025. Presently 7.80% p.a. payable on Monthly rests as at 31.03.2026.

(ii) Moratorium of 7 months from the date of COD. The subsidiary company achieved provisional completion certificate i.e. Provisional COD. On request of the subsidiary company, Bank of Baroda made the subsequential shift in repayment schedule on 01.11.2022. The next repayment Schedule has started w.e.f 28.03.2024 and last installment on 25.03.2033.

(iii) Term loan shall be repaid in 21 half yearly instalments of ₹ 34.48 crore each.

(iv) Interest shall be paid as and when debited.

(v) Corporate Guarantee of the Promoter i.e. Holding Company (AAA Rated) has been released by Bank of Baroda vide No Objection Letter dated 25.05.2023.

2) Details of Security:

(a) A first mortgage and charge in favour of the Lenders/Security Agent for the benefit of the Lenders in a form satisfactory to the Lenders, of all the Borrower's immovable properties, if any both present and future, save and except Project Assets; a first charge in favour of Lender/ Security Agent for the benefit of the Lenders of all the Borrower's moveable properties, both present and future, save and except the Project Assets.

(b) A first charge on all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets and current assets, both present and future, save and except the Project Assets.

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(c) A first charge on all the bank accounts including but not limited to the Escrow Account opened in a designated bank and DSRA to be established by the subsidiary company, where all cash flows from the Project shall be deposited, and the sub Account (or any account in substitution thereof) that may be opened in accordance with this agreement and supplementary Escrow Agreement or any other Project Agreement, provided such first charge shall only be to the extent permitted as per the waterfall of priorities prescribed under Escrow Agreement and Concession Agreement;

(d) A first charge on all revenues and receivables of the Borrower from the Project or Otherwise, Project's book debts, operating cash flows, commissions or revenues of whatever nature, after such revenues and receivables are deposited in the Escrow Account. Provided that such charge as mentioned herein shall arise only after the proceeds and/or realization on any such revenues and receivables are credited to and enters the Escrow Account and thereafter shall only be utilized to the extent permitted as per the waterfall priorities under the Escrow Agreement and Concession Agreement.

(e) Assignment of contractor guarantees, liquidated damages, letter of credit, guarantee or performance bond that may be provided by any counter party under any project agreement or contract in favor of subsidiary company and insurance policies etc.;

(f) A first charge by way of assignment/agreement in favor of lenders over all the rights, title and interests of the Borrowers related to the Project from all contracts, insurances, licenses in to and under all Project Agreement (including the Concession Agreement) to which the Borrower is party to including contractor guarantees, liquidated damages, letter of credit, performance bond, guarantee and all other contracts relating to the Project, provided such charge shall be limited to and to arise to the extent provided under Substitution Agreement;

(g) A first charge/assignment/ security interest on company rights` under concession agreement in favor of lenders of all rights, title, interests, benefits, claims, uncalled capital and demands whatsoever of company in any letter of credit, performance bond, guarantee provided by any party to project documents;

(h) A first charge on intangible assets of borrower but not limited to goodwill present and future save and except the Project Assets. Provided that any realization there of shall be credited to the Escrow Account and the charges as aforesaid shall be limited to the extent permissible under the water fall priorities of the Concession Agreement and the Escrow Agreement;

(i) Assignment of all applicable insurance policies

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

5) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

Loan From Bank of Baroda (Pertaining to Ircon Akloli-Shirsad Expressway Limited)

Sanction :- ₹ 686.37 Crore

The Subsidiary Company has entered into a term loan agreement during the financial year 2022-23 with Bank of Baroda to finance the project for an amount of ₹ 686.37 crore. During the financial year 2025-26, disbursement of ₹238.00 crore (31 March 2025: ₹ 200 crore) has been received. The terms and conditions and detail of security are as under:

1) Terms and Conditions:

(i) Interest rate to be charged on loan shall be Overnight MCLR without Strategic Premium +0.09% with monthly rest. Presently, applicable interest rate is 7.89 % p.a.

(ii) Moratorium of 6 months from the date of PCOD/COD.

(iii) Term Loan shall be repayable in 26 structured semi-annual instalments commencing after 6 months end (moratorium) in which COD/ PCOD is achieved.

(iv) Interest shall be paid as and when debited. MCLR/Spread shall be subject to reset as and when it changes.

(v) Corporate Guarantee of the Holding Company (AAA Rated) shall be available till the receipt of 1st annuity from NHAI or COD + 180 days, whichever is later.

2) Details of Security:

The facility together with all interest, fees, commission and other monies whatsoever stipulated and due to the lender shall be secured, to the extent permitted under the Concession Agreement by:

(a) A first mortgage and charge on all the Borrower's immovable properties (if any), both present and future, save and except Project Assets;

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(b) A first charge on all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, save and except the Project Assets;

(c) A first charge over all accounts of the Borrower including the Escrow Account and Sub-accounts (or any account in substitution thereof) that may be opened in accordance with the Concession Agreement, Facility Agreement, Escrow Agreement and the Supplementary Escrow Agreement or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and or other securities, provided that the same being applied to the extent of waterfall of priority of payments as specified in the Concession Agreement and the Escrow Agreement and not beyond that; and all the charge over the Receivables shall be enforceable by the Senior Lenders for the purpose of ensuring that the Receivables are credited to the Escrow Account for the purpose of being applied to the extent of waterfall of priority of payments as specified in the Concession Agreement and the Escrow Agreement and not beyond that.

(d) A first charge over all intangible assets of the Borrower including but not limited to goodwill, rights, undertakings, and uncalled capital present and future excluding the Project Assets (Provided that all the amount received on account of any of these shall be deposited in the Escrow Account and the charges on the same shall be subject to the extent permissible as per priority specified in the Concession Agreement and the Escrow Agreement). Further, a charge on the uncalled capital, as set in above, shall be subject however to the provisions of Concession Agreement:

(e) A first charge or assignment by way of Security in :

- all the right, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under the Project Documents;
- the right, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under all the Approvals;
- all the right, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents; and
- all the right, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under all the Insurance Contracts;

(f) DSRA: DSRA for to 3 month's interest and one principal instalment.

(g) The entire Security (including execution of Escrow and Substitution agreement) shall be created upfront prior to the disbursement and perfected prior to disbursement.

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

5) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

Loan From Indian Overseas Bank (Pertaining to Ircon Gurgaon Rewari Highway Limited)

Sanctioned Amount:- The limits sanctioned for the project was ₹ 309.68 (in crore) w.e.f sanctioned letter received on 12.05.2021 from Indian Overseas Bank. As per the revised sanction letter dated 16.01.2026, the limit sanctioned for the project has been reduced to ₹ 275.33 crore and amount of ₹ 255.71 crore are disbursed from the sanctioned amount..

1) Terms and Conditions

(i) The loan is repayable in 21 structured half yearly instalments in 10.5 years which shall commence after 6 months (moratorium) from the date of Commissioning (COD).

(ii) Interest rate shall be on one month MCLR (8.30%) +0.15% Spread i.e. 8.45% p.a. subject to change based on MCLR.

2) Details of Security:

i) Term Loan is backed by unconditional & irrevocable corporate guarantee of the holding company.

ii) The loan is further secured by

a) Exclusive charges by way of hypothecation of all Property, Plant and Equipment/ movable assets of the company

b) Exclusive charge on the project's book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and wherever arising, present and future intangibles, goodwill , uncalled capital (Present and future);

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c) Exclusive charge on projects bank account, including but not limited to the escrow account ,where all cash inflows from the project shall be deposited and all proceeds shall be utilised in a manner and priority to be decided by the bank/ investors

d) Assignment of all subsidiary company's rights and interest under all the agreements related to project, letter of credit(if any), and guarantee and performance bond provided by any party for any contract related to the project in favour of lender.

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

5) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

Loan From Bank of Baroda (Pertaining to Ircon Ludhiana Rupnagar Highway Limited)

Sanction :- ₹ 570.82 Crore

The Bank of Baroda (BOB) has sanctioned the term loan of ₹ 570.82 crore. Term loan of ₹ 26.50 crore disbursed during the FY 2025-26 (FY 2024-25: ₹ 247.15 crore) and till reporting date ₹ 470.65 crore has been disbursed.

1) Terms and Conditions:

(i) Interest rate to be charged on loan shall be MCLR Plus spread of 0.09% with monthly rest. Presently, the applicable interest rate is 7.89% p.a.

(ii) Moratorium of 6 months from the date of PCOD/COD.

(iii) Term Loan shall be repayable in 26 structured half-yearly installments, with the first repayment starting from the end of 6 months from the SCOD or COD whichever is earlier.

(iv) Interest shall be paid monthly basis on the last of calendar month.

(v) Corporate Guarantee of the Promoter i.e. holding company (AAA Rated) shall be available till the receipt of 1st annuity from NHAI or COD + 180 days, whichever is later.

2) Details of Security:

The Facility together with all interest fees, commission and other monies whatsoever stipulated and due to the lender shall be secured, to the extent permitted under the Concession Agreement, by:

(a) A first mortgage and charge on all the Borrower's immovable properties (if any), both present and future, save and except the Project Assets;

(b) First charge on all the Borrower's tangible moveable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and all other movable assets, both present and future, save and except the Project Assets;

(c) First charge over all accounts of the borrower including Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with the Concession Agreement, Facility Agreement, Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and or other securities, provided that;

- The same being applied to the extent of waterfall of priority of payment as specified the Concession Agreement and the Escrow Agreement and not beyond that; and
- All the charge over the Receivables shall be enforceable by the Senior Lenders for the purpose of ensuring that the Receivables are credited to the Escrow Account for the purpose of being applied to the extent of waterfall of priority of payments are specified in the Concession Agreement and the Escrow Agreement and not beyond that.

(d) First charge on all intangible assets of the Borrower including but not limited to goodwill, rights, undertakings and uncalled capital present and future excluding the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and the charges on the same shall be subject to the extent permissible as per priority specified the Concession Agreement and Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of the concession Agreement;

(e) First charge or assignment by way of Security in;

- All the right, title, interests, benefits, claims and demands whatsoever of the borrower in, to and under the Project Documents;

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- The right, tittle, interests, benefits, claims, and demands whatsoever of the Borrower in, to and under all the Approvals
- All the right, title, interest, benefits, claim and demands whatsoever of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents; and
- All the rights, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under all the insurance Contacts:

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

5) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

Loan From Bank of Baroda (Pertaining to Ircon Bhoj Morbe Expressway Limited)

Sanction :- ₹ 823.39 Crore

The Subsidiary Company has entered into a term loan agreement during the financial year 2022-23 with Bank of Baroda (BOB) to finance the project for an amount of ₹ 823.39 crore. During the financial year 2025-26, disbursement of ₹252.15 crore (FY 2024-25: ₹ 181.98 crore) has been received and till reporting date ₹ 563.50 crore has been disbursed. The terms and conditions and detail of security are as under:

1) Terms and Conditions:

(i) Interest rate to be charged on loan shall be Overnight MCLR +0.09% p.a. The MCLR on the date of 1st Disbursement shall be applicable. Interest to be serviced as and when debited. Presently, the applicable interest rate is 7.89% p.a.

(ii) Term Loan shall be repayable in 26 structured half-yearly installments, commencing after 6 months end (moratorium) in which COD/PCOD is achieved.

(iii) Interest shall be paid monthly basis on the last of calendar month.

(iv) Corporate Guarantee of the Promoter i.e. holding company (AAA Rated) shall be available till the receipt of 1st annuity from NHAI or COD + 180 days, whichever is later.

2) Details of Security:

The credit facilities for the proposed project, all interest, fees, commission and other monies in respect there of shall be secured, of and to the extent permitted under the Concession Agreement by:

a) First mortgage & charge on all the Borrower's movables properties (if any), both present and future,save and except the Project Assets:

b) First charge on all the Borrower's tangible moveable assets, including movable plant and machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the Project Assets:

c) First charge over all accounts of the Borrower including the Escrow Account and the Sub- Accounts (or any account in substitution there of)that may be opened in accordance with the Concession Agreement, Facility Agreement, Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time deposited therein, the receivables and or other securities, provided that

- the same being applied to the extent of waterfall of priority of payments specified the concession Agreement and the Escrow Agreement and not beyond that: and
- all the charge over the Receivables shall be enforceable by the Senior Lenders for the purpose of ensuring that the Receivables are credited to the Escrow Account for the purpose of Being applied to the extent of waterfall of priority of payment as specified in the Concession Agreement and the Escrow Agreement and not beyond that.

d) First charge on all intangibles of the Borrower, including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the project Assets (provided that all amounts received on accounts of any of theses shall be deposited in the Escrow Account and the charges on the same shall be subject to the extent permissible as per priority specified the Concession Agreement and Escrow Agreement).

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e) A first charge/assignment by way of Security in

- all the right title interests, benefits, claims, and demands whatsoever of the Borrower in to and the Project Document:
- the right , title interests, benefits, claims, and demands whatsoever of the Borrower in to and under all the Approvals:
- all the right, title, interests benefits, claims and demands whatsoever of the Borrower in to and under any letter of Credit guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the project documents and:
- all the right, title, interests, benefits, claims, and demands whatsoever of the Borrower in to and under all the Insurance Contracts.

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

5) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

Loan From State Bank of India (Pertaining to Ircon Shivpuri Guna Tollway Limited)

Sanction :- ₹ 501 Crore

The Subsidiary Company has entered into a term loan agreement with State Bank of India (SBI) to finance the project for an amount of ₹ 501 Crore. The terms and conditions and detail of security are as under:

1) Terms and Conditions

(i) Term Loan shall be repaid in 11.5 years upto 30.09.2033, in quarterly instalments as per the schedule mentioned in the Loan agreement.

(ii) The Applicable Interest rate is base rate of SBI 3 month MCLR plus spread of 0.25% w.e.f 28.03.2022.

(iii) An unconditional corporate guarantee by the promoter in favour of the Security trustee and an irrevocable and unconditional undertaking from the Promoter, to cover any shortfall in the loan and other conditions as mentioned in the Loan agreement dated 17.02.2022

2 Details of Security:

As per clause 12 of the Loan agreement, the securities for the Loan extended are mentioned in brief as under :

(a) first charge on all the Borrower's tangible movable assets pertaining to the Project;

(b) a first charge over all accounts of the Borrower pertaining to the Project including the Escrow Accounts and the sub-accounts (or any account in substitution thereof) or any other bank account that may be opened in accordance with this Agreement ;

(c) a first charge on all intangibles assets pertaining to the Project including but not limited to goodwill, rights, undertaking and uncalled capital present and future ;

(d) Assignment/Charge by way of Security in the following, both present and future:

(i) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents;

(ii) the right, title and interest of the Borrower in, to and under all the Clearances;

(iii) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Borrower pursuant to the Project Documents;

(iv) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower under all Insurance Contracts pertaining to the Project;

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

5) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

Loan From State Bank of India (SBI) (Pertaining to Ircon Haridwar Bypass Limited)

Sanction :- ₹ 447.61 Crore

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SBI has sanctioned rupee term loan of ₹ 447.61 crore including mobilisation advance bank guarantee of ₹ 94.71 Crore as sub limit of rupee term loan of ₹ 447.61 crore . During the financial year 2025-26, SBI has disbursed term loan of ₹ 72.41 crore (FY 2024-25: ₹ 104.01 crore) and till reporting date ₹ 289.32 crore has been disbursed. The terms and conditions and detail of security are as under:

1) Terms and Conditions:

(i) Interest rate to be charged on loan shall be 3M MCLR Plus spread of 0.00% with monthly rest. Presently, the applicable interest rate is 8.25% p.a.

(ii) Moratorium of 6 months from the date of SCOD/COD whichever is earlier.

(iii) Term Loan shall be repayable in 24 structured half-yearly installments, with the first repayment starting from the end of 12 months from the SCOD or COD whichever is earlier.

(iv) Interest shall be paid monthly basis on the last of calendar month.

2) Details of Security:

The credit facilities for the proposed project, all interest, fees, commission and other monies in respect thereof shall be secured, of and to the extent permitted under the Concession Agreement by:

a) First charge on all the Borrower's movables (except Project Assets), including movable plant and machinery, furniture, fixtures, vehicles and all other movable assets, machinery spares, tools and accessories, both present and future.

b) First hypothecation/charge and assignment of all monies lying the Escrow Account into which all the investments in the Project and all Project revenues, Receivables, shortfall to be received, Cash and Insurance Proceeds are to be deposited provided that such charge over the Escrow Account shall only be to the extent permissible as per the water fall of priorities specified in the Concession Agreement and Escrow Agreement.

c) First charge on all the Borrower's bank accounts including without limitation the Escrow Account, Debt Service Reserve Account and each of other accounts required to be created by the Borrower under any Project Document or contract, provided that the charge shall only be to the extent of water fall of the priorities as provided in the Escrow Agreement.

d) First charge on all intangibles (other than Project Assets) of the Borrower, including but not limited to goodwill, uncalled capital, and intellectual property rights, both present and future.

e) A first charge/assignment of all the rights, title, interests, benefits, claims and demands of the Borrower, both present and future, in :

- Concession Agreement and other Project Documents and Clearances,
- letter of credit, guarantee (including contractor guarantees) and liquidated damages (including Contractual Damages) and performance bond provided by any Project Participant under Project Documents; and
- all Insurance Contracts.

f) Charge on Unsecured Loans infused as Part of Promoter's Contribution.

g) Corporate Guarantee of Promoter i.e. Holding Company will be available till receipt of first annuity or 180 days from COD, whichever is later.

h) The Security such as assignment of project documents shall be created and perfected in favor of Security Trustee before first disbursement.

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

5) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

Loan From Union Bank of India (Pertaining to Ircon Renewable Power Limited)

Sanction : Ircon Renewable Power Limited entered into a loan agreement with Union Bank of India to avail the credit facilities of ₹ 2,496.70 crore consisting of term loan of ₹ 2,078.20 crore, cash credit of ₹ 18.46 crore, performance Bank Guarantee of Rs.213.00 Crore and forward contract limit if ₹ 187.04 Crore for the purpose of setting up of 500 MW Grid connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme).

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1) Details of Terms and Conditions:

i) Interest Terms

The Applicable rate of interest is 6 month MCLR on term loan effective from the date of disbursement and resetting in every 6 months and the cash credit on the basis of 1 year MCLR, performance bank guarantee attract interest @ 0.05%+GST

ii) **Terms of Repayment**

Term Loan shall be repaid in 77 structured quarterly installment beginning from 30.06.2027 and ending on 30.09.2046 as mentioned in the Loan agreement.

2) Details of Security:

As per Loan agreement, the securities for the Loan are mentioned in brief as under :

(a) first charge by way of mortgage on the freehold/leasehold right of the borrower on entire immovable properties pertaining to the project;

(b) a first charge by way of hypothecation of entire movable properties of the Borrower, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, raw material, stock in trade, inventory and all other movable properties of whatsoever nature;

(c) a first charge on the entire cash flows, receivables, book debts and revenues of the borrower, of whatsoever nature and wherever arising, both present and future;

(d) a first charge on entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, intellectual property, both present and future;

(e) a first charge by way of hypothecation, as the case may be of

(i) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents (except the charge on transmission agreements with CTUIL for which consent from CTUIL will not be provided), all as amended, varied or supplemented from time to time;

(ii) subject to Applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the Clearances, and

(iii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantee, performance, bond, bank guarantee provided by any party to the Project documents:

(iv) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower under all Insurance Contracts;

(f) a first charge on the Trust and Retention Accounts (TRA), Debts Service Reserve and any other reserves and other bank accounts of the Project wherever maintained except distribution sub-account.

