

<b>BSE Limited</b> The Corporate Relationship Dept, 1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbar-400 001	<b>National Stock Exchange of India Ltd</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051.
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**Sub:** Outcome of the meeting of the Committee of the Board of Directors of Hindustan Construction Company Limited (“**Company**”) held on 23<sup>rd</sup> July, 2019

Dear Sirs,

We would like to inform you that the Committee of the Board of Directors of the Company (“**Committee**”), considered and approved the following proposal:

**Prepayment of certain long term existing facilities, re-arrangement of working capital facilities availed by the Company and settlement of certain guarantee and put options obligations of the Company.**

Pursuant to discussions with lenders of the Company, in furtherance of the ‘Reserve Bank of India (Prudential Framework for Resolution Stressed Assets) Directions, 2019’ issued by the Reserve Bank of India on June 07, 2019, the Company has proposed a resolution plan in relation to its various credit facilities extended to the Company.

To improve the cashflows of the Company and to reduce its outstanding debt, the resolution plan proposed provides for, *inter alia*, monetization of the beneficial interest in identified arbitration awards and claims (“**Claim Monetization Transaction**”). The Board has approved the broad framework of the Claims Monetization Transaction in its meeting on March 26, 2019 and the Board has constituted the Committee and delegated powers relation to finalisation of the Claim Monetization Transaction, the resolution plan and other matters to the Committee, vide resolution dated 17<sup>th</sup> June, 2019.

The proceeds received from the Claim Monetization Transaction aggregating upto INR 1750 Crore are proposed to be utilized towards, *inter alia*, (a) capital expenditure, working capital and general corporate expenses of the Company up to an amount of INR 500 Crore; and (b) repayment of certain long term facilities comprising term loans and certain optionally convertible debentures including yield, of the Company aggregating up to INR 1250 Crore

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and accordingly, an *inter se* re-arrangement of working capital facilities granted to the Company by the lenders is proposed.

Further, the guarantee and put options provided by the Company for certain debt obligations of Lavasa Corporation Limited (“LCL”) have crystallised and pursuant to negotiations undertaken with the creditors of LCL, the Company has proposed to enter into a settlement with the creditors of LCL of certain terms in respect of the debt of LCL.

In light of the above, the Committee has approved the following:

1. the resolution plan, including repayment of certain long term facilities from proceeds of the Claims Monetization Transaction and availment of the new working capital exposures from the lenders in the manner set out in the framework agreement to be entered into by, *inter alios*, the Company and its lenders;
2. settlement of terms of the guarantees and put options provided by the Company for certain debt obligations undertaken and availed by LCL from the creditors of LCL;
3. execution of documents, any other deeds, undertakings in relation to the above and acceptance of the underlying obligations on the Company, under these documents;
4. creation and perfection of security for benefit of the lenders and the creditors of LCL; and
5. undertaking all actions, deeds, acts, things as may be considered expedient and necessary for the matters set out above, including the implementation of the resolution plan and completion of the Claim Monetization Transaction.

The Company will keep the exchange updated and make requisite disclosures on any further developments in this regard at the appropriate time.

We request you to kindly take the above on your record.

Thanking you,

**For Hindustan Construction Company Limited**



**Ajay Singh**  
Company Secretary

Dated: 23<sup>rd</sup> July 2019