(g) a first charge on all monies receivable by Promoter from the borrower under the unsecured loans/sub-debt granted by promoter/sponsor to the Borrower brought in for the Promoter's Contribution.

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

4) The Subsidiary Company has used the borrowings from banks for the purposes for which they were taken.

5) The Subsidiary Company is not required to submit any quarterly statement as per sanctioned terms.

C) Letter of credit backed Bill Discounting (LCBD) (Pertaining to Ircon Renewable Power Limited)

During the current year, Union Bank of India has sanctioned a rupee term loan facility ₹ 2,078.20 crore to the Subsidiary Company, with a sub limit of Capex LC facility of ₹ 1,870.38 crore for making payments to the EPC contractors and module suppliers, wherein the Subsidiary Company is allowed to open capex LCs with an usance period of up to 3 years from the date of shipment and is also allowed to avail the LCBD facility either from the lender issuing the LC or any other lender (including the lender outside the consortium) to retire the LCs. Proceeds from LC bill discounting is being used to pay the supplier in full and interest on such amount being paid in advance through discounting of bill is borne by the Subsidiary Company till the end of usance period. On the expiry of LC usance period, rupee term loan disbursement from LC issuing bank shall be availed and discounting bank shall get paid.

The Subsidiary Company has utilized the above facility for payment to be made to module suppliers with below terms and conditions:

(i) All in Interest cost of 7.40 % p.a. on bill discounting amounting to **Nil** (31st March 2025: ₹ 218.37 crore) shall be paid upfront in advance to the discounting bank ("Bank of India" and "IndusInd Bank") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.e.., till 1 year

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(ii) All in Interest cost of 7.34 % p.a. on bill discounting amounting to **Nil** (31st March 2025: ₹ 260.17 crore) shall be paid upfront in advance to the discounting bank ("Indusind Bank") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.e., till 1 year

(iii) All in Interest cost of 7.20 % p.a. on bill discounting amounting to ₹ **43.53 crore** (31st March 2025: ₹ 50.22 crore) shall be paid upfront in advance to the discounting bank ("Bank of India") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.e., till 1 year;

(iv) All in Interest cost of 7.25 % p.a. on bill discounting amounting to **Nil** (31st March 2024: ₹ 102.58 crore) shall be paid upfront in advance to the discounting bank ("Indusind Bank") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.e., till 1 year;

(v) All in Interest cost of 7.30 % p.a. on bill discounting amounting to **Nil** (31st March 2025: ₹ 34.27 crore) shall be paid upfront in advance to the discounting bank ("Bank of India") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.e.., till 1 year;

(vi) All in Interest cost of 7.15 % p.a. on bill discounting amounting to ₹ **123.66 crore** (31st March 2025: Nil) shall be paid upfront in advance to the discounting bank ("Indusind Bank") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.,e., till 1 year;

(vii) All in Interest cost of 6.75 % p.a. on bill discounting amounting to ₹ **51.04 crore** (31st March 2025: Nil) shall be paid upfront in advance to the discounting bank ("Indusind Bank") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.,e., till 1 year;

(viii) All in Interest cost of 6.70 % p.a. on bill discounting amounting to ₹ **12.97 crore** (31st March 2025: Nil) shall be paid upfront in advance to the discounting bank ("Indusind Bank") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.,e., till 1 year;

(ix) All in Interest cost of 6.45 % p.a. on bill discounting amounting to ₹ **239.39 crore** (31st March 2025: Nil) shall be paid upfront in advance to the discounting bank ("MUFG Bank") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.,e., till 1 year;

(x) All in Interest cost of 6.20 % p.a. on bill discounting amounting to ₹ **43.59 crore** (31st March 2025: Nil) shall be paid upfront in advance to the discounting bank ("MUFG Bank") for the period starting from date of bill discounting and ending with date of expiry of Usance LC, i.,e., till 1 year;

(xi) At the end of the Usance period under the LC, LC Bill Discounting shall be repaid to above banks through Rupee Term Loan to be availed from Union Bank of India.

C) Terms and conditions of 14% Optionally Convertible Debentures

(i) The Group has entered into an Optionally Convertible Debenture Deed dated 05.07.2024 and 21.05.2024 with Ayana Renewable Power Private Limited for meeting capital expenditure in relation to the solar power plant for amount agreed under the financing plan with the Senior Lenders and as mentioned in the schedule of the deed.

(ii) The deed has been entered for issue of unsecured Optionally Convertible Debentures ('OCD') bearing interest rate of 14% p.a.

(iii) The accumulated interest outstanding which is due but not paid on the OCDs shall also carry an interest rate of 14% p.a. subject to the terms of the financing documents entered into by the Issuer with the Senior Lenders and with the approval of the Senior Lenders.

(iv) The interest payable on the OCDs shall remain subordinate to the interest/principal payment of the Senior Loans and shall be paid only in compliance with the conditions of such Senior Loans.

(v) Tenure of the OCD is 20 years from the date of issuance (Fixed Term), which maybe be extended (subject to Applicable Laws) to such date on which Senior Loans outstanding at the end of the Fixed Term are repaid.

(vi) The redemption of OCDs shall be done at par value.

(vii) The OCDs shall be subordinate to the Senior Loans and shall be redeemed only in compliance with the conditions of such Senior Loans.

Upon exercise of the conversion option by the holder of the OCDs, with prior written approval of the Senior Lenders, the holder of the OCDs shall have a right but not obligation to convert any and / or all the OCDs held by it into equity shares any time after the receipt of second tranche of VGF, in one or more tranches in accordance with the conversion ratio determined.

In accordance with the provisions of Ind AS 32 "Financial Instruments-Presentation" and Ind AS 109 "Financial Instruments", these OCDs have been classified as Debt instrument in these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

20.2 Non-Current Financial Liabilities – Lease Liabilities

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Lease Liabilities	56.46	31.92	2.52
Total	**56.46**	**31.92**	**2.52**

20.3 Non-Current Financial Liabilities – Trade Payables

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
(A) Micro, Small & Medium Enterprises	-	-	-
(B) Other than Micro, Small & Medium Enterprises			
(i) Contractor & Suppliers	-	-	-
Total	**-**	**-**	**-**

20.4 Non-Current Liabilities – Other Financial Liabilities

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Interest Accrued on Optional Convertible Debentures to Related Party*	51.52	-	-
Deposits and Retention Money	769.49	584.62	777.42
Total	**821.01**	**584.62**	**777.42**

Foot Note:

* Refer Note 20.1 foot note (C) & Note 37 (c)

21. Provisions

(₹ in crore)

Particulars	Foot Note	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Provision for Employee Benefits	21.1	114.78	141.85	157.34
Other Provisions	21.2	512.00	418.52	373.34
		626.78	**560.37**	**530.68**
Current		**300.64**	**301.79**	**308.72**
Non Current		**326.14**	**258.58**	**221.96**

The disclosure of provisions movement as required under the requirements of Ind AS 37 is as follows :

21.1 Provision for Employee Benefits :

a) The provisions are created for the purpose of Gratuity, leave encashment, settlement allowance, post retirement medical benefits, performance related pay and leave travel concession.

b) Disclosures as per Ind AS 19 'Employee benefits' are provided in Note 36.

c) Movement in the carrying value of Provisions for Employee Benefits are provided as below:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

(₹ in crore)

Particulars	Gratuity	Leave Salary*	Settlement Allowance on Retire-ment	Post Re-tirement Medical Benefits	Perfor-mance Related Pay	Leave Travel Conces-sion	Contribu-tion to PF & Other Funds	Total
As at 01-April-2025	**0.18**	**78.00**	**1.17**	**5.02**	**38.44**	**0.21**	**18.83**	**141.85**
Current	**-**	**9.97**	**0.16**	**5.02**	**38.44**	**0.03**	**18.83**	**72.45**
Non Current	**0.18**	**68.03**	**1.01**	**-**	**-**	**0.18**	**-**	**69.40**
Provision made during the year	0.29	11.33	0.16	6.43	14.89	0.03	1.49	**34.62**
Less: Utilization during the year	(0.04)	(19.55)	(0.07)	(5.02)	(26.61)	-	(3.05)	**(54.34)**
Less: Write Back during the year	-	(1.42)	-	-	(2.95)	(0.07)	(3.11)	**(7.55)**
(Exchange Gain) / Loss	-	0.36	(0.16)	-	-	-	-	**0.20**
As at 31-March-2026	**0.43**	**68.72**	**1.10**	**6.43**	**23.77**	**0.17**	**14.16**	**114.78**
Current	**0.22**	**7.69**	**0.11**	**6.43**	**23.77**	**0.02**	**14.16**	**52.40**
Non Current	**0.21**	**61.03**	**0.99**	**-**	**-**	**0.15**	**-**	**62.38**

* Includes ₹ 0.28 crore for employees posted on Foreign Projects on which leave salary provision has been made on actual basis.

21.2 Other Provisions :

Disclosures as per Ind AS 37 regarding nature of provisions and movements in provisions are as follows :

a) Demobilisation Provisions

The Group has made provision for demobilisation to meet the expenditure towards Demobilisation of Manpower and Plant & Equipment in respect of foreign projects.

b) Maintenance Provisions

In Cost Plus contract, no provision for maintenance is required to be made where cost is reimbursable.

Item Rate and Lump Sum turnkey contracts, provision is made for maintenance to cover Group's liability during defect liability period keeping into consideration the contractual obligations, obligations of the sub-contractor, operating turnover and other relevant factors. Further, provision for major maintenance is made in line with Maintenance Manual for operating of Toll Road.

c) Legal Cases

Provision for legal cases represents liabilities that are expected to materialise in respect of matters in courts, arbitrations and appeal.

d) Provisions for Other Expenses

Provision for other expenses represents expected tax liabilities in respect of indirect taxes and others.

e) Onerous Contracts

The Group has a contract where total contract cost exceeds the total contract revenue. In such situation as per Ind AS 115 and Ind AS 37, the Group has to provide for these losses.

The provision is based on the estimate made by the management.

f) Decommissioning and Restoration

The Group has a dismantling and restoration associated cost in respect of Solar Plant with land taken on lease. The Group is committed to decommission the site at the end of the lease term

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

(₹ in crore)

Particulars	Demobilisation	Maintenance	Legal Cases	Other Expenses	Onerous Contracts	Decommissioning and Restoration	Total
As at 01-April-2025	**15.46**	**153.92**	**63.42**	**69.70**	**115.70**	**0.32**	**418.52**
Current	**13.35**	**63.59**	**63.42**	**69.70**	**19.28**	**-**	**229.34**
Non Current	**2.11**	**90.33**	**-**	**-**	**96.42**	**0.32**	**189.18**
Provision made during the year	2.95	84.76	8.46	4.21	149.26	0.32	**249.96**
Less: Utilization during the year	(0.02)	(32.32)	(3.68)	(17.65)	(109.09)	-	**(162.76)**
Less: Write Back during the year	-	(4.79)	(0.04)	(1.54)	(0.48)	-	**(6.85)**
(Exchange Gain) / Loss	2.16	5.10	0.01	0.25	-	-	**7.52**
Unwinding of discount	0.04	5.52	-	-	-	0.05	**5.61**
As at 31-March-2026	**20.59**	**212.19**	**68.17**	**54.97**	**155.39**	**0.69**	**512.00**
Current	**15.08**	**48.58**	**68.17**	**54.97**	**61.44**	**-**	**248.24**
Non Current	**5.51**	**163.61**	**-**	**-**	**93.95**	**0.69**	**263.76**

22. Other Non- Current Liabilities

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
a) Contract Liability			
Advance from Clients	824.36	854.03	930.32
b) Others			
Upfront Amount from Sub - leasing of MFCs and Electric Line Sharing Fees	28.02	15.94	16.82
Lease Equalisation Liability	3.41	5.52	7.62
Government Grants (Refer Foot Note (i))	-	44.94	112.35
Others	2.77	2.85	2.55
Total	**858.56**	**923.28**	**1,069.66**

Foot Notes :

i) **Government Grants:** Group is entitled for Government Grants (Viability Gap Funding) for the purchase of solar modules of ₹ 224.70 crore from IREDA Limited in two tranches as per terms of LOA No. 23016/1/2020-IREDA/RfS/5000MW/012021/963 dt. 04 Oct 2021 awarded to Ircon Renewable Power Limited, a subsidiary company. The Group has received first (1) Tranche of Viability Gap Funding (VGF) amounting to ₹ 112.35 crore during the financial year 2023-24 and recognised as a liability, as no related capital expenditure had been incurred. During the FY 2025-26, upon commissioning of 400 MW solar capacity, Govt. Grant has become due and receivable amounting to ₹ **67.41 crore** (Refer Note.14.6). Further, upon commissioning of 400 MW and 150MW Solar Plant in FY 2025-26 and FY 2024-25, proportionate amount of ₹ **112.35 crore** and ₹ **67.41 crore** respectively has been adjusted in Capital Work in Progress (Refer Note 4 (Foot Note (iv)). As per the terms of LOA, in the event of a delay in the commissioning of the project beyond the Scheduled Commissioning Date, Viability Gap Funding is required to be refunded. As on the reporting date, the Group believes that Project will be commissioned within the stipulated timeline.

ii) Terms and Conditions and balances with related parties are disclosed in Note 37.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

23. Current Liabilities – Current Financial Liabilities

23.1 Borrowings

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
A) Current Maturities of Long-Term Debt :			
(i) Loan From Banks:			
Secured:			
(a) Loan From Punjab National Bank (Refer Foot Note (i))	22.92	22.92	25.12
(b) Loan From Bank of Baroda (Refer Foot Note (i))	80.28	80.28	68.96
(c) Loan From Indian Overseas Bank (Refer Foot Note (i))	1.38	–	–
(d) Loan From State Bank of India (Refer Foot Note (i))	32.84	26.48	16.40
B) Loans Repayable on Demand :			
(i) Loan From Banks:			
Secured:			
Working capital demand loan (WCDL) From State Bank of India (Refer Foot Note (ii))	103.00	–	–
Total	**240.42**	**129.68**	**110.48**

Foot Notes:

(i) Refer Note 20.1 (Foot note (A))

1) Terms of Credit Facilities: Fund Based Working Capital :

- Nature of Credit Facilities: Cash Credit/ Working Capital Demand Loan (WCDL) :
- Name of Lender : State Bank of India (SBI)
- Sanction : ₹ 1000.00 Crore. Subsequently, the Bank reduced the limit to Rs.200 crore based on the Group's request and considering the current level of fund utilisation. The full fledged reduction by the Bank will be carried out at the time of renewal of the facility.
- Date of Sanction : 30.09.2025
- Tenor / Repayable on Demand :- The facility is available for 12 months from the sanction date, subject to review every 12 months.

2) Rate of Interest :

(a) Working Capital Demand Loan (WCDL)

- Benchmark Rate: 91-Day Treasury Bill (T-Bill) rate plus a spread of 75 basis points (bps), determined on the drawal date of each WCDL tranche.
- Applicable Rate during the year: 6.01% to 6.08% p.a. (as applicable on respective drawal dates during the financial year).
- Rate as at Balance Sheet Date: 6.04% p.a. (91-Day T-Bill rate of 5.29% as at [balance sheet date] plus 75 bps spread).

(b) Cash Credit (CC)

- Benchmark Rate: 1-Month MCLR of State Bank of India.
- Rate at Date of Sanction (30.09.2025): 7.90% p.a.
- Reset Frequency: The rate of interest is reset every 1 month based on the applicable 1-Month MCLR of SBI effective on the reset date.
- Rate as at Balance Sheet Date: 7.85% p.a. (based on 1-Month MCLR applicable on 31st March, 2026).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

3) Details of Security:

The above credit facility is secured by a first pari-passu charge over:

- Present and Future Stocks of raw materials, construction materials, work-in-progress, finished goods.
- Present and future receivables/bills receivable, including receivables from Group companies/ Joint Ventures (JVs)/ Subsidiaries.
- Book debts and consumable stores & spares of the company, both Present and Future.
- All these current assets, whether lying loose or stored in or about or shall hereinafter from time to time be brought into or upon or be stored or be in or about of the Holding Company's factories, premises, and godowns, in transit, on high seas, or on order or delivery, howsoever and wheresoever in the possession of the Holding Company and either by way of substitution or addition.

  Charge Registration: The charge between Ircon International Limited (First Party) and State Bank of India (Second Party) has been duly created and registered with the Ministry of Corporate Affairs (MCA) on 27th November 2025 in accordance with Section 77 of the Companies Act, 2013.

4) Other Disclosures

(i) Default in Repayment

There has been no default in repayment of principal or payment of interest on the above borrowings as at the end of the financial year.

(ii) Utilisation of Borrowings

The Working Capital borrowings availed from State Bank of India have been utilised for the purposes for which they were sanctioned.

(iii) Stock Statement and Quarterly Returns

- Monthly Stock Statement: As per the sanctioned terms, the Group is required to submit a monthly stock statement to the Bank by the 20th day of the succeeding month.
- Penal Interest: Any delay beyond the stipulated deadline in submission of the stock statement shall attract a penal interest of 0.05% p.a., calculated on the sanctioned limit for the period of delay.
- Status during the year: There was no delay in the submission of stock statements; therefore, penal interest was not applicable.
- Quarterly Returns: The quarterly returns / statements filed by the Group with State Bank of India are in agreement with the books of account of the Group for the respective quarters.

(iv) Guarantees by Directors

Loans guaranteed by Directors of the Holding Company: Nil.

23.2 Current Financial Liabilities – Lease Liabilities

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Lease Liabilities	5.54	2.91	0.72
Total	**5.54**	**2.91**	**0.72**

23.3 Current Financial Liabilities – Trade Payables

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
(A) Micro, Small & Medium Enterprises	35.99	34.39	6.36
(B) Other than Micro, Small & Medium Enterprises			
(i) Contractor & Suppliers	1,165.28	1,222.91	887.74
Total	**1,201.27**	**1,257.30**	**894.10**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Foot Notes:

a) Trade payables Ageing Schedule for the year ended as at 31st March, 2026 31st March 2025 and as at 1 April, 2024.

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2026 from the due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
MSME	23.95	3.12	8.92	-	-	-	**35.99**
Others	494.42	556.12	81.55	11.65	2.47	18.91	**1,165.12**
Disputed dues - MSME	-	-	-	-	-	-	**-**
Disputed dues - Others	0.02	0.05	-	-	-	0.09	**0.16**
	518.39	**559.29**	**90.47**	**11.65**	**2.47**	**19.00**	**1,201.27**

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2025 from the due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
MSME	14.15	17.31	2.86	-	0.07	-	**34.39**
Others	467.63	250.23	480.44	3.62	4.12	16.76	**1,222.80**
Disputed dues - MSME	-	-	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	-	0.11	**0.11**
	481.78	**267.54**	**483.30**	**3.62**	**4.19**	**16.87**	**1,257.30**

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding as at April 1, 2024 from the due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
MSME	2.98	-	3.38	-	-	-	**6.36**
Others	451.32	94.55	307.44	4.44	18.45	11.5	**887.70**
Disputed dues - MSME	-	-	-	-	-	-	**-**
Disputed dues - Others	0.02	-	-	-	-	0.02	**0.04**
	454.32	**94.55**	**310.82**	**4.44**	**18.45**	**11.52**	**894.10**

23.4 Current Liabilities - Other Financial Liabilities

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Interest Accrued on Secured Loan from bank {Refer Foot Note (i)}	0.51	0.44	0.25
Interest Accrued on Optional Convertible Debentures to Related Party {Refer Foot Note (ii)}	-	15.17	-
Interest Accrued on Working Capital Loan (WCDL) {Refer Foot Note (iii)}	0.30	-	-
Gratuity Payable	0.74	4.64	3.81

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Deposits, Retention Money and Money Withheld	1,601.65	1,729.67	1,707.18
Amount Payable to Client	544.93	617.25	630.40
Dividend Payable to Client	1.16	5.31	4.01
Interest Payable on Advance from Client	224.48	272.32	337.58
Payable for Capital Suppliers and Services	84.06	226.15	261.99
Other Payables (including Staff Payable)	143.12	152.18	142.34
Total	**2,600.95**	**3,023.13**	**3,087.56**

Foot Note:

(i) Refer Note 20.1 foot note (A)

(ii) Refer Note 20.1 foot note (C) & Note 37 (c)

(iii) Refer Note 23.1

24. Other Current Liabilities

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
a) Contract Liability			
Advance from Clients	2,147.99	1,870.82	1,952.22
- Less: Deposits under protest	(217.05)	(217.05)	(217.05)
Advance Contract Receipts	562.59	441.11	391.42
b) Others			
Statutory dues (Refer Foot Note (i))	262.20	394.57	417.65
Upfront Amount from Sub - leasing of MFCs and Electric Line Sharing	1.40	0.86	0.87
Lease Equalisation Liability	2.15	2.10	4.31
CSR Liability	16.70	3.20	-
Others	-	-	0.25
Total	**2,775.98**	**2,495.61**	**2,549.67**

Foot Notes:

i) Statutory dues includes liability for Goods and Service Tax (GST), TDS, Provident Fund and other statutory dues.

25. Current Tax Liability (Net)

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Provision for tax (Net of Advance Tax)	25.81	15.87	66.56
Total	**25.81**	**15.87**	**66.56**

26. Revenue from Operations

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Contract Revenue	8,483.64	10,237.35
Revenue from Toll Operations	200.73	206.42
Group's share of turnover in Integrated Joint operations (unincorporated)	0.33	0.96
Machinery Hire Charges	7.62	3.67
MFC Leasing	21.74	25.75

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Particulars	For the year ended 31st March 2026		For the year ended 31st March 2025	
Project Management Consultancy		42.84		47.13
Revenue from sale of Power/Electricity	112.17		24.44	
Less: Revenue pertaining to CWIP	(4.19)	107.98	(5.92)	18.52
Other Operating Revenue				
- Interest Income on Financial Asset under SCA		145.82		166.32
- Others		60.35		53.46
Total		**9,071.05**		**10759.58**

27. Other Income

(₹ in crore)

Particulars	For the year ended 31st March 2026		For the year ended 31st March 2025	
Interest Income :				
Interest on Tax Free Bonds and Government Securities		6.45		8.88
Interest on Refund of Income-tax		5.00		12.96
Interest on Staff Advances		0.04		0.06
Interest on loan to Related Parties (Refer Note (i))		1.69		2.01
Interest on Advances and Others	39.24		44.95	
Less:- Other Interest Passed to Clients	(4.33)	34.91	(7.32)	37.63
Interest income on Unwinding of Financial Instruments		0.02		0.09
Bank Interest Gross	235.98		268.06	
Less:- Interest on temporary investment transferred to CWIP	(0.19)		(0.60)	
Less:- Interest passed to Clients	(35.63)	200.16	(38.76)	228.70
Others :				
Profit on Sale of Assets		1.06		0.49
Profit on Sale of Mutual Funds	53.48		53.63	
Less: Profit on Sale of Mutual Fund Passed to Clients	(3.13)	50.35	(4.39)	49.25
Miscellaneous Income (Refer Note (ii))	15.11		11.36	
Less: Insurance Claim Passed	(1.18)	13.93	(2.64)	8.72
Exchange Fluctuation Gain (net)		88.37		21.65
Reclassification of exchange gain from equity to profit and loss		27.31		–
Gain/Loss on Changes of Fair Value of Mutual Funds		1.63		1.01
Total		**430.92**		**371.45**

Foot Notes:

(i) Interest on loan to Related Parties:

(₹ in crore)

Particulars of Related Parties	For the year ended 31st March 2026	For the year ended 31st March 2025
Joint Venture Companies		
Chhattisgarh East-West Railway Limited	1.22	1.51
Mahanadi Coal Railway Limited	0.47	0.50
	1.69	**2.01**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

(ii) Include Group's Share of Other Income in Integrated Joint operations (unincorporated) of ₹ **0.11 crore** (FY 2024-25: ₹ 0.14 crore)

28 (i) Materials and Stores Consumed

(₹ in crore)

Particulars	Foot Note	For the year ended 31st March 2026		For the year ended 31st March 2025	
Opening Balance		8.16		36.74	
Add: Purchases during the year	(i)	825.06		639.58	
		833.22		**676.32**	
Less: Closing Balance		(6.24)	826.98	(8.16)	668.16
Total			**826.98**		**668.16**

Foot Notes:

(i) Includes Exchange gain/ (loss) of ₹**0.20 crore** (FY 2024-25 : ₹0.17 crore) on account of translation from functional currency to presentation currency. Also, includes the Provision for Diminution in Value of Inventory for ₹0.37 crore (FY 2024-25 - Nil)

28 (ii) Project and Other Expenses

(₹ in crore)

Particulars	Foot Note	Project Expenses		Other Expenses	
		For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
Work Expenses		6,889.73	8,579.01	-	-
Toll Operation and Maintenance Expenses		15.95	58.90	-	-
Design, Drawing, Business Development & Consultancy Charges		9.92	32.54	-	-
Inspection, Geo Technical Investigation & Survey Exp. Etc.		29.02	29.23	-	-
Repairs and Maintenance of Machinery		3.67	4.92	-	-
Hire charges of Machinery		0.87	3.30	-	-
Rent - Non-residential		10.20	8.20	0.47	0.97
Rates and Taxes		14.05	15.75	1.30	0.65
Vehicle Operation and Maintenance		13.85	14.59	2.23	2.56
Repairs and Maintenance					
- Building		0.26	0.09	0.33	0.35
- Office and Others		5.30	5.43	10.37	9.96
Power, Electricity and Water Charges		8.82	7.36	1.84	2.32
Insurance		12.53	11.61	5.57	7.69
Travelling & Conveyance		13.27	13.73	3.64	4.08
Printing & Stationery		1.00	0.95	0.60	0.73
Postage, Telephone & Telex		1.29	1.08	0.65	0.90
Legal & Professional Charges		18.38	21.59	19.15	17.25
Security Services		2.78	2.59	0.68	0.68
Listing Expenses		-	-	0.07	0.07
Business Promotion		0.26	0.40	1.32	1.13
Write-off of :					
- Debts		-	0.10	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Particulars	Foot Note	Project Expenses		Other Expenses	
		For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
- Advances		0.43	–	–	–
Loss on Sale of Assets/Stores		–	–	0.50	0.45
Director's Sitting Fee		–	–	0.08	0.18
Auditor's Remuneration	(i)	–	–	1.17	1.18
Advertisement & Publicity		–	–	1.60	1.72
Training & Recruitment		–	–	0.19	0.49
Corporate Social Responsibility		–	–	17.72	16.31
Miscellaneous Expenses		4.95	4.79	5.97	6.56
Bank and Other Finance Charges		8.41	6.01	1.90	2.07
Fee & Subscription Charges		–	–	0.01	0.02
Proportionate share of expenses in Integrated Joint operations (unincorporated)		0.07	0.06	–	–
Provisions (Addition – Write Back) (Refer Note 21)		239.21	353.83	–	–
Provisions Utilised (Refer Note 21)		(163.73)	(283.48)	–	–
Total		**7,140.49**	**8,892.58**	**77.36**	**78.32**

Foot Notes:

(i) **Payment to Statutory Auditors:**

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
(a) Audit Fee – Current Year	0.54	0.51
(b) Tax Audit Fees – Current Year	0.16	0.14
(c) Fee for Quarterly Limited Review	0.31	0.28
(d) Certification Fees	0.12	0.16
(e) Travelling & Out of Pocket Expenses:		
– Travelling Expenses	0.03	0.06
– Out of Pocket Expenses	0.01	0.03
Total	**1.17**	**1.18**

29. Employee Benefits Expenses

(₹ in crore)

Particulars	Foot Note	For the year ended 31st March 2026			For the year ended 31st March 2025		
		Project Expenses	Other Expenses	Total	Project Expenses	Other Expenses	Total
Salaries, Wages and Bonus	(i)	162.03	51.34	**213.37**	172.01	49.54	**221.55**
Contribution to Provident and Other Funds		10.57	2.57	**13.14**	10.89	4.03	**14.92**
Foreign Service Contribution		–	1.71	**1.71**	–	2.07	**2.07**
Retirement Benefits		20.47	10.00	**30.47**	19.72	15.47	**35.19**
Staff Welfare		0.91	0.87	**1.78**	1.33	0.65	**1.98**
Total		**193.98**	**66.49**	**260.47**	**203.95**	**71.76**	**275.71**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Foot Notes:-

(i) Includes income-tax on non-monetary perks ₹ **0.52 crore** (FY 2024-25 : ₹ 0.56 crore).

30. Finance Costs

(₹ in crore)

Particulars	Foot Note	For the year ended 31st March 2026		For the year ended 31st March 2025	
Interest Expense	(i)	340.94		215.09	
Less: Interest on Advance to Rail Land Development Authority (RLDA)		-	340.94	-	215.09
Other Borrowing Cost					
- Bank Guarantee & Other Charges			0.61		1.54
Interest Cost on Lease Liability			2.98		0.46
Amortisation of Financial Instruments			0.02		0.10
Unwinding of Discount on Provisions			5.56		1.94
Total			**350.11**		**219.13**

Foot Notes:-

(i) Includes interest on income-tax ₹**0.03 crore** (FY 2024-25 : ₹ 0.01 crore).

31. Depreciation, Amortisation and Impairment

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Depreciation of Property, Plant and Equipment	69.38	31.04
Depreciation of Right to Use - Lease Assets	4.58	1.31
Amortization of Intangible Assets	74.16	73.16
Depreciation of Investment Property	12.71	12.37
Impairment of Assets	1.89	-
Total	**162.72**	**117.88**

32. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Items that will not be reclassified to profit or loss		
Net actuarial gains/(losses) on remeasurements of defined benefit plans	4.63	0.05
Income Tax relating to Remeasurement Gain/(Loss) on Defined Benefit Plans	(1.17)	(0.01)
Share of other comprehensive income/(expense) of joint ventures accounted for using the equity method (net of tax)	(0.04)	(0.01)
Total	**3.42**	**0.03**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

(₹ in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Items that will be reclassified to profit or loss		
Exchange differences in translating the financial statements of foreign operations	1.00	7.30
Income Tax relating to exchange differences in translating the financial statements of foreign operations	(0.25)	(1.84)
Total	**0.75**	**5.46**
Grand Total	**4.17**	**5.49**

33. A. Fair Value Measurements

Financial assets and financial liabilities are measured at fair value in these financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

a) The carrying values and fair values of financial instruments by categories as at 31 March, 2026 are as follows: *

(₹ in crore)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	366.87	366.87	-	-
Total	**366.87**	**366.87**	**-**	**-**
Financial Assets at Amortized Cost				
(i) Investments				
Investments in Tax Free Bonds and Government Securities	-	-	-	-
(ii) Loans	1.13	-	-	1.13
(iii) Other Financial Assets	6,734.68	-	-	6,734.68
Total	**6,735.81**	**-**	**-**	**6,735.81**

(₹ in crore)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	5,663.63	-	-	5,663.63
(ii) Lease Liabilities	62.00	-	-	62.00
(iii) Other Financial Liabilities	3,421.96	-	-	3,421.96
Total	**9,147.59**	**-**	**-**	**9,147.59**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

b) The carrying values and fair values of financial instruments by categories as at 31 March, 2025 are as follows: *

(₹ in crore)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	285.50	285.50	-	-
Total	**285.50**	**285.50**	**-**	**-**
Financial Assets at Amortized Cost				
(i) Investments				
Investments in Tax Free Bonds and Government Securities	125.20	-	-	125.20
(ii) Loans	1.85	-	-	1.85
(iii) Other Financial Assets	5,433.34	-	-	5,433.34
Total	**5,560.39**	**-**	**-**	**5,560.39**

(₹ in crore)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	4,264.32	-	-	4,264.32
(ii) Lease Liabilities	34.83	-	-	34.83
(iii) Other Financial Liabilities	3,607.75	-	-	3,607.75
Total	**7,906.90**	**-**	**-**	**7,906.90**

c) The carrying values and fair values of financial instruments by categories as at 1 April, 2024 are as follows: *

(₹ in crore)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	562.00	562.00	-	-
Total	**562.00**	**562.00**	**-**	**-**
Financial Assets at Amortized Cost				
(i) Investments				
Investments in Tax Free Bonds	126.70	-	-	126.70
(ii) Loans	1.37	-	-	1.37
(iii) Other Financial Assets	4,258.44	-	-	4,258.44
Total	**4,386.51**	**-**	**-**	**4,386.51**

(₹ in crore)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	2,567.16	-	-	2,567.16
(ii) Lease Liabilities	3.24	-	-	3.24
(iii) Other Financial Liabilities	3,864.98	-	-	3,864.98
Total	**6,435.38**	**-**	**-**	**6,435.38**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
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. The following methods and assumptions were used to estimate the fair values:

i) The fair value of investments in mutual fund units is based on the Net Asset Value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) Investment in joint venture companies are classified as equity investments have been accounted using equity method. Since these are scope out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

* During the financial year 2025–26, 2024–25 and as at 1 April, 2024, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

B. Financial Risk Management

The Group's principal financial liabilities comprise borrowings, trade and other payables. The Group's principal financial assets include loans to related parties, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds investment in mutual funds, tax free bonds and Govt. Securities. The Group's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Foreign currency risk and Interest rate risk. Financial instruments affected by market risk includes borrowings, trade receivables, trade payable and other non derivative financial instruments.

(i) Foreign Currency Risk

The Group operates internationally and is exposed to insignificant foreign currency risk (since receipts & payments in foreign currency are generally matched) arising from foreign currency transactions, primarily with respect to the US $, EURO, YEN, BDT, DZD, LKR, MZN, BTN, ZAR, NPR and MYR. Significant foreign currency risk of group are naturally hedged.

As of March 31, 2026 and March 31, 2025, every 5% increase or decrease of the respective foreign currency would impact our profit before tax by approximately ₹ **2.22 crore** and ₹ 28.96 crore respectively.

The Group's significant exposure to foreign currency risk at the end of reporting period are as follows:

As at 31 March 2026

(₹ in crore)

Particulars	USD	EURO	DZD	BDT	LKR	MYR	JPY	MMK	ZAR	Total
Assets										
Trade Receivables	1.32	116.63	54.88	–	–	1.59	0.15	–	–	**174.58**
Cash & Bank Balances	182.88	335.39	37.15	4.88	3.05	4.46	210.78	0.17	80.25	**859.02**
Advance to Contractors	–	–	–	2.46	–	–	72.52	87.81	–	**162.79**
Other Assets	41.42	61.80	62.42	–	1.28	–	77.54	0.13	–	**244.59**
Total	**225.63**	**513.82**	**154.45**	**7.34**	**4.33**	**6.06**	**361.00**	**88.11**	**80.25**	**1,440.98**
Liabilities										
Trade Payables	2.81	73.69	29.36	–	29.61	–	4.96	40.62	–	**181.04**
Advance from Client	58.02	–	–	–	–	0.54	981.99	–	–	**1,040.55**
Other Liabilities	32.54	23.80	193.80	–	0.08	0.11	13.45	–	–	**263.79**
Total	**93.37**	**97.49**	**223.16**	**–**	**29.69**	**0.65**	**1,000.40**	**40.62**	**–**	**1,485.38**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

As at 31st March 2025

(₹ in crore)

Particulars	USD	EURO	DZD	BDT	LKR	MYR	JPY	MMK	ZAR	Total
Assets										
Trade Receivables	11.23	87.20	21.10	-	-	3.32	4.94	-	-	**127.78**
Cash & Bank Balances	38.30	0.12	52.14	1.92	3.05	7.45	13.10	0.13	65.17	**181.38**
Advance to Contractors	-	-	-	2.55	-	-	77.95	83.07	-	**163.57**
Other Assets	16.50	3.35	60.16	-	1.28	-	6.23	9.44	-	**96.96**
Total	**66.03**	**90.66**	**133.40**	**4.47**	**4.33**	**10.77**	**102.22**	**92.64**	**65.17**	**569.69**
Liabilities										
Trade Payables	2.14	13.05	46.47	0.73	12.34	0.14	5.52	26.88	-	**107.27**
Advance from Client	30.08	-	-	-	-	0.23	746.13	-	-	**776.44**
Other Liabilities	37.16	11.29	195.05	-	5.03	0.16	16.47	-	-	**265.16**
Total	**69.38**	**24.34**	**241.52**	**0.73**	**17.37**	**0.53**	**768.13**	**26.88**	**-**	**1,148.87**

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Group manages its interest risk in accordance with the group's policies and risk objective. In addition to borrowings, financial instruments affected by interest rate risk includes tax free bonds, government securities and deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

b) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. The risk estimates provided assume a parallel shift of 0.50% interest rate across all yield curves while all other variables held constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Sensitivity analysis

(₹ in crore)

Particulars	Impact on profit before tax	
	31st March, 2026	31st March, 2025
Interest rate		
- increase by 0.50%	-26.48	-12.46
- decrease by 0.50%	26.48	12.46

b) Credit Risk

The Group's customer profile include Ministry of Railways, Public Sector Enterprises, State Owned Companies in India and abroad. Accordingly, the Group's customer credit risk is low. The Group's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank / corporate guarantees. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

Trade and other receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Exposure to Credit Risk

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)			
Non Current Investments	-	-	125.19
Non Current Loans	0.25	0.28	0.45
Other Non Current Financial Assets	16.53	1.84	16.57
Current Investments	366.87	410.70	563.51
Cash and Cash Equivalents	2,190.35	2,279.84	2,179.78
Bank Balances other than Cash and Cash Equivalents	2,619.00	2,501.79	2,804.55
Current Loans	0.88	1.57	0.92
Other Current Financial Assets	437.58	290.18	368.92
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach			
Trade Receivables	1,503.47	1,440.91	891.13
Contract Assets	6,328.25	5,190.87	3,918.49

Summary of change in loss allowances measured using Simplified approach

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1 April 2024
Opening Allowances	**127.73**	**99.32**	**99.32**
Provided during the year	1.22	30.48	-
Utilization during the year	-	(0.10)	-
Amount written-off	(10.09)	(1.97)	-
Closing Allowances	**118.86**	**127.73**	**99.32**

During the year, the Group has recognised loss allowance of ₹ **1.22 crore** (31 March, 2025 : ₹ 30.48 crore).

Summary of change in loss allowances measured using 12 months Expected Credit Losses (ECL)

(₹ in crore)

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1 April 2024
Opening Allowances	**34.48**	**34.02**	**34.02**
Provided during the year	-	0.53	-
Utilization during the year	(0.10)	(0.08)	-
Amount written-off	(0.43)	-	-
(Exchange Gain) / Loss	-	0.01	-
Closing Allowances	**33.95**	**34.48**	**34.02**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

No significant changes in estimation techniques or assumptions were made during the reporting period.

During the year, the Group has recognised loss allowance of ₹ Nil (31 March, 2025 : ₹ 0.53 crore).

c) Liquidity risk

The Group manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. The treasury department regularly monitors the position of Cash and Cash Equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The Group's investment policy and strategy are focused on preservation of capital and supporting the Group's liquidity requirements. The senior Management of the Group oversees its investment strategy and achieve its investment objectives. The Group typically invests in government of India debt bonds and mutual funds. The policy requires investments generally to be investment grade, with the primary objective of minimising the potential risk of principal loss.

The NHAI bonds bear a fixed rate of interest thus they are not affected by the change in bond yield rates and the mutual funds are highly liquid assets which are paid out monthly and re-invested.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2026, 31 March 2025 and 1 April 2024

(₹ in crore)

Particulars	As at 31st March, 2026		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	240.42	245.26	5,177.95
Lease Liabilities	5.54	5.80	50.66
Trade payables	1,201.27	-	-
Other financial liabilities	2,600.95	23.14	797.87

(₹ in crore)

Particulars	As at 31st March, 2025		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	129.68	213.83	3,920.81
Lease Liabilities	2.91	31.92	-
Trade payables	1,257.30	-	-
Other financial liabilities	3,023.13	584.62	-

(₹ in crore)

Particulars	As at 1st April, 2024		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	110.48	531.92	1,924.76
Lease Liabilities	0.72	2.52	-
Trade payables	894.10	-	-
Other financial liabilities	3,087.56	777.42	-

d) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

The following table gives details in respect of revenues generated from top five projects.

(₹ in crore)

Particulars	For the year ended	
	31-Mar-26	31-Mar-25
Revenue from top 5 Projects	4,488.24	5,189.59
Total	**4,488.24**	**5,189.59**

C. Capital Management

The Group objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that the Group can continue to provide maximum returns to shareholders and benefit to other stakeholders. The Board of Directors also monitors the level of dividends to equity shareholders in line with the dividend distribution policy of the Group. The Group has paid dividend as per the guidelines issued by Department of Investment and Public Asset Management (DIPAM) as follows :-

(₹ in crore)

Particulars	31-Mar-26	31-Mar-25
Dividend Paid	206.91	277.46
Total	**206.91**	**277.46**

Board of Directors has recommended the final dividend of ₹0.70 per equity share on face value of ₹2/- per equity share for the year ended March 31, 2026 subject to the approval of shareholders at the AGM. This is in addition to Interim Dividend paid @ ₹1.20 per equity share on face value of ₹2/- per equity share"

Further, the Group manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Group monitors capital, on the basis of a number of financial ratios generally used by industry and by the rating agencies. The Group monitors capital using debt equity ratio which is debt divided by total equity. Debt comprises of non-current and current maturities of long term debt. The debt equity ratio at the end of the reporting period was as follows:

(₹ in crore)

Particulars	31-Mar-26	31-Mar-25
Borrowings (Note No. 20.1)	5,423.21	4,134.64
Current Maturities of Long term Debt (Note No. 23.1)	240.42	129.68
Debt	**5,663.63**	**4,264.32**
Equity (Note No. 18)	188.10	188.10
Other Equity (Note No. 19)	6,450.54	6,080.68
Total Equity	**6,638.64**	**6,268.78**
Debt Equity Ratio	**0.85**	**0.68**

34. a) The consolidated financial statements are prepared in accordance with the requirement of section 129(3) of the Companies Act, 2013 and rules made there under as applicable from the financial year starting from 1st April, 2015. Accordingly, the company (also referred to as holding company) and its subsidiaries (jointly referred to as the 'Group') along with joint control entities considered in the consolidated financial statements are as follows:

S.No.	Name of Subsidiary/Joint Ventures Companies	Country of Origin	% age Share	
			31.03.2026	31.03.2025
	Subsidiariy Companies			
1	Ircon Infrastructure and Services Limited	India	100.00%	100.00%
2	Ircon PB Tollway Limited	India	100.00%	100.00%
3	Ircon Shivpuri Guna Tollway Limited	India	100.00%	100.00%
4	Ircon Davanagere Haveri Highway Limited	India	100.00%	100.00%
5	Ircon Vadodara Kim Expressway Limited	India	100.00%	100.00%
6	Ircon Gurgaon Rewari Highway Limited	India	100.00%	100.00%
7	Ircon Renewable Power Limited	India	76.00%	76.00%
8	Ircon Akloli-Shirsad Expressway Limited	India	100.00%	100.00%

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S.No.	Name of Subsidiary/Joint Ventures Companies	Country of Origin	% age Share	
			31.03.2026	31.03.2025
9	Ircon Ludhiana Rupnagar Highway Limited	India	100.00%	100.00%
10	Ircon Bhoj Morbe Expressway Limited	India	100.00%	100.00%
11	Ircon Haridwar Bypass Limited	India	100.00%	100.00%
	Joint Venture Companies			
1	Ircon-Soma Tollway Private Limited	India	50.00%	50.00%
2	Chhattisgarh East Railway Limited	India	26.00%	26.00%
3	Chhattisgarh East-West Railway Limited	India	26.00%	26.00%
4	Mahanadi Coal Railway Limited	India	26.00%	26.00%
5	Jharkhand Central Railway Limited	India	26.00%	26.00%
6	Baster Railway Private Limited	India	26.00%	26.00%
7	Indian Railway Station Development Corporation Limited	India	26.00%	26.00%

b) The financial statements of the entities used for the purpose of consolidation have the same reporting date as that of the Holding Company.

c) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate financial statements. The differences in accounting policies, if any, of the Holding Company and its Joint Ventures are not material.

35. Other Information – Capital Expenditure

(₹ in crore)

Particulars	2025 – 2026
(Addition to PPE, Change in CWIP, Addition to Right to Use, Addition in Intangible Assets, Change in Intangible Assets under Development, Addition in Investment Property & Change in Capital Advances)	
Capital Expenditure incurred by Ircon International Limited including its subsidiary companies	633.56
Total (A)	**633.56**
Ircon International Limited share in Capital Expenditure incurred by Joint Venture companies which are capitalized/to be capitalized:	
1. Ircon-Soma Tollway Private Limited	0.05
2. Chhattisgarh East Railway Limited	111.98
3. Chhattisgarh East-West Railway Limited	302.52
4. Mahanadi Coal Railway Limited	0.17
5. Jharkhand Central Railway Limited	81.39
6. Bastar Railway Private Limited	0.01
7. Indian Railway Stations Developments Corporation Limited	-
Total (B)	**496.12**
Grand Total (A+B)	**1,129.68**

36. Employee Benefits

Disclosures in compliance with Ind AS 19 "Employee Benefits" are as under:

A Defined Contribution Plans – General Description

(i) Pension

The Holding Company has implemented IRCON Defined Contribution Superannuation Pension Scheme, 2009 i.e. April 01, 2009, for all regular employees drawing pay in IDA scale irrespective of their length of service except for those employees who joined before January 01, 2017 but would superannuate/resign after January 01, 2017, before completing 15 years of service, in such case Employer contribution towards pension would be effective from January 01, 2017 only. The scheme was managed by a Separate Trust formed in the year 2015-16 for this purpose and approved by the Income Tax Authorities. In FY 2023-24, the Board of Directors in its 286th meeting held on 11th May, 2023 has approved for shifting of IRCON Defined Contribution Superannuation Pension Scheme,

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

2009 maintained with LIC to National Pension System (NPS). Company's share of contribution to NPS during the FY 2025-26 amounts to **₹ 9.43 crore** (₹ 9.44 crore).

(ii) Post Retirement Medical Benefit (PRMB)

The Holding Company had established an irrevocable trust by initial one-time contribution of ₹ 12.00 crore during the year 2000-01 for providing annuity, medical and other benefits to the spouse of employees who die in harness as a voluntary welfare measure for which the Company is not liable for providing such benefit to its employees. Further, the Company provides medical benefits to its employees (and spouse) who superannuate from the Company. The Company has contributed ₹ **6.43 crore** (₹ 5.02 crore) based on DPE guidelines on Superannuation Benefits.

B Defined Benefit Plans – General Description

Provident fund

The Holding Company pays fixed contribution of Provident Fund at a pre-determined rate to a separate trust (IRCON Contributory Provident Fund Trust), which invests the funds in permitted securities. The trust is required to pay a minimum rate of interest on contribution to the members of the trust. The trust is approved by the Income Tax Authorities. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the interest payment based on the notified interest rate. During the period, the Company has contributed ₹ **27.66 crore** (₹ 19.86 crore) to the trust towards employer's contribution for provident fund which includes ₹ **3.05 crore** (6.58 crore.) towards reimbursement on account of loss on investment and an Adhoc payment of ₹ **11.43 crore** against stressed assets of PF Trust.

(ii) Gratuity

'The Holding Company has implemented IRCON Employees Group Gratuity Scheme to provide financial assistance to the employees of the Company as a social security measure on the termination of their employment due to superannuation, retirement, resignation, physical incapacitation or death. The scheme is managed by a Separate Trust formed in the year 2015-16 for this purpose and approved by the Income Tax Authorities. Funds of the Trust are managed by LIC of India. As at March 31, 2026 a liability of **₹0.74 crore** (₹ 4.64 crore) has been booked in the books of accounts based on the actuarial valuation.

Impact of Labour Codes: On 21st November 2025, the Government of India notified provisions of the Code on Wages 2019, the Industrial Relations Code 2020, the Code on Social Security 2020 and the Occupational Safety, Health and Working Conditions Code 2020, which consolidates the existing 29 labour laws into a unified framework governing employee benefits. The Company has assessed the incremental impact from the enactment of these New Labour Codes which is not material and has been recognised in the financial results for the financial year 2025-26.The Company continues to monitor the developments pertaining to Labour Codes and would provide appropriate accounting effect on the basis of such developments in case needed.During the year ended March 31, 2026, the Company has recognised gratuity liability for contract employees for the first time based on management's assessment of the applicable legal and regulatory position. As at March 31, 2026 the impact due to change of law is amounting to ₹ **1.29 crore** (NIL) based on the actuarial valuation.

IISL has contributed ₹**0.05 Crore** (Rs 0.04 Crore), while other subsidiary companies have recognized ₹**0.15 Crore** (nil) in their books of accounts, based on the actuarial valuation.

(iii) Other Retirement benefits – General Description

Other retirement benefits include settlement at home-town or to the place where he or his family intends to settle in India including Baggage Allowance. The liability on this account is recognized on the basis of actuarial valuation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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The summarised position of various employee benefits recognised in the statement of profit and loss and balance sheet as on March 31, 2026 is as under:

i) Changes in the present value of the defined benefit obligation are during

(₹ in crore)

Particulars	Provident Fund		Gratuity*		Other retirement benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Defined benefit obligation at the beginning of the period	**412.22**	**448.60**	**74.79**	**79.44**	**1.18**	**1.15**
Current service cost	**36.80**	40.03	**4.25**	4.04	**0.07**	0.07
Past service cost	**-**	-	**0.92**	0.36	**-**	-
Interest cost	**32.35**	25.26	**5.07**	5.74	**0.08**	0.08
Benefits paid	**(70.99)**	(100.44)	**(13.38)**	(14.16)	**(0.07)**	(0.02)
Actuarial (gain) / loss on obligations	**0.73**	(1.23)	**(3.33)**	(0.63)	**(0.16)**	(0.10)
Defined benefit obligation at the end of the period	**411.11**	**412.22**	**68.32**	**74.79**	**1.10**	**1.18**

ii) Changes in fair value of plan assets

(₹ in crore)

Particulars	Provident Fund		Gratuity*		Other retirement benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Fair value of plan assets at the beginning of the period	**408.02**	**423.20**	**69.95**	**75.49**	**-**	**-**
Contribution by employer & employee	**36.80**	40.03	**4.64**	3.81	-	-
Benefits paid	**(70.99)**	(100.44)	**(13.34)**	(14.14)	-	-
Interest income	**28.81**	45.23	**5.19**	4.79	-	-
Opening Adjustment as per Balance Sheet	**1.42**	-	**-**	-	-	-
Interest Adjusted	**-**	-	**0.70**	-	-	-
Provision for Stressed assets	-	-	-	-	-	-
Return on plan asset excluding interest income	**-**	-	**-**	-	-	-
LIC mortality charges	**-**	-	**-**	-	-	-
Fair value of plan assets at the end of the period	**404.06**	**408.02**	**67.14**	**69.95**	**-**	**-**

iii) Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ in crore)

Particulars	Provident Fund		Gratuity*		Other retirement benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Fair value of plan assets	**404.06**	408.02	**67.14**	69.95	**-**	-
Defined benifit obligation	**411.11**	412.22	**68.32**	74.79	**1.10**	1.18
Amount recognised in the Balance Sheet	**(7.05)**	**(4.20)**	**(1.18)**	**(4.84)**	**(1.10)**	**(1.18)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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iv) Amount recognised in Statement of profit and loss

(₹ in crore)

Particulars	Provident Fund		Gratuity*		Other retirement benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Current service cost	13.17	13.26	4.25	4.04	0.07	0.07
Past service cost	–	–	0.92	0.36	–	–
Net interest expense	–	–	0.32	0.29	0.08	0.08
Amount recognised in statement of Profit and Loss	**13.17**	**13.26**	**5.49**	**4.69**	**0.15**	**0.15**

v) Amount recognised in Other Comprehensive Income:

(₹ in crore)

Particulars	Provident Fund		Gratuity*		Other retirement benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Actuarial changes arising from changes in demographic assumptions	–	–	–	–	–	–
Actuarial changes arising from changes in financial assumptions	(0.10)	0.08	2.71	(2.36)	(0.04)	0.02
Experience adjustments	0.83	(1.31)	0.62	2.99	(0.12)	(0.12)
Return on Plan Assets excluding Interest Income	3.54	(19.98)	1.14	(0.67)	–	–
Amount recognised in Other Comprehensive Income	**4.27**	**(21.21)**	**4.47**	**(0.04)**	**(0.16)**	**(0.10)**

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

(₹ in crore)

Particulars	Provident Fund		Gratuity*		Other retirement benefit	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Government of India securities	56.73%	58.30%	–	–	–	–
State Government securities	–	–	–	–	–	–
Central & Sate Guaranteed Bonds	–	–	–	–	–	–
High quality corporate bonds	33.34%	33.94%	–	–	–	–
PSU Bond	–	–	–	–	–	–
PSU Basel III Tier I Bonds	–	–	–	–	–	–
Debt Mutual Fund	0.53%	0.03%	–	–	–	–
ETF/INDEX/Equity Mutual Fund	7.94%	7.41%	–	–	–	–
Special Deposits	–	–	100.00%	100.00%	–	–
Fund Managed by Insurer	–	–	–	–	–	–
Bank Balance	**1.46%**	**0.32%**	**–**	**–**	**–**	**–**
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**	–	–

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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vii) The principal assumptions used in determining PF/ gratuity/PRMB/Retirement Allowance liability for the Company's plans are shown below:

(₹ in crore)

Particulars	PF For the year ended 31st March, 2026	PF For the year ended 31st March, 2025	Gratuity* For the year ended 31st March, 2026	Gratuity For the year ended 31st March, 2026	Other retirement benefit For the year ended 31st March, 2026	Other retirement benefit For the year ended 31st March, 2025
Discount rate	7.32%	6.79%	7.32%	6.79%	7.32%	6.79%
Future salary increase	8.25%	8.25%	7.50%	7.50%	7.50%	7.50%
Mortality rate	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)

viii) Quantitative sensitivity analysis for significant assumption shown above is as shown below :

(₹ in crore)

Particulars	PF Plan (Impact on DBO)		Gratuity Plan (Impact on DBO)		Retirement Allowance (Impact on DBO)	
	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025
Present value of obligation at the end of period	**411.11**	**412.22**	**68.32**	**74.79**	**1.10**	**1.18**
Discount rate	7.32%	6.79%	7.32%	6.79%	7.32%	**6.79%**
Increase by 0.50%	(0.09)	(0.09)	(2.45)	(2.63)	(0.04)	**(0.05)**
Decrease by 0.50%	0.09	0.09	2.64	2.84	0.05	**0.05**
Future Salary increase/Expected Statutory Interest Rate	**8.25%**	**8.25%**	**0.08**	**7.50%**	**7.50%**	**7.50%**
Increase by 0.50%	-	-	0.89	1.01	0.05	**0.05**
Decrease by 0.50%	-	-	(0.93)	(1.10)	(0.04)	**(0.05)**

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions shown above occurring at the end of the reporting period.

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

ix) Expected contribution for next annual reporting period

The expected contribution to the defined benefit plan for next annual reporting period is ₹ **18.73 crore** (Prev. yr. ₹ 17.02 crore).

x) Maturity profile of defined benefit obligation is as under

(₹ in crore)

Duration of defined benefit obligation duration (years)	Provident Fund	Gratuity*	Retirement Allowance
1	68.05	10.58	0.11
2	115.50	8.28	0.12
3		6.02	0.08
4		4.56	0.08
5		3.16	0.05
6	227.56	3.31	0.05
6 year onward		32.41	0.61
Total	**411.11**	**68.32**	**1.10**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Risk analysis

Group is exposed to a number of risks in the defined benefit plan. Most significant risks pertaining to defined benefits plan, and management's estimation of the impact of these risks are as follows:

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Longevity risk/ Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

* Includes both Regular and Contract Employees

37. Related Party Transactions

Disclosures in compliance with Ind AS 24 "Related Party Disclosures" are as under:

a) List of Related Parties

i) Subsidiary Companies

Ircon Infrastructure and Services Limited
Ircon PB Tollway Limited
Ircon Shivpuri Guna Tollway Limited
Ircon Davanagere Haveri Highway Limited
Ircon Vadodara Kim Expressway Limited
Ircon Gurgaon Rewari Highway Limited,
Ircon Renewable Power Limited
Ircon Akloli -Shirsad Expressway Limited
Ircon Ludhiana Rupnagar Highway Limited
Ircon Bhoj Morbe Expressway Limited
Ircon Haridwar Bypass Limited

ii) Joint Venture Companies

Ircon-Soma Tollway Private Limited
Chhattisgarh East Railway Limited
Chhattisgarh East-West Railway Limited
Mahanadi Coal Railway Limited
Jharkhand Central Railway Limited
Baster Railway Private Limited
Indian Railway Station Development Corporation Limited

iii) Non Controlling Interest

Ayana Renewable Power Private Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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iv) Unincorporated Joint Ventures (Joint Operations)

Joint Operations in Operation	Completed Joint Operations	Financially Closed Joint Operations
Express Freight Consortium	International Metro Civil Contractor	RICON
Express Freight Railway Consortium	Metro Tunnelling Group	Ircon- Sree Bhawani Builders
IRCON-PARAS-PCM JV		IRCON-AFCONS
IRCON-DRA JV		Ircon-RCS-PFLEIDERER
AMRIL-IRCON JV		
BRC-IRCON JV		
IRCON-SSNR JV		
IRCON JPW JV		
IRCON FJPS JV		

v) (A) Key Management Personnel (KMP)

Whole Time Directors

Name	Designation
Shri Hari Mohan Gupta	CMD & Chief Executive Officer (CEO)
Smt. Ragini Advani	Director (Finance)
Shri Anand Kumar Singh	Director (Projects) (Ceased w.e.f. 31.12.2025 on account of superannuation)
Shri Parag Verma	Director (Works) (Ceased w.e.f. 30.04.2025 on account of superannuation)
Shri Naresh Chandra Karmali[1]	Director (Works) (Ceased w.e.f. 15.05.2025)
Shri Ajit Kumar Mishra[2]	Director (Works)
Shri Sudhir Singh[3]	Director (Projects) (Ceased w.e.f. 13.02.2026)
Shri Rajesh Naik[4]	Director (Projects)

1. Shri Naresh Chandra Karmali (DIN: 09103211), IRSE, PED/GS, Railway Board, was entrusted with additional charge of Director (Works), IRCON,w.e.f. 09.05.2025 (AN) until further orders of the Ministry of Railways. Shri Naresh Chandra Karmali has relinquished the additional charge of post of Director (Works), IRCON (additional charge) w.e.f. 15.05.2025 (FN), hence he is ceased to be Director (Works) of the company."

2. Shri Ajit Kumar Mishra (DIN:11108237) has been appointed as Director (Works) w.e.f. 15.05.2025 (AN), for a period of 5 years or until further orders of the Ministry of Railways, whichever is earlier.

3. Shri Sudhir Singh (DIN: 11288339), IRSE, ED/CE(BS), Railway Board, was entrusted with additional charge of Director (Projects), IRCON,w.e.f. 02.01.2026 until further orders of the Ministry of Railways. Shri Sudhir Singh has relinquished the additional charge of post of Director (Projects), IRCON (additional charge) w.e.f. 13.02.2026, hence he is ceased to be Director (Projects) of the company.

4. Shri Rajesh Naik (DIN: 11543707) has been appointed as Director (Projects) w.e.f 13.02.2026 till the date of his superannuation i.e. 31.05.2030 or until further orders of the Ministry of Railways.

Chief Financial Officer and Company Secretary

Name	Designation
Shri Alin Roy Choudhury	Chief Financial Officer (CFO)
Smt. Pratibha Aggarwal	Company Secretary

(B) Other Directors

Government Nominee Part-Time (Official) Directors

Name	Designation
Shri Anupum Singh	Government Nominee Part-Time (Official) Director
Shri Anand Bhatia	Government Nominee Part-Time (Official) Director
Shri T.Varadharajan	Independent Part-time (Non-Official) Director (Appointed w.e.f. 15.05.2025)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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(vi) Post Employment Benefit Plans

Ircon Gratuity Trust
Ircon Employees Contributory PF Trust
Ircon Medical Trust
Ircon Defind Contribution Superannuation Pension Scheme, 2009 Trust

(vii) Government Related Entities

The Company is a Central Public Sector Enterprise (CPSE) under the Ministry of Railways. The Company is controlled by Government of India (GOI), by holding 65.17 % of equity shares in the name of President of India as at 31st March, 2026. Pursuant to Para 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements.

The Group has significant transaction with the following government related entities:

Name of the Entity	Relationship
Ministry of Railways	Controlling Entity
Rail Land Development Authority	Statutory Authority under Ministry of Railways
Indian Railway Finance Corporation	Railway PSU

(viii) Other Related Parties:

Associate of Joint Venture Companies

Mahanadi Coalfield Limited

Associate of Subsidiary Company

Project Ten Renewable Power Private Limited

b) Transactions with Key Management Personnel (KMP)/Other Directors are as follows:

(₹in crore)

S.No.	Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
1	Short term employment benefits (i)	3.67	3.57
2	Post-employment benefits	0.93	0.57
3	Other long-term employment benefits	0.10	0.19
4	Sitting fees	0.08	0.18
	Total	**4.78**	**4.51**

Note :

(i) Figures of FY 2025-26 include PRP of ₹ 0.56 crore paid during the year for the previous financial years 2023-24 and 2024-25 on provisional basis (For FY 2024-25 include PRP of ₹ 0.59 crore paid during the year for the previous financial year 2022-23 and 2023-24 on provisional basis).

(ii) Recovery as applicable has been made from Directors who have been provided with Company accommodation and car.

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Transactions with other related parties are as follows: (₹in crore)

S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
1	**Sale of goods and services**				
1.1	**Contract Revenue**				
		Chhattisgarh East Railway Limited	Joint Venture Companies	297.11	143.99
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	607.97	972.34
		Mahanadi Coal Railway Limited	Joint Venture Companies	–	11.10
		Jharkhand Central Railway Limited	Joint Venture Companies	200.32	363.37
		Mahanadi Coalfield Limited	Associate of Joint Venture	5.61	4.41
		Rail Land Development Authority	Government Related Entities	117.58	93.92
		Ministry of Railways	Government Related Entities	3871.07	4994.60
1.2	**Rent Income**	Ircon-Soma Tollway Private Limited	Joint Venture Companies	0.05	0.04
		Rail Land Development Authority	Government Related Entities	0.09	0.09
2	**Purchases**	Ministry of Railways	Government Related Entitie	-	1.93
	Service fees for Additional Land	Project Ten Renewable Power Private Limited	Associate of Subsidiary Company	13.00	2.75
3	**Reimbursement of Deputation Staff Expenses, Rent & Other Misc. Expenses (Income)**				
		Ircon-Soma Tollway Private Limited	Joint Venture Companies	0.69	0.64
		Chhattisgarh East Railway Limited	Joint Venture Companies	1.18	0.52
		Mahanadi Coal Railway Limited	Joint Venture Companies	0.52	0.42
		Jharkhand Central Railway Limited	Joint Venture Companies	0.86	0.46
		Indian Railway Station Development Corporation Limited	Joint Venture Companies	–	0.16
		Ayana Renewable Power Private Limited	Non Controlling Interest	2.11	2.63

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S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
4	**Interest Income**				
4.1	**Interest Income on loans**				
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	1.22	1.51
		Mahanadi Coal Railway Limited	Joint Venture Companies	0.47	0.50
4.2	**Interest Income on Advances**				
4.3	**Interest Income on Bonds**	Indian Railway Finance Corporation Limited	Government Related Entities	2.24	3.92
4.4	**Dividend Income**	Ircon-Soma Tollway Private Limited	Joint Venture Companies	34.50	102.50
5	**Dividend**				
5.1	**Dividend distribution**	Ministry of Railways	Government Related Entities	134.84	180.82
5.3	**Profit on Sale of Investment Passed on**	Ministry of Railways	Government Related Entities	2.79	4.18
6	**Interest Expense**				
6.1	**Interest Expense passed on**	Mahanadi Coal Railway Limited	Joint Venture Companies	–	0.19
6.2	**Interest Expense passed on**	Ministry of Railways	Government Related Entities	27.45	28.75
6.3	**Interest Expense passed on**	Mahanadi Coalfield Limited	Associate of Joint Venture	0.74	1.14
6.4	**Interest Expense passed on**	Rail Land Development Authority	Government Related Entities	0.43	0.38
7	**Investment in Equity Shares**				
7.1	**Equity Investment / Interest Free Loan / (Deemed Equity) – Received from NCI**	Ayana Renewable Power Private Limited	Non Controlling Interest	–	–
8	**Interest Free Loan / Deemed Equity)**	Jharkhand Central Railway Limited	Joint Venture Companies	59.65	–
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	128.88	48.36
		Chhattisgarh East Railway Limited	Joint Venture Companies	–	15.60
8.1	**Issue of 14% Debenture**	Ayana Renewable Power Private Limited	Non Controlling Interest	72.80	209.00
8.2	**Interest on 14% Debenture**			37.84	16.86
9	**Recovery of Loans**	Chhattisgarh East-West Railway Limited	Joint Venture Companies	–	–
10	**Recovery of Advances**	Rail Land Development Authority	Government Related Entities	–	–

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

S. No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
11	**Repayment of Loans**	Indian Railway Finance Corporation Limited	Government Related Entities	-	-
12	**Advances Received**				
		Chhattisgarh East Railway Limited	Joint Venture Companies	52.51	18.05
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	134.73	311.54
		Jharkhand Central Railway Limited	Joint Venture Companies	168.09	456.52
		Rail Land Development Authority	Government Related Entities	116.14	108.13
		Ministry of Railways	Government Related Entities	2879.87	4336.16
13	**Repayment of Advances**				
		Chhattisgarh East Railway Limited	Joint Venture Companies	51.63	5.34
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	155.08	292.51
		Jharkhand Central Railway Limited	Joint Venture Companies	251.41	394.86
		Rail Land Development Authority	Government Related Entities	130.33	108.66
		Ministry of Railways	Government Related Entities	3133.17	4934.15
14	**Redemption of Bonds**	Indian Railway Finance Corporation	Government Related Entities	55.20	-
15	**Post Employment Benefit Plans**				
15.1	**Expenses recognised during the year**	Ircon Gratuity Trust	Post Employment Benefit Plans	5.29	4.64
	Contribution Made during the year	Ircon Employees Contributory PF Trust	Post Employment Benefit Plans	38.79	44.40
	Expenses recognised during the year	Ircon Medical Trust	Post Employment Benefit Plans	6.43	5.02
		Ircon Defind Contribution Supernnuation Pension Scheme, 2009 Trust	Post Employment Benefit Plans	-	-
15.2	**Amount Recoverable From**	PF Trust	Post Employment Benefit Plans	11.43	-

Note : -

(i) Refer Note 40 for guarantees and other commitments with subsidiary companies, joint venture companies and joint operations.

(ii) Purchases from MOR are hetrogenous in nature , thus immaterial. Hence not disclosed

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

c) Outstanding balances with the related parties are as follows:

(₹ in crore)

S. No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
1	**Equity Investments (Including Deemed Equity)**				
		Ircon-Soma Tollway Private Limited	Joint Venture Companies	64.15	64.15
		Chhattisgarh East Railway Limited	Joint Venture Companies	244.06	244.06
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	387.35	258.47
		Mahanadi Coal Railway Limited	Joint Venture Companies	110.50	110.50
		Jharkhand Central Railway Limited	Joint Venture Companies	200.02	140.37
		Baster Railway Private Limited	Joint Venture Companies	76.34	76.34
		Indian Railway Station Development Corporation Limited	Joint Venture Companies	52.00	52.00
2	**Investment in Bonds**	Indian Railway Finance Corporation Limited	Government Related Entities	-	55.20
3	**Equity Investments (Including Deemed Equity)-Received**	Ayana Renewable Power Private Limited	Non Controlling Interest	-	-
4	**Amount recoverable other than loans**				
4.1	**Trade Receivables**				
		Chhattisgarh East Railway Limited	Joint Venture Companies	37.40	24.75
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	30.38	69.24
		Mahanadi Coal Railway Limited	Joint Venture Companies	-	0.93
		Jharkhand Central Railway Limited	Joint Venture Companies	10.78	0.1
		Baster Railway Private Limited	Joint Venture Companies	13.85	13.85
		Mahanadi Coalfield Limited	Associate of Joint Venture	0.26	0.77
		Ministry of Railways	Government Related Entities	772.34	624.40
		Rail Land Development Authority	Government Related Entities	29.98	21.25
4.2	**Contract Assets**				
(a)	**Billable Revenue/ Receivable not due and CWIP at Realisable Value**				
		Chhattisgarh East Railway Limited	Joint Venture Companies	88.32	55.70
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	133.97	88.90
		Baster Railway Private Limited	Joint Venture Companies	9.41	9.41
		Jharkhand Central Railway Limited	Joint Venture Companies	-	26.29

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

S. No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
		Ministry of Railways	Government Related Entities	72.74	132.13
		Rail Land Development Authority	Government Related Entities	-	0.27
(b)	**Retention Money and Money Withheld**				
		Chhattisgarh East Railway Limited	Joint Venture Companies	15.98	3.83
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	54.99	16.66
		Mahanadi Coal Railway Limited	Joint Venture Companies	0.49	3.06
		Jharkhand Central Railway Limited	Joint Venture Companies	0.07	1.32
		Ministry of Railways	Government Related Entities	34.90	22.72
4.3	**Advance and Claims Recoverable**	Ircon-Soma Tollway Private Limited	Joint Venture Companies	-	0.05
		Chhattisgarh East Railway Limited	Joint Venture Companies	0.25	0.65
		Mahanadi Coal Railway Limited	Joint Venture Companies	0.21	3.81
		Jharkhand Central Railway Limited	Joint Venture Companies	0.10	0.10
		Baster Railway Private Limited	Joint Venture Companies	0.02	0.02
		Mahanadi Coalfield Limited	Associate of Joint Venture	19.04	-
		Ministry of Railways	Government Related Entities	31.50	8.35
		Rail Land Development Authority	Government Related Entities	4.64	4.64
4.4	**Interest Accrued on loans**				
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	14.03	12.93
		Mahanadi Coal Railway Limited	Joint Venture Companies	3.84	3.42
4.5	**Interest Accrued on advances**	Rail Land Development Authority	Government Related Entities	9.99	10.88
4.6	**Interest Accrued on bonds**	Indian Railway Finance Corporation Limited	Government Related Entities	-	2.7
4.7	**Recoverables from Trusts**	Ircon Gratuity Trust	Post Employment Benefit Plans	1.26	0.72
5	**Debenture Outstanding Including Interest**	Ayana Renewable Power Private Limited	Non Controlling Interest	333.33	224.17
6	**Amount Payable towards**				
6.1	**Trade Payables**			-	-
6.2	**Contract Liabilities (Advances and Advance Contract Receipts)**	Ministry of Railways	Government Related Entities	325.67	482.09

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

S. No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
		Rail Land Development Authority	Government Related Entities	-	14.19
		Chhattisgarh East Railway Limited	Joint Venture Companies	27.94	27.10
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	94.64	114.99
		Jharkhand Central Railway Limited	Joint Venture Companies	-	83.32
6.3	**Other Payable to Client**				
		Chhattisgarh East Railway Limited	Joint Venture Companies	0.61	0.61
		Mahanadi Coalfield Limited	Associate of Joint Venture	-	19.35
		Ministry of Railways	Government Related Entities	507.76	590.41
		Project Ten Renewable Power Private Limited	Associate of Subsidiary Company	2.31	2.48
		Ayana Renewable Power Private Limited	Non Controlling Interest	4.22	5.40
6.4	**Interest Payable on Borrowings**	Indian Railway Finance Corporation Limited	Government Related Entities	-	-
6.5	**Interest Payable on Advances**				
		Chhattisgarh East Railway Limited	Joint Venture Companies	0.26	0.67
		Chhattisgarh East-West Railway Limited	Joint Venture Companies	0.16	0.20
		Mahanadi Coal Railway Limited	Joint Venture Companies	-	0.01
		Jharkhand Central Railway Limited	Joint Venture Companies	4.63	3.14
		Mahanadi Coalfield Limited	Associate of Joint Venture	4.20	3.40
		Rail Land Development Authority	Government Related Entities	3.21	2.78
		Ministry of Railways	Government Related Entities	152.48	207.82
6.6	**Payable to Trust**	Ircon Gratuity Trust	Post Employment Benefit Plans	0.74	4.64

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) Outstanding balances of related parties at the year-end are unsecured and settlement occurs through banking transactions. These balances other than loans and interest bearing advances are interest free.

(iii) The loans to key management personnel are on the same terms and conditions as applicable to all other employees.

38. Earnings Per Share

Disclosure as per Ind AS 33 'Earnings per share'

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit for the year attributable to the equity holders after considering the effect of dilution by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

i) Basic and diluted Earnings Per Share (in ₹)

Particulars	Note	For the year ended 31st March 2026	For the year ended 31st March 2025
Profit attributable to Equity holders (₹ in crore)	(ii)	595.47	727.41
Weighted average number of equity shares for Basic and Diluted EPS*	(iii)	94,05,15,740	94,05,15,740
Earnings per share (Basic)		6.33	7.73
Earnings per share (Diluted)		6.33	7.73
Face value per share		2.00	2.00

ii) Profit attributable to equity shareholders (used as numerator) (Rs. in crore)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Profit for the year as per Statement of Profit and Loss	595.47	727.41
Profit attributable to Equity holders of the Parent used for computing EPS:	**595.47**	**727.41**

iii) Weighted average number of equity shares (used as denominator) (Nos.)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Opening balance of issued equity shares	94,05,15,740	94,05,15,740
Weighted average number of equity shares for computing Basic EPS	94,05,15,740	94,05,15,740
Dilution Effect:		
Weighted average number of equity shares for computing Diluted EPS	94,05,15,740	94,05,15,740

39. Impairment of Assets

During the year, Group has carried out assessment on impairment of individual assets by working out the recoverable amount based on lower of the net realizable value and carrying cost in terms of Ind AS 36, "Impairment of Assets" notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016. Accordingly, impairment loss of Nil (Nil) has been provided for. IISL has provided the impairment of ₹ **1.89 crore** during the year for the asset held for sale.

40. Provisions, Contingencies and Commitments

(i) Provisions

The nature of provisions provided and movement in provisions during the year as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are disclosed in Note 21.

(ii) Contingent Liabilities

Disclosure of Contingent Liabilities as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is as under:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

	Particulars	Foot Note	As at 31st March 2025	Addition during the year	Total Claims Settled during the year	As at 31st March 2026
a)	**Claims against the Group not acknowledged as debts :**					
	Disputed Direct tax demands					
	(i) in respect of the Holding Company	1	44.72	3.60	(22.20)	**26.12**
	(ii) in respect of the Holding Company		0.01	0.00		**0.01**
	Disputed Indirect tax demands					
	(i) in respect of the Joint Operations	2	202.84	0.05	**(38.11)**	**164.78**
	(ii) 'in respect of the IISL	3	3.07	0.20	**-**	**3.27**
	Legal Cases	**11**	**10.88**	**0.48**	-	**11.36**
	(i) in respect of the Holding Company					
	(ii) in respect of the Joint Operations	4	528.02	208.30	**(93.35)**	**642.97**
	In respect of IISL	**5**	0.02	0.00	**-**	**0.02**
b)	**Guarantees (excluding financial guarantees) issued by the company on behalf of** Subsidiaries Companies	**6**	**120.76**	**10.86**	**(1.45)**	**130.17**
c)	**Other money for which Group is contingent liable**	**7 (i&ii)**	**2,503.77**	**674.66**	**(50.94)**	**3,127.49**
	Liquidated damages pending disposal of application for extension of time by clients		**9.27**	**-**	**(9.27)**	**-**
	Total		**3,423.36**	**898.15**	**(215.32)**	**4,106.19**

1. The Income Tax Authority have raised demands on account of various disallowances pertaining to different assessment years. Many of these matters were adjudicated in favour of Company but are disputed before higher authorities by the concerned departments. The Group is contesting these demands, which are pending at various appellate levels. Based on the advice from the independent tax experts and the developments on the appeals, the management is confident that additional tax so demanded will not be sustained on completion of the appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these financial statements.

2 There are various disputes pending with authorities of excise, customs, service tax, sales tax, VAT etc. The Group is contesting these demands raised by concerned authorities and are pending at various appellate authorities. Based on the grounds of appeal and advice of the independent legel experts, the management believes that there is reasonable strong likelihood of succeeding before the various authorities. Pending the final decisions on the above, no adjustment has been made in these financial statements. The above disputed indirect tax demands includes **₹ 115.60 Crore** which is reimbursable from clients.

3 In case of International Metro Civil Contractor, a Joint Operation of the Group, there is disputed demand pending with the sales tax authorities amounting to **₹ 3.27 Crore** (₹ 3.07 crore) on account of disallowance of labour expenses. The joint operation had filed appeals before the appropriate appellate authorities against the demand. The decision is pending before the appellate authorities and therefore, no provision has been made in the financial statements.

4 (i) "The Group is a party to several legal suits on construction contract terms related disputes, pending before various courts and arbitration proceedings in India and aboard. Some of the contractors have lodged claims on the company seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the company as being not admissible in terms of provisions of the respected contracts. Against a total claim of **₹ 711.12 crore** (₹ 592.33 crore), provision of **₹ 68.15 crore** (₹ 64.30 crore) has been made and balance ₹ **642.97 crore** (₹ 528.02 crore) is shown as contingent liability. The Group has also made counter claims on the contractors admissible as per the terms of the contract of **₹ 118.89 crore** (₹ 251.33 crore). Interest on claims is not considered, being unascertainable.

There are certain other matters pending in litigations against the Group before various courts and appellate authorities on account of claims by some contractors in cost plus projects. In such cases, the Group envisages reimbursement from the Clients in full as per the terms of contract and expects no economic outflow of resources. In this respect, a total claim of **₹ 1710.96 crore** (₹ 1779.99 crore) is under litigation, for which provision of ₹ NIL (₹ NIL) has been made and reimbursable by the client. The Company has also made counter claims on the contractors of ₹ 75.12 crore (₹ 116.83 crore). Interest on claims is not considered, being unascertainable."

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

5 (i) One of the contractor, M/s Sai Engineers has filed suit against International Metro Civil Contractor for an amount of ₹ **0.02 crore** (₹ 0.02 crore) for dispute on contract terms. The decision is pending before the appellate authorities and therefore, no provision has been made in the financial statements.

(ii) Group is also party to some of the legal case filled by employees which are pending before court/ arbitration proceedings in India . These claims are being contested by the company as being not admissible in terms of provisions of the respected contracts and stong likelihood of suceeding before the authorities. Interest on claims is not considered, being unascertainable.

6 (i) IISL is party to several legal /arbitration cases related to various dispute rasied by MFC concessionaires after termination of the sub lease agreement. The concessionaires have disputed to various terms of the sub lease agreement and lodged claim on the company seeking waiver of amount payable which is not as per terms of the condition along with other non legitimated demands. These claims are being contested by the company as being not admissible in terms of provisions of the respected contracts and strong likelihood of suceeding before the authorities. Against a total claim of ₹ **155.35 crores** (₹ 144.65 crore), provision of ₹ **30.10 crore** (₹ 29.27 crore) has been made in the financial statements and balance ₹ **125.25 crore** (₹ 115.39 crore) is shown as contingent liability. The Company has also made counter claims against these cases on concessioaniar and admissible as per the terms of the contract of ₹ **64.36 crore** (₹ 63.56 crore). Interest on claims is not considered, being unascertainable.

(ii) IISL is also party to some of the legal/arbitration cases related to construction contract terms with contractors (other than MFCs) which are pending before court/ arbitration proceedings in India . These claims are being contested by the company as being not admissible in terms of provisions of the respected contracts and strong likelihood of suceeding before the authorities. Interest on claims is not considered, being unascertainable. "

7 (i) Holding Company's Non Fund based limits earmarked for issuance of bank guarantee to subsidiary companies amounts to **₹ 750 crore** (₹ 750 crore). Out of the said limit, bank guarantees to the extent of **₹ 270.56 crore** (₹245.62 crore) has been utilised as on 31.03.2026.Therefore, the balance limit for issuance of bank guarantee is **₹ 479.44 crore** (₹ 504.38 crore).

(ii) Holding Company has given corporate guarantee to various Banks on behalf of and in respect of term loan facility for its subsidiary companies for an amount of **₹ 3,841.63 crore** (₹ 3,841.63 crore). The term loan availed (net of repayment) by the subsidiary companies as on 31.03.2026 is **₹ 2856.93 crore** (₹ 2258.15 crore).

8 The Ircon Shivpuri Guna Tollway Limited is a party to certain claims raised by NHAI related to delays, non achievement of milestones, damages in O&M works, etc. These claims are being contested by the company as being not admissible in terms of provisions of the contract. These claims amounting to **₹13.59 crore** (₹ 16.97 crores), is contingent liability. The Company has also made counter claims on NHAI admissible as per the terms of the contract of ₹ **96.98 crore** (₹ 96.98).

9 IIPBTL is a party to certain claims raised by NHAI related to delays, non achievement of milestones, damages in O&M works, etc. These claims are being contested by the company as being not admissible in terms of provisions of the contract. These claims amounting to ₹ **47.42 crore** (₹ 47.42 crores), is shown as contingent liability above. The Company has also made counter claims on NHAI admissible as per the terms of the contract of ₹ **338.05 crore** (₹338.05 crore). The Company has also submitted a claim compensation amounting to Rs 1277 crores to NHAI against revenue losses attributed to construction of additional tollways and competing roads that have diverted traffic from the Bikaner Phalaudi Highway section .

10 In respect of IPBTL, **₹132.63 Crores** mentioned above (excluding interest on such demand as appearing on Income tax portal for Rs 105.12 crores), pertains to one Income tax demand for FY 2017-18 against which appeal has been filed with the Income Tax department, Income tax refund due to the Company for ₹1.85 crores, ₹ 2.31 crores, ₹ 0.18 crores, ₹ 0.09 crores , ₹ 0.04 crores and Rs 0.01 crores pertaining to AY 2019-20,AY 2020-21, AY 21-22,AY 22-23 ,AY 23-24 and AY 24-25 respectively has not been released by the Income Tax department against above demand. Appeal was filed in FY 2022-23 and one hearing was held during the financial year 2023-24, and 2024-25 without conclusion. Next hearing date is yet to be confirmed at the close of the financial year.

Further,there is one dispute pending with GST authorities for an amount of ₹ **112.96 crores** (₹ 112.96 crores) excluding interest and penalties. The appeal was filed with GST Appellate Authority and the appeal has been not been considered by the GST appellate authority in the company's favour. Based on the grounds of appeals and advice of independent legal experts , the management believes that there is reasonably strong likelihood of succeeding before the High Court of Rajasthan and consequently appeal has been filed with the High Court of Rajasthan . Pending the final decision on above, no adjustment has been made in the financial statements.

11 The GST Authority have raised demands on account of various disallowances pertaining to different years. Many of these matters were adjudicated in favour of Company but are disputed before higher authorities by the concerned departments. The Company is contesting these demands, which are pending at various appellate levels. Based on the advice from the independent tax experts and the developments on the appeals, the management is confident that additional tax so demanded will not be sustained on completion of the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these financial statements.

12 An intimation demand order has been issued to Ircon Davanagere Haveri Highway Limited under 143(1), for an amount of ₹ 1.21 Crore for the AY 2023-24 dated 09.01.2024 & ₹ 225.62 Lakhs for the AY 2022-23 dated 01.03.2024. For the AY 2022-23, the company got relief from ITAT vide order dated 12.03.2025 where the amount of demand ₹ 1.22 crore was dropped. For the AY 2023-24, the company got relief from CIT(A) under section 250 of the Income tax Act, 1961 vide order dated 09.01.2024 where the amount of demand ₹ 2.25 Crore was droped. Appeal effect has also been applied vide Order dated 15.12.2025 (AY 2022-23) & Order dated 24.09.2025 (AY 2023-24).

13 During the financial year 2024-25, the IVKEL received a GST Audit Report in Form ADT-02 under the Central Goods and Services Tax Act, 2017 for FY 2021-22 and FY 2022-23, pursuant to which a liability of ₹ 0.60 Crore (including interest and penalty) was indicated. Subsequently, Show Cause Notices were issued increasing the proposed demand to ₹ 0.65 crore i.e. increase by ₹ 0.05 Crore. The demand for FY 2021-22 amounting to ₹ 0.30 Crore has since been dropped by the GST Department in December 2025. For FY 2022-23, a demand of ₹ 0.34 Crore is under dispute. Based on Mangement's assessment, the Company does not expect the outflow of resources to be probable and has therefore disclosed the same as a contingent liability as at March 31, 2026, in accordance with Ind AS 37.

(iii) Contingent Liabilities

Disclosure of Contingent Assets as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is as under:

a) Claims raised by Group on some of its clients and awarded by arbitrators in favour of Group against which clients have gone to court not accounted for as receivables are ₹ **453.33 crore** (Rs.454.60 crore) including interest calculated up to 31.03.2026 as per arbitration award.

b) Counter Claims raised by Group on sub-contractors and awarded by arbitrators in favour of Group against which sub-contractors have gone to court, not accounted for as receivables are ₹ **15.62 crore** (₹ 15.36 crore).

c) Insurance Claim of **USD 0.99 Mn** (USD 0.95 Mn) and **Ethiopian Bir 1.48 Mn** (1.34 Mn) equivalent to ₹ **9.28 crore** (₹ 8.16 crore) including interest calculated upto 31.03.2026 awarded by Honourable Supreme Court of Ethiopia in favour of Group has not been accounted for, pending execution order by High Court of Ethiopia.

d) IISL has made various counter claims against claimed of ₹ **64.36 crore** (₹ 63.56 crore). Some of Claims raised by company on MFC concessionairs and others were awarded in favour of company, not accounted as they were the part of receivable already.

(iv) Commitments

Particulars		Foot Note	For the year ended 31st March 2026	For the year ended 31st March 2025
a)	**Capital Commitments**			
	Estimated amount of contracts remaining to be executed on capital account (net of advance) and not provided for:	1	41.26	53.09
b)	**Other Commitments**			
(i)	Funding committed by way of equity and loans in Joint Venture Companies	2	107.45	194.50
(ii)	Corporate Guarantee for Subsidiary Companies	3	804.61	1452.97
(iii)	Sponsor's Support Agreement on behalf of Joint Venture	4	2415.32	1,712.10
			3368.64	**3,412.66**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

Foot Note:

(₹ in crore)

1.

S. No.	Capital Commitments	As at 31st March 2026	As at 31st March 2025
1	Estimated amount of contracts remaining to be executed on Property, Plant and Equipment	33.93	42.95
2	Estimated amount of contracts remaining to be executed on Investment Property	0.01	0.99
3	Estimated amount of contracts remaining to be executed on Intangible Assets under development-Holding Company	7.32	9.15
	Total	**41.26**	**53.09**

(₹ in crore)

2.

S. No.	Name of the Joint Venture Company	As at 31st March 2026		As at 31st March 2025	
		Equity	Loans	Equity	Loans
1	Chhattisgarh East Railway Limited	0.07	59.90	0.07	18.07
2	Chhattisgarh East-West Railway Limited	0.01	-	0.01	128.88
3	Mahanadi Coal Rail Limited	-	22.13	-	22.13
4	Baster Railway Private Limited	0.01	25.33	0.01	25.33
5	Jharkhand Central Railway Limited	-	-	-	-
6	Indian Railway Station Development Corporation Limited	-	-	-	-
	Total	**0.09**	**107.36**	**0.09**	**194.41**

3. The Holding Company has given corporate guarantee to various Banks on behalf of and in respect of term loan facility for its subsidiary companies for an amount of **₹ 3841.63 crore** (₹ 3841.63 crore). The subsidiary companies have availed term loan of **₹ 3037.01 crore** (₹ 2388.66 crore) till 31.03.2026. The subsidiary companies have repaid an amount of ₹ 180.08 crore (₹ 130.51 crore) against these term loans and the term loan balance as on 31.03.2026 is **₹ 2856.93 crore** (₹ 2258.15 crore).

4. (i) The Holding Company along with SECL (Sponsors) have executed Promoters' Undertaking on behalf of its Joint Venture, Chhattisgarh East West Railway Ltd.(CEWRL) in favour of Power Finance Corporation towards refinance of existing term loan of ₹ 3976.00 crore which has been enhanced to ₹ 6680.70 crore from ₹ 3976 crore, wherein it has been stated that the Promoter shall infuse funds for meeting debt servicing requirement including principal and interest, in case of shortfall in revenue shall be restricted to the extent of its shareholding in CEWRL. IRCON's share as per the given amount of Rupee Term Loan is ₹ 1736.98 crore (26% of total loan of ₹ 6680.70 crore) as on 31st March 2026 (31st March, 2025: ₹ 1033.76 crore).

(ii) The Holding Company along with CCL (Sponsors) have executed Sponsor's Support Agreement on behalf of its Joint Venture, Jharkhand Central Railway Ltd. (JCRL), wherein it has been stated that in case of termination of the Concession Agreement due to an event of default by the Borrower prior to the achievement of the Commercial Operation Date the Sponsors shall meet any shortfall in the Debt Service obligations of the Borrower, to the satisfaction of the Lenders, without recourse to the Borrower and/or the Project. IRCON's share as per the given amount of Rupee Term Loan is ₹ 327.60 crore (26% of total loan of ₹ 1259.75 crore) as on 31st March 2026 (31st March, 2025: ₹ 327.60 crore).

(iii) The Company along with SECL and CSIDCL (Sponsors) have executed Sponsor's Support Agreement on behalf of its Joint Venture, Chhattisgarh East Railway Ltd.(CERL Ph-II), wherein it has been stated that in case of termination of the Concession Agreement due to an event of default by the Borrower prior to the achievement of the Commercial Operation Date the Sponsors shall meet any shortfall in the Debt Service obligations of the Borrower, to the satisfaction of the Lenders, without recourse to the Borrower and/or the Project. IRCON's share as per the given amount of Rupee Term Loan is ₹ 350.74 crore (26% of total loan of ₹1,349.00 crore) as on 31st March 2026 (31st March, 2025: ₹ 350.74 crore).

5. Estimated Amount of Contracts remaining to be executed on capital accounts of **₹ 108.89Crore** (for 31st March 2025 ₹ 608.50 Crore) for construction of solar projects and Other Commitments of **₹32.22 Crores** (₹ 37.52 Crores) for operation & maintenance of solar project pertains to Ircon Renewable Power Limited.

6. There is an outstanding Letter of Credit as on 31st March, 2025 amounting to **₹ 109.16 crore** (31st March, 2024 ₹ 135.86 crore).

7. Concessainare fees payable of **₹367.48 Crore** (₹395.89 Crore)to NHAI till end of Concessionaire period of the Toll Road regarding other commitments of Ircon Shivpuri Guna Tollway Limited.

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8. The company has entered into agreements with IRCON and AYANA for the issuance of OCDs, under which any unpaid contracted base interest may, in the event of default and subject to specified conditions (including the availability of distributable profits and approval of senior lenders), accrue additional "interest-on-interest". The Company retains an unconditional right to avoid such additional cash outflows by paying base interest when due, and the occurrence and quantum of any "interest-on-interest" depend on future events that are not presently determinable, including the period for which distributable profits may not be available, the timing and outcome of approvals from senior lenders and the amount of unpaid base interest outstanding at those future dates. Accordingly, no provision has been recognised in these financial statements for such "interest-on- interest" under Ind AS 37, and the potential obligation is disclosed as a contingent liability. The financial effect of this contingent liability cannot be measured with sufficient reliability at the reporting date.

9. The Company has executed Sponsor Support Undertaking in favour of the lenders for loan availed by its Subsidiary Companies as under:-
   (i) Ircon Shivpuri Guna Tollway Limited
   (ii) Ircon Davanagere Haveri Highway Limited
   (iii) Ircon Vadodara Kim Expressway Limited
   (iv) Ircon Gurgaon Rewari Highway Limited
   (v) Ircon Akloli-Shirsad Expressway Limited
   (vi) Ircon Ludhiana Rupnagar Highway Limited
   (vii) Ircon Bhoj Morbe Expressway Limited
   (viii) Ircon Haridwar Bypass Limited
   (ix) Ircon Renewable Power Limited

41. Segment Reporting

Disclosure as per Ind AS 108 " Operating Segment" is given as under:

A. General information

Operating segments are defined as components of an enterprise for which discrete financial information is available which is being evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. The Board of Directors of the Group is the Chief Operating Decision Maker (CODM). The operating segments have been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) for review of performance and allocating resources.

The Group has determined reportable operating segments from geographical perspective.

B. Information about reportable segments and reconciliation to amounts reflected in the financial statements:

(₹ in crore)

Particulars	International		Domestic		Total	
	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
Segement Revenue						
Revenue from external customers	296.24	339.10	8,774.81	10,420.48	**9,071.05**	**10,759.58**
Total Operating Revenue	**296.24**	**339.10**	**8,774.81**	**10,420.48**	**9,071.05**	**10,759.58**
Interest income	35.37	26.18	212.90	264.15	**248.27**	**290.33**
Other Income	86.02	17.61	96.63	63.51	**182.65**	**81.12**
Inter – segment	–	–	–	–	**-**	**-**
Total Revenue	**417.63**	**382.89**	**9,084.34**	**10,748.14**	**9,501.97**	**11,131.03**
Segement Result						

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Particulars	International		Domestic		Total	
	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2026	For the year ended 31st March 2025
Profit before provision, depreciation, interest and exceptional item and tax	229.47	100.48	1,205.80	1,468.07	**1,435.27**	**1,568.55**
Less: Provisons and write back	(38.73)	(4.54)	(200.48)	(349.29)	**(239.21)**	**(353.83)**
Less: Depreciation,amortization and impairment	(2.59)	(3.54)	(160.13)	(114.34)	**(162.72)**	**(117.88)**
Less: Interest	**(0.23)**	**(0.33)**	**(349.27)**	**(217.26)**	**(349.50)**	**(217.59)**
Add: Share of net profit of Joint Ventures accounted for using equity method	-	-	82.66	59.77	**82.66**	**59.77**
Profit before tax	**187.92**	**92.07**	**578.58**	**846.95**	**766.50**	**939.02**
Less: Tax expense	**(9.87)**	**(7.74)**	**(164.71)**	**(203.45)**	**(174.58)**	**(211.19)**
Profit after tax	**178.05**	**84.33**	**413.87**	**643.50**	**591.92**	**727.83**

(₹ in crore)

Particulars	International		Domestic		Total	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Total Assets	1,123.79	1,053.19	20,182.89	18,468.09	**21,306.68**	**19,521.28**
Total Liabilities	964.31	825.46	13,671.68	12,333.87	**14,635.99**	**13,159.33**
Investment in joint ventures accounted for by equity method	-	-	1,064.81	885.72	**1,064.81**	**885.72**
Non current asset other than financial instruments, deferred tax assets, net defined benefit assets	159.76	92.56	4,524.01	3,835.58	**4,683.77**	**3,928.14**
Capital Expenditure for the year ending (Addition to PPE, CWIP, Investment Property, Other Intangible Assets, Intangible assets under development and Right-to-use)	0.24	1.26	851.32	1,260.64	**851.56**	**1,261.90**

D. Information about major customer

The following table present Revenue derived by Company from single external customer in amounting to 10 per cent or more of the Company's revenues with reportable segments for the years ended March 31, 2026 and March 31, 2025:

Particulars	Segment	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Revenue from External Customers:			
Single Major Customer-01	Domestic	**45.44%**	**47.93%**
Single Major Customer-02	Domestic	**15.51%**	**19.45%**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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C. Summarised Financial Interest in Joint Operations (to the extent of Company's share)

S. No.	Particulars	Express Freight Consortium		International Metro Civil Contractor		Metro Tunnelling Group		IRCON-PARAS-PCM JV		IRCON-DRA JV		AMRIL-IRCON JV (Pkg-03 & 04)		BRC-IRCON JV		IRCON SSNR JV		IRCON JPW JV		IRCON FJPS JV		Total	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
	As at Year End:																						
1	**Assets**																						
	PPE	-	-	-		-		0.03	0.01	-		-	-	-	-	-	-	-	-	-	-	0.03	0.01
	Capital Work in Progress	-	-	-		-		-				-		-	-	-	-	-	-	-	-	-	-
	Other Assets	-	-	3.54	4.51	0.81	0.85	5.92	1.01	0.74		0.33	-	0.01	-	17.74	-	39.54	-	0.08	-	**68.71**	6.37
														-	-						-	-	-
2	**Liabilities**													-	-						-	-	-
	Provisions	-	-	0.01	0.03	0.03	0.07	-	-			-	-	-	-	-	-	-	-	-	-	**0.04**	0.10
	Other Liabilities	-	-	0.85	0.90	0.00	0.02	5.98	1.02	0.06		0.02	-	-	-	16.47	-	37.04	-	-	-	**60.42**	1.94
														-	-						-	-	-
	For the year end:													-	-						-	-	-
3	Total Income	0.73	1.59	0.05	0.08	0.06	0.07	5.88	-	-		0.33	-	-	-	32.47	-	71.27	-	-	-	110.79	1.74
4	Total Expenses	0.22	0.68	0.03	0.00	0.02	0.02	5.88	-	-		0.28	-	-	-	31.98	-	70.74	-	-	-	109.15	0.70
5	Total Taxes	0.18	0.46	0.01	0.03	0.01	0.02	0.04	-	-		-	-	-	-	-	-	-	-	-	-	0.24	0.51
6	Profit after tax	0.33	0.45	0.01	0.05	0.03	0.03	(0.04)	-	-		0.05	-	-	-	0.49	-	0.53	-	-	-	1.40	0.53
7	Other Comprehensive **Income**	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
8	Total Comprehensive Income	0.33	0.45	0.01	0.05	0.03	0.03	(0.04)	-	-	-	0.05	-	-	-	0.49	-	0.53	-	-	-	**1.40**	0.53

Foot Note:

Contingent Liabilities relating to Joint Operations are disclosed in Note 40.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For The Year Ended 31st March 2026

42. Disclosure of Interest in Other Entities

Disclosures in compliance with Ind AS 112 "Disclosure of Interest in Other Entities" are as under:

A. Investment in Joint Operations

Investment in following joint operations is accounted at cost.

(₹in crore)

S.No.	Name of the Subsidiary Company	Principal Place of Business and Country of Incorporation	'As at 31st March, 2026		'As at 31st March, 2025	
			Proportion of direct ownership interest	Proportion of voting rights	Proportion of direct ownership interest	Proportion of voting rights
i)	**For projects in operation:**					
	Express Freight Consortium	Gujarat and Maharashtra, India	30.00	30.00	30.00	30.00
	Express Freight Railway Consortium	Maharashtra, India	30.00	30.00	30.00	30.00
	IRCON-PARAS-PCM JV	Uttarakhand, India	60.00	60.00	60.00	60.00
	IRCON-DRA JV	Odisha, India	51.00	51.00	51.00	51.00
	AMRIL-IRCON JV	Manipur, India	26.00	26.00	26.00	26.00
	BRC-IRCON JV	Meghalaya, India	26.00	26.00	26.00	26.00
	IRCON-SSNR JV	Madhya Pradesh, India	60.00	60.00	60.00	60.00
	IRCON JPW JV	Madhya Pradesh, India	70.00	70.00	0.00	0.00
	IRCON FJPS JV	Maharashtra, India	51.00	51.00	0.00	0.00
ii)	**Completed Joint Operations**					
	International Metro Civil Contractor	Delhi NCR, India	9.50	9.50	9.50	9.50
	Metro Tunnelling Group	Delhi NCR, India	9.50	9.50	9.50	9.50
iii)	**Financially Closed Joint Operations**					
	RICON	Delhi NCR, India	49.00	49.00	49.00	49.00
	Ircon- Sree Bhawani Builders	Chennai, India	24.21	24.21	24.21	24.21
	IRCON-AFCONS	Bangladesh	53.00	53.00	53.00	53.00
	Ircon-RCS-PFLEIDERER	J&K, India	65.08	65.08	65.08	65.08

B. Investment in Joint Venture Companies

(₹ in crore)

S. No.	Particulars	Principal Place of Business and Country of Incorporation	As at 31st March, 2026		As at 31st March, 2025		Accounting Method
			Proportion of direct ownership interest	Proportion of voting rights	Proportion of direct ownership interest	Proportion of voting rights	
1	Ircon-Soma Tollway Private Limited	Maharashtra, India	50.00	50.00	50.00	50.00	Equity Method
2	Chhattisgarh East Railway Limited	Chhattisgarh, India	25.31	26.00	25.31	26.00	Equity Method
3	Chhattisgarh East-West Railway Limited	Chhattisgarh, India	26.00	26.00	26.00	26.00	Equity Method
4	Mahanadi Coal Railway Limited	Odisha, India	26.00	26.00	26.00	26.00	Equity Method
5	Jharkhand Central Railway Limited	Jharkhand, India	26.00	26.00	26.00	26.00	Equity Method

S. No.	Particulars	Principal Place of Business and Country of Incorporation	As at 31st March, 2026		As at 31st March, 2025		Accounting Method
			Proportion of direct ownership interest	Proportion of voting rights	Proportion of direct ownership interest	Proportion of voting rights	
6	Baster Railway Private Limited	Chhattisgarh, India	26.00	26.00	26.00	26.00	Equity Method
7	Indian railway Station Devlopment Corporation Limited	Delhi-NCR, India	26.00	26.00	26.00	26.00	Equity Method

D. Summarised Balance Sheet of Joint Venture Companies

(₹ in crore)

S. No.	Particulars	Chhattisgarh East Railway Limited		Chhattisgarh East West Railway Limited		Indian Railway Stations Development Corporation Ltd		Bastar Railways Private Limited	
		As at 31-3-2026	As at 31-3 2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
1	Non-Current Assets	3969.06	3582.73	5818.24	4636.69	-	-	0.02	0.03
2	Current Assets	81.71	60.19	7.47	129.76	251.61	386.91	307.04	331.65
	Total Assets (A)	**4,050.77**	**3,642.92**	**5,825.71**	**4,766.45**	**251.61**	**386.91**	**307.06**	**331.68**
3	Non-Current Liabilities	3,609.71	3,072.80	4,305.70	3,709.65	-	-	-	-
4	Current Liabilities	212.02	225.50	201.43	159.54	2.93	70.55	13.72	38.50
	Total Liabilities (B)	**3,821.73**	**3,298.30**	**4,507.13**	**3,869.19**	**2.93**	**70.55**	**13.72**	**38.50**
5	**Net Assets (A-B)**	**229.04**	**344.62**	**1,318.58**	**897.26**	**248.68**	**316.36**	**293.34**	**293.18**
	a) Includes Cash & Cash Equivalents	20.95	6.42	2.03	127.05	0.50	2.12	8.81	36.43
	b) Includes Financial Liabilities (excluding Trade payables and other payables and excluding provisions)	3,609.71	3,077.65	4,307.02	3,709.65	0.12	52.72	-	-

(₹ in crore)

S. No.	Particulars	Jharkhand Central Railway Limited		Mahanadi Coal Railway Limited		Ircon - Soma Tollway Private Limited	
		As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
1	Non-Current Assets	1830.60	1517.58	392.81	401.46	10.70	102.85
2	Current Assets	200.31	71.49	21.42	56.66	328.62	306.66
	Total Assets (A)	**2,030.91**	**1,589.07**	**414.23**	**458.11**	**339.32**	**409.51**
3	Non-Current Liabilities	1,258.28	1,029.17	1.30	0.26	-	0.18

S. No.	Particulars	Jharkhand Central Railway Limited		Mahanadi Coal Railway Limited		Ircon - Soma Tollway Private Limited	
		As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
4	Current Liabilities	2.35	2.56	27.52	75.56	36.40	259.90
	Total Liabilities (B)	**1,260.63**	**1,031.72**	**28.82**	**75.82**	**36.40**	**260.08**
5	**Net Assets (A-B)**	**770.28**	**557.34**	**385.41**	**382.30**	**302.92**	**149.44**
	a) Includes Cash & Cash Equivalents	74.04	5.76	0.04	0.02	125.59	32.90
	b) Includes Financial Liabilities (excluding Trade payables and other payables and excluding provisions)	1,258.54	1,029.49	15.54	65.91	32.50	153.84

F. Summarised Statement of Profit and Loss of Joint Venture Companies:

(₹ in crore)

S. No.	Particulars	Bastar Railways Private Limited		Chhattisgarh East Railway Limited		Chhattisgarh East West Railway Limited		Indian Railway Stations Development Corporation Ltd	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
1	Revenue			172.19	109.38	3.87	–		3.62
2	Interest Income	2.17	2.54	0.02	0.05	0.09	–	16.42	9.63
3	Other Income		–	–	0.12	–	–	3.95	0.58
	Total Income	**2.17**	**2.54**	**172.21**	**109.56**	**3.96**	**-**	**20.37**	**13.83**
4	Expenses on Operations		–	28.37	32.76	–	–	–	3.69
5	Employee Benefit		–	1.35	1.38	0.04	–	0.26	0.39
6	Depreciation and amortisation	0.01	0.05	89.99	89.97	6.34	–	–	–
7	Finance Cost	–	–	209.91	200.50	15.11	–	–	–
8	Other Expenses	1.94	1.85	2.35	3.02	0.30	0.20	4.85	1.25
	Total Expenses	**1.95**	**1.90**	**331.98**	**327.63**	**21.79**	**0.20**	**5.10**	**5.32**
9	**Share of Profit & Loss of Joint Venture**	**-**	**-**		**-**	**-**	**-**	**-**	**-**
10	Income tax	0.06	1.38	38.84	56.70	4.54	–	4.11	2.88
11	**Profit for the year**	**0.16**	**(0.75)**	**(120.92)**	**(161.37)**	**(13.29)**	**(0.20)**	**11.16**	**5.63**
12	Other comprehensive income	–	–	–	–	–	–	–	(0.01)
13	**Total comprehensive income**	**0.16**	**(0.75)**	**(120.92)**	**(161.37)**	**(13.29)**	**(0.20)**	**11.16**	**5.62**

(₹ in crore)

S. No.	Particulars	Ircon - Soma Tollway Private Limited		Jharkhand Central Railway Limited		Mahanadi Coal Railway Limited	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
1	Revenue	386.32	346.75	-	-	23.29	24.16
2	Interest Income	14.86	18.74	9.54	6.96	3.23	3.01
3	Other Income	2.65	1.02	-	-	-	-
	Total Income	**403.83**	**366.51**	**9.54**	**6.96**	**26.52**	**27.17**
4	Expenses on Operations	51.02	111.20	-	-	0.05	0.11
5	Employee Benefit Expenses	0.97	0.80	-	-	0.89	1.13
6	Finance Cost	4.80	24.99	-	-	2.46	3.40
7	Depreciation and amortisation Expenses	91.87	86.74	0.02	0.03	10.28	10.15
8	Other Expenses	5.39	4.50	0.31	0.32	8.69	9.39
	Total Expenses	**154.05**	**228.22**	**0.33**	**0.35**	**22.36**	**24.17**
9	Income tax	27.21	49.12	2.73	1.84	1.04	0.26
	Add:-Exceptional items		105.72		-		
10	Profit for the year	222.57	194.90	6.48	4.78	3.12	2.74
11	**Other comprehensive income**	(0.09)	(0.01)	-	-	-	-
12	**Total comprehensive income**	**222.49**	**194.89**	**6.48**	**4.78**	**3.12**	**2.74**

G. Reconciliation of carrying amounts of Joint Venture Companies:

(₹ in crore)

Particulars	Bastar Railways Private Limited		Chhattisgarh East Railway Limited		Chhattisgarh East West Railway Limited		Indian Railway Stations Development Corporation Ltd	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025*	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Opening net assets	293.17	293.92	344.63	467.16	897.27	732.65	316.36	310.73
Profit for the year	0.16	(0.75)	(120.92)	(161.37)	(13.29)	(0.20)	11.16	5.63
Increase in paid up share capital	-	-	-	-	14.51	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Equity component of other financial instruments	-	-	5.33	38.84	420.09	164.82	-78.84	-
Other Adjustment	-	-	-	-	-	-		-
Share issue Expenses	-	-	-	-	-	-	-	-
Closing net assets	**293.33**	**293.17**	**229.04**	**344.63**	**1,318.58**	**897.27**	**248.67**	**316.36**
Group's share in %								
(i) In Paid up Share Capital and Profit	**26.00%**	**26.00%**	**25.31%**	**25.31%**	**26.00%**	**26.00%**	**26.00%**	**26.00%**
(ii) In Share Application Money Pending Allotment	-	-	-	-	-	-	-	-
Group's share							-	
(i) In Paid up Share Capital and Profit	76.27	76.23	72.45	145.03	254.52	209.62	64.26	61.35
(ii) In Share Application Money Pending Allotment	-	-			-	-	-	-
Other Adjustments	**-**	**-**	**-**	**(41.97)**	**128.88**	**48.36**	**-**	**-**
Carrying amount	**76.27**	**76.23**	**72.45**	**103.06**	**383.40**	**257.98**	**64.26**	**61.35**

* Restated -refer note 47

(₹ in crore)

Particulars	Ircon - Soma Tollway Private Limited		Jharkhand Central Railway Limited		Mahanadi Coal Railway Limited	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Opening net assets	149.45	159.56	557.35	552.57	382.30	379.56
Profit for the year	222.57	194.90	6.48	4.78	3.12	2.74
Incease in paid up share capital	-	-	-	-	-	-
Other Comprehensive Income	**(0.09)**	**(0.01)**	**-**	**-**	**-**	**-**
Dividends paid	(69.00)	(205.00)	-	-	-	-
"Equity component of other financial instruments "	-	-	206.46	-	-	-
Other Adjustment (Application Money Pending Allotment)	-	-	-	-	-	-
Closing net assets	**302.93**	**149.45**	**770.29**	**557.35**	**385.42**	**382.30**
Group's share in %						
(i) In Paid up Share Capital and Profit	**50.00%**	**50.00%**	**26.00%**	**26.00%**	**26.00%**	**26.00%**
(ii) In Share Application Money Pending Allotment	-	-	-	-	-	-
Group's share						
(i) In Paid up Share Capital and Profit	185.96	177.22	146.06	144.38	111.26	110.44
Equity component of other financial instruments	**-**	**-**	**59.64**	**-**	**-**	**-**
Other Adjustments	**-34.50**	**-102.50**	**-**	**-**	**-**	**-**
Carrying amount	**151.46**	**74.72**	**205.70**	**144.38**	**111.26**	**110.44**

43. Revenue

A. Disaggregation of Revenue

Set out below is the disaggregation of the Group's revenue from contracts with customers into operating segment and type of product or services:

(₹ in crore)

Type of Product or Services	For the year ended 31st March 2026						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss /Segment Reporting
	Dosmestic	International	Total	Input Method	Output Method		
Railways	6,728.68	246.62	**6,975.30**	6,975.30	-	19.44	**6,994.74**
Highway	1,581.72	34.59	**1,616.31**	1,415.12	200.72	0.25	**1,616.56**
Electrical	-	-	**-**	-	-	-	**-**
Building	38.28		**38.28**	38.28	-		**38.28**
Others	348.69	14.67	**363.36**	363.36	-	58.11	**421.47**
Total	**8,697.37**	**295.88**	**8,993.25**	**8,792.06**	**200.72**	**77.80**	**9,071.05**

'Out of the total revenue recognised under Ind AS 115 during the year, Rs 8792.06 crore is recognised over a period of time and Rs. 200.72 crore recognised point in time.

(₹ in crore)

Type of Product or Services	For the year ended 31st March 2025						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss /Segment Reporting
	Dosmestic	Foreign	Total	Input Method	Output Method		
Railways	7,932.98	300.78	**8,233.76**	8,233.78	-	19.20	**8,252.96**
Highway	2,300.99	27.85	**2,328.84**	2,122.42	206.42	0.15	**2,328.99**
Electrical			**-**	-	-		**-**
Building	41.41		**41.41**	41.41	-		**41.41**
Others	65.64	6.51	**72.15**	72.15	-	64.07	**136.22**
Total	**10,341.02**	**335.14**	**10,676.16**	**10,469.76**	**206.42**	**83.42**	**10,759.58**

Out of the total revenue recognised under Ind AS 115 during the year, Rs 10469.76 crore is recognised over a period of time and Rs. 206.42 crore recognised point in time.

B. The Group has applied modified retrospective approach for the application of Ind AS 115 "Revenue from contracts with customers" and the effect is Nil on retained earnings as at April 1, 2018

B. Contract Balances

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Receivables (Note 14.2)	**1,398.34**	**1,328.25**
Contract Assets (Note 10.3 and 14.6)	**6,314.52**	**5,175.80**
Contract Liabilities (Note 22 and 24)	**3,317.89**	**2,948.91**

(i) Trade receivables are non-interest bearing and the customer profile include Ministry of Railways, Public Sector Enterprises, State Owned Companies in India and abroad. The Group's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days.

(ii) Contract Assets are recognised over the period in which services are performed to represent the Group's right to consideration in exchange for goods or services transferred to the customer. It includes balances due from customers under construction contracts that arise when the Group receives payments from customers as per terms of the contracts however the revenue is recognised over the period under input method. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.

Movement in contract balances during the year

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Contract asset at the Beginning of the year	5,175.80	3,906.97
Contract asset at the end of the year	6,314.52	5,175.80
Net increase/decrease	**1,138.72**	**1,268.83**

For the year 2025-26 and 2024-25 - There has been a net increase of ₹ **1138.72 crore** and ₹ 1268.83 crore respectively as compared to previous year mainly due to recognition of Revenue based on input method whereas bills for work done are certified based on contract condition.

During the year ended March 31st, 2026, ₹ **934.59 crore** and March 31st 2025, ₹ 1111.38 crore of contract assets as of April 1st, 2025 and April 1st 2024 respectively has been reclassified to trade receivables upon billing to customers on completion of milestones.

(iii) Contract liabilities relating to construction contracts are balances due to customers, these arise when a particular milestone payment exceeds the revenue recognised to date under the input method and advance received in long term construction contracts. The amount of Advance received gets adjusted over the construction period as and when invoicing is made to the customer.

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Contract liabilities at the beginning of the year	2,948.91	3,056.91
Contract liabilities at the end of the year	3,317.89	2,948.91
Net increase/decrease	**368.98**	**(108.00)**

For the year 2025-26 there has been a net increase of ₹ 368.99 crore due to advance received from client and for the FY 2024-25 there has been a net decrease of ₹ (108) crore) mainly due to adjustment of advance payment received from client against works executed.

C. Set out below is the amount of revenue recognised from:

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Amount included in contract liabilities at the beginning of the year	1,077.84	**1,426.64**
Performance obligation satisfied in previous years	-	**-**

D. Cost to obtain the contract

Amount recognised as asset as at 31st March, 2026 is ₹ Nil (As at 31st March, 2025: ₹ Nil)
Amount of amortisation recognised in the statment of profit and loss during the year is ₹ Nil (FY 2024-25: ₹ Nil)

E. Cost to fulfill the contract

'Amount recognised as asset as at 31st March, 2026 is **₹ 69.81 crore** (As at 31st March, 2025: ₹ 87.53 crore).Amount of amortisation recognised in the statement of profit and loss during the year is **₹ 1.79 crore** (FY 2024-25: ₹ 2.04 crore)

G. Performance Obligation

Information about the Group's performance obligations are summarised below:
The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March are, as follows:

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Within one year	8,869.51	10,094.00
More than one year to 2 years	9,304.63	15,924.00
More than 2 years	16,241.32	3,460.00
Total	**34,415.46**	**29,478.00**

Service Concession Arrangements

Public to private service concession arrangements are recorded in accordance with Appendix "C"- Service Concession Arrangements (Ind AS-115). Appendix "C" is applicable if:

a) The Grantor controls or regulates which services the operator should provide with the infrastructure, to whom it must provide them, and at what price; and

b) The Grantor controls- through ownership, beneficial entitlement, or otherwise- any significant residual interest in the infrastructure at the end of the term of the arrangement.

If both of the above conditions are met simultaneously, a financial asset is recognized to the extent that the operator has an unconditional contractual right to receive cash or other financial asset from or at the discretion of the Grantor for the service.

These financial assets are initially recognized at cost, which is understood as the fair value of the service provided plus other direct costs directly attributable to the operation. They are then stated at amortized cost at the end of each financial year or

An intangible asset is recognized to the extent that the operator receives the right to charge users of the public service, provided that these charges are conditional on the degree to which the service is used.

These intangible assets are initially recognized at cost, which is understood as the fair value of the service provided plus other direct costs directly attributable to the operation. They are then amortized over the term of the concession.

Group has recognized financial asset of **₹ 3805.29 crore** (₹ 3241.13 crore) under service concession agreement upto the period ended 31st March 2026 after taking into account the receivables due from NHAI on completion of milestone as per terms of the contract. The Group has recognised revenue of **₹ 1215.43 crore** (₹ 1860.44 crore)

& Profit of ₹ **65.54 Crore** (₹ 91.78 Crore) for the period upto 31st March 2026 on construction of Road under SCA as per Ind AS – 115 related to "Revenue from Customers". The Group has recognized receivable under service concession arrangement and shown under Other Financial current Assets which it will receive as per terms of the contract based on the completion of milestone, as on 31st March 2026.

Group has recognized revenue of ₹ **Nil** (₹ Nil crore) on construction of intangible assets under service concession agreement. Group has recognised ₹ **Nil** (₹ Nil) as profit on construction of intangible assets under service concession arrangement. The revenue recognised in relation to construction of intangible assets under service concession arrangements represents the fair value of sevices provided towards construction of intangible assets under service concession arrangement. The group has recognised revenue of ₹ **200.73 crore** (₹ 206.42 crore) from operation of toll roads.

44. Leases

a) Group as a Lessee

The Group as a lessee has entered into various lease contracts, which includes lease of land, office space, guest house and vehicles. Before the adoption of Ind AS 116, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

The Group also has certain leases of offices and guest house with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Right of Use Assets

The carrying amounts of right-of-use assets recognised and the movements during the year are disclosed in Note 8.

Lease Liabilities

Set out below are the carrying amounts of lease liabilities recognised and the movements during the year:

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at April 1, 2025	**34.82**	**3.24**
Addition	32.62	31.66
Accredition of interest	4.40	1.75
Payments	(9.84)	(1.83)
Balance at March 31, 2026	**62.00**	**34.82**
Current	**5.54**	**2.91**
Non-current	**56.46**	**31.92**

Amounts recognised in Statement of Profit and Loss

The maturity analysis of the lease liability is included in Note – 33 Financial risk management objectives and policies under maturities of financial liabilities.

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Depreciation expense of right-of-use assets (Refer Note 31)	4.58	1.31
Interest expense on lease liabilities (Refer Note 30)	2.98	0.46
Expense relating to short-term leases (Refer Note 28 (iii))	10.67	9.17
	18.23	**10.94**

The Group has several lease contracts that include extension and termination options. These options are negotiated by management and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Following are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

(₹ in crore)

Particulars	Within Five Years	More than Five Years	Total
Extension options expected not to be exercised	-	-	-
Termination options expected to be exercised	-	-	-
	-	**-**	**-**

b) Group as a Lessor

The Group has given building, Plant & Machinery and MFCs under operating lease which are cancellable by giving appropriate notices as per respective agreements.

(i) IISL has sub-leased 23 MFCs to various sub-lessees. Out of these, sub-lease agreements in respect of 9 MFCs, namely Thiruvalla, Rajgir, Mysore, Kannur, Hyderabad, Bilaspur, Indore, Madurai and Jodhpur, stand terminated as at 31 March 2026. Of these 9 terminated MFCs, the leased assets relating to two MFCs, namely Thiruvalla and Rajgir, were handed back to RLDA during the financial year 2019-20. Further, one MFC, namely Rampurhat, whose sub-lease agreement had been terminated as at 31 March 2025, has been re-awarded through tender during the current financial year 2025-26."

(i) The Group has given buildings under operating lease. Lease income (rental and service charges) aggregating **₹ 33.48 crore** (₹ 28.08 crore) has been recognized in the Statement of Profit and Loss as per lease arrangements.

(ii) The Group has given Machinery under operating lease. Lease income aggregating **₹ 7.62 crore** (₹ 3.67 crore) has been recognized in the Statement of Profit and Loss as per lease arrangement.

(iv) The Group has given a demarcated area adjacent to the Toll Road, within the terms of the Service Concession Arrangement with NHAI, on Lease for a Petrol Pump to be operated by Hindustan Petroleum Company Limited (HPCL) and Lease and operations of Rest Area to Synergy Engineers Group Private Limited. An amount of ₹ **0.21 crore** (₹0.20 crore) was received from HPCL and ₹**0.26 crore** (₹ 0.24 crore) from Synergy as Lease payments."

Future minimum rentals receivable under non-cancellable operating leases is as follows:

(₹ in crore)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Within one year		
Demacrated Area	0.51	0.47
Multi Functional Complexes	19.51	17.06
Building	22.96	16.70
After one year but not more than five years		
Demacrated Area		
Multi Functional Complexes	1.66	1.90
Building	84.68	79.59
More than five years	49.06	45.90
Demacrated Area	1.40	1.67
Multi Functional Complexes	422.20	437.62
Building	18.17	26.89

45. Other Regulatory Disclosure

(a) The Group do not have any transactions with companies struck off in current year and previous year.

(b) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period in current year and previous year.

(c) The Group have not traded or invested in crypto currency or virtual currency during the current year and previous year.

(d) The Group have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall in current year and previous year:

   (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.

(e) The Group have not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall in current year and previous year.:

(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.

(f) The Group does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the on going tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) in current year and previous year..

(g) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property in current year and previous year.

(h) The Group has not been declared as wilful defaulter by any bank or financial institution or government or any government authority n current year and previous year.

(i) The Group has complied with the number of layers prescribed under the Companies Act, 2013 in current year and previous year.

46. Recent pronouncement

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

Amendments effective from April 1, 2025

a. Ind AS 21 – The Effects of Changes in Foreign Exchange Rates

In May 2025, Ind AS 21 Amendments – Currency Exchangeability Clarifies how to assess exchangeability and determine spot rates when currencies can't be exchanged, with disclosure of impacts on performance, position, and cash flows.. The Company has evaluated the impact of the said amendment and concluded that it does not have any impact on its financial statements.

b. Ind AS 1 – Presentation of Financial Statements

In August 2025, the MCA notified amendments relating to the classification of liabilities as current or non-current, including guidance on non-current liabilities with covenants. The amendments clarify that the right to defer settlement must exist as at the reporting date and should be substantive. The Company has assessed the amendment and concluded that there is no impact on the classification of its current and non-current liabilities."

c. Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures

The amendments introduce disclosure requirements for supplier finance arrangements, including details of the nature of such arrangements, carrying amounts of related liabilities, and payment terms. Additionally, such arrangements are considered in assessing concentration of liquidity risk. The Company has evaluated these amendments and determined that they do not have any impact on its financial statements."

d. Ind AS 12 – Income Taxes – International Tax Reform: Pillar Two Model Rules

The amendments introduce a temporary mandatory exception from the recognition of deferred taxes arising from the implementation of the Pillar Two Model Rules and require disclosure of its application. As the Company has not undertaken transactions of this nature, these amendments have no impact on its financial statements.

47. Disclosure as required by Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors

During the year ended 31st March 2026, a prior period error relating to the overstatement of deferred tax assets was identified in the financial statements of Chhattisgarh East Railway Limited a joint venture compnay of the Group. The joint venture Company is accounted for using the equity method in accordance with Ind AS 28, Investments in Associates and Joint Ventures.

In accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, and Ind AS 1, Presentation of Financial Statements, the Group has retrospectively restated its consolidated financial information from the beginning of the earliest period presented i.e. 01st April 2024, to reflect the impact of the correction. Accordingly, the carrying amount of the Group's investment in the joint venture and the consolidated retained earnings (Other Equity) have been adjusted to the extent of the Group's share of the error i.e. ₹ **57.57 Crore** (25.31% of ₹ 227.47 Crore) .

The error relates entirely to periods prior to the comparative period presented and, therefore, the adjustment has been effected through opening retained earnings of the earliest period presented i.e. 01.04.2024 . The impact of the correction has been carried forward to subsequent periods.

₹ in Crore

(i) Reconcilation of restated items of Balance sheet as at 31st March 2025 and 1st April 2024							
Particulars	**Note**	**As at 31st March 2025**			**As at 1st April 2024**		
		As previously reported	**Adjustments**	**As Restated**	**As previously reported**	**Adjustments**	**As Restated**
Non-Current Assets -Investments accounted for using the equity method	9	885.72	(57.57)	828.15	864.50	(57.57)	806.93
Total Assets		19,521.28	(57.57)	19,463.71	17,452.15	(57.57)	17,394.58
Other Equity	19	6138.25	(57.57)	6,080.68	5682.82	(57.57)	5,625.25
Total Equity		6361.95	(57.57)	6,304.38	5906.1	(57.57)	5,848.53
Total Equity and Liabilities		19,521.28	(57.57)	19,463.71	17,452.15	(57.57)	17,394.58

(ii) Reconciliation of restated items of Consolidated statement of Profit and Loss for the year ended 31 March 2025

Since, the prior adjustment was related to period prior to 01.04.2024, there was no impact on the Consolidated Profit and loss for FY 2024-25. Hence no adjustment was required for finacial year 2024-25.

(iii) Reconciliation of Consolidated financial Statement of Cash Flows for the year ended 31 March 2025

Since, the prior adjustment was related to period prior to 01.04.2024 and also a non-cash item, no adjustment in Consolidated Cash Flows was required for FY 2024-25.

(iv) Reconciliation of Earnings per Share

Since, the prior adjustment was related to period prior to 01.04.2024, no adjustment in Consolidated Earnings Per Share was required for FY 2024-25.

48. Other Disclosures

a) (i) The Holding company has been claiming deduction under section 80 IA from AY 2000-01 to AY 2019-20. The deduction under section 80 IA has been allowed by Income Tax appellate Tribunal (ITAT). However, Income Tax Department has filled appeal before High Court against order of ITAT for the AY 2000-01. Further,upto AY 2019-20 company was offering global income for tax in India after excluding the income in accordance with DTAA agreements where income earned from foreign countries are excluded from global income offered for taxation. The Holding company was allowed exclusion method upto AY 2005-06, thereafter credit against taxes paid in foreign countries have been allowed from taxes computed on global income by department. After paying the due tax the issue has been contested by filing appeals. This issue has been allowed in favour of Ircon by ITAT.
(ii) The provision for income tax w.r.t earlier years has been written back/income tax expenses has been reversed amounting to ₹**0.54 Crore** (₹ 24.32 Crore) account of favourable orders received from Income tax authorities.

b) Hon'ble High Court has permitted to release an arbitration award, amounting to ₹ **97.96 Crore** against NHAI for UP-05 ,Orai Highway Project against submission of bank guarantee of equivalent amount. The Group has provided liability of equivalent amount till final decision of the Court.

There are certain other matters pending in litigations against the IISL before various courts and appellate authorities on account of claims by some contractors in work Deposit projects. In such cases, the Company envisages reimbursement from the Clients in full as per the terms of contract and expects no economic outflow of resources.In this respect, a total claim of Rs 51.01 crore (Rs 22.66 crore) is under litigation.

c) In line with the Government of India's initiative to facilitate timely payments to Micro, Small and Medium Enterprises (MSMEs), the group enables eligible MSME vendors to avail invoice discounting facilities through the Trade Receivables Discounting System (TReDS) platforms. The arrangement is intended solely to facilitate early realisation of dues by MSME vendors and does not result in any additional financing or credit support to the Company. Further, the amounts involved under such arrangements are not material in relation to the group total trade payables.

d) The Group has a system of obtaining periodic confirmation of balances from banks and other parties. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters were sent to the parties. Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any. Reconciliations are carried out on on-going basis. However, management does not expect to have any material financial impact of such pending confirmations / reconciliations.

e) In the opinion of the management, the value of assets, other than property, plant and equipment and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

f) Certain reclassifications and recasting have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements. These reclassifications have no effect on the reported results of operations.

g) Previous year figures are shown under bracket () to differentiate from current year figures.

49. Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended 31st March, 2026

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ Crore)	As % of Consolidated Profit or Loss	Amount (₹ Crore)	As % of Consolidated Other Comprehensive Income	Amount (₹ Crore)	As % of Consolidated Total Comprehensive Income	Amount (₹ Crore)
Parent Company								
Ircon International Limited	58.15%	3,879.01	93.24%	551.92	102.40%	4.27	93.31%	556.19
Subsidiaries								
Ircon Shivpuri Guna Tollway Limited	0.52%	34.68	2.75%	16.28	0.00%	-	2.73%	16.28
Ircon PB Tollway Limited	1.10%	73.05	(6.35)%	(37.58)	0.00%	-	(6.30)%	(37.58)
Ircon Davanagere Haveri Highway Limited	4.23%	282.38	3.60%	21.30	0.00%	-	3.57%	21.30
Ircon Infrastructure & Services Limited	2.75%	183.18	1.22%	7.23	(1.44)%	(0.06)	1.20%	7.17
Ircon Vadodara Kim Express way Limited	6.21%	414.40	7.54%	44.66	0.00%	-	7.49%	44.66
Ircon Gurgaon Rewari Highway Limited	1.83%	121.95	(0.58)%	(3.41)	0.00%	-	(0.57)%	(3.41)
Ircon Renewable Power Limited	1.33%	88.56	(3.99)%	(23.60)	0.00%	-	(3.96)%	(23.60)
Ircon Akloli-Shirsad Expressway Limited	2.15%	143.74	(3.12)%	(18.46)	0.00%	-	(3.10)%	(18.46)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ Crore)	As % of Consolidated Profit or Loss	Amount (₹ Crore)	As % of Consolidated Other Comprehensive Income	Amount (₹ Crore)	As % of Consolidated Total Comprehensive Income	Amount (₹ Crore)
Ircon Ludhiana Rupnagar Highway Limited	1.99%	132.72	(1.60)%	(9.47)	0.00%	-	(1.59)%	(9.47)
Ircon Bhoj Morbe Expressway Limited	2.27%	151.70	(2.95)%	(17.48)	0.00%	-	(2.93%	(17.48)
Ircon Haridwar Bypass Limited	1.09%	72.54	(2.48)%	(14.68)	0.00%	-	(2.46)%	(14.68)
Total Subsidiaries		**1,698.90**		**-35.21**		**(0.06)**		**-35.27**
Non- Controlling interest in Subsidiaries	0.42%	27.97	(1.26)%	(7.45)	0.00%	-	(1.25)%	(7.45)
Net Amount of Subsidiaries		1,726.87		(42.66)	0.00%	(0.06)		(42.72)
Joint Ventures								
Bastar Railways Private Limited	1.14%	76.27	0.01%	0.04	0.00%	-	0.01%	0.04
Chattisgarh East Railway Limited	1.09%	72.45	(5.17)%	(30.60)	0.00%	-	(5.13)%	(30.60)
Chattisgarh East West Railway Limited	5.75%	383.40	(0.58)%	(3.45)	0.00%	-	(0.58)%	(3.45)
Ircon - Soma Tollway Private Limited	2.27%	151.46	18.80%	111.28	(0.96)%	(0.04)	18.66%	111.24
Jharkhand Central Rail Limited	3.08%	205.71	0.28%	1.68	0.00%	-	0.28%	1.68
Mahanadi Coal Railway Limited	1.67%	111.26	0.14%	0.81	0.00%	-	0.14%	0.81

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ Crore)	As % of Consolidated Profit or Loss	Amount (₹ Crore)	As % of Consolidated Other Comprehensive Income	Amount (₹ Crore)	As % of Consolidated Total Comprehensive Income	Amount (₹ Crore)
Indian Railway Stations Development Corporation Limited	0.96%	64.26	0.49%	2.90	0.00%	-	0.49%	2.90
Total Joint Ventures		**1,064.81**		**82.66**		**(0.04)**		**82.62**
Net Total	**100%**	**6,670.69**	**100%**	**591.92**	**100%**	**4.17**	**100%**	**596.09**

As per our Report of even date attached

For and on behalf of Board of Directors

For Ramesh C Agrawal and Company
Chartered Accountant
FRN : 001770C

Sd/-
Ragini Advani
Director (Finance)
DIN-09575213

Sd/-
Hari Mohan Gupta
Chairman & Managing Director and CEO
DIN-08453476

Sd/-
Paritosh Agarwal
Partner
Membership No: 436238

Sd/-
Alin Roy Choudhury
Chief Financial Officer

Sd/-
Pratibha Aggarwal
Company Secretary
FCS No. 8874

Place : New Delhi
Date : 22nd May 2026

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF IRCON INTERNATIONAL LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of **Ircon International Limited** for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Ircon International Limited** for the year ended 31 March 2026 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Sd/-
Teg Singh
Principal Director of Audit
Railway Commercial

Date: 15.09.2026
Place: New Delhi

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF IRCON INTERNATIONAL LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of consolidated financial statements of **Ircon International Limited** for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) read with Section 129 (4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with Section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **Ircon International Limited** for the year ended 31 March 2026 under Section 143(6)(a) read with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of subsidiaries and Joint Ventures (as per Appendix – I), but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities (as per Appendix – II) for the year ended on that date. Further, Section 139(5) and 143 (6) (a) of the Act are not applicable to **IRCON-Soma Tollway Private Limited being private entity, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company.** This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Sd/-
Teg Singh
Principal Director of Audit
Railway Commercial

Date: 15.09.2026
Place: New Delhi

APPENDIX-I

List of subsidiaries, Associate company and Joint Ventures of IRCON International Limited, New Delhi for which supplementary audit was conducted under section 143 (6) (a) read with section 139 (4) of the Companies Act, 2013 for the year 2025-26.

Subsidiaries

1. Ircon Shivpuri Guna Tollway Limited.
2. Ircon PB Tollway Limited.
3. Ircon Infrastructure & Services Limited.
4. Ircon Vadodra Kim Expressway Limited.
5. Ircon Renewable Power Limited
6. Ircon Akloli-Shirsad Expressway Limited

Joint Ventures

1. Bastar Railway Private Limited (BRPL)
2. Chhattisgarh East Railway Limited (CERL).
3. Chhattisgarh East-West Railway Limited (CEWRL).

Sd/-
Sr. Audit Officer (Report)
(Railway Commercial)

APPENDIX-II

List of subsidiaries, Associate company and Joint Ventures of IRCON International Limited, New Delhi for which supplementary audit was not conducted under section143 (6) (a) read with section 129 (4) of the Companies Act, 2013 for the year 2025-26.

Subsidiaries

1. Ircon Haridwar Bypass Limited
2. Ircon Bhoj Morbe Expressway Limited.
3. Ircon Davangere Haveri Highway Limited.
4. Ircon Ludhiana- Rupnagar Highway Limited
5. Ircon Gurgaon Rewari Highway Limited

Joint Ventures

1. Indian Railway Stations Development Corporation Limited (IRSDC)
2. Mahanadi Coal Railway Limited (MCRL)
3. Jharkhand Central Railway Limited (JCRL)

Sd/-
Sr. Audit Officer (Report)
(Railway Commercial)

NOTE

इरकॉन इंटरनेशनल लिमिटेड

IRCON INTERNATIONAL LIMITED

(A Govt. of India Undertaking)

Navratna Company

Regd. Office: C-4, District Centre, Saket, New Delhi-110017
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