

BSE Limited The Corporate Relationship Dept, 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code - 500185	National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051. Scrip Code – HCC
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Dear Sir,

Sub: Announcement under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) – Completion of Activities under Debt Resolution Plan of the Company

In accordance with the provisions of Regulation 30 read with Para A (9) of Part A of Schedule III of the SEBI Listing Regulations and in continuation of our letter no. HCC/SEC/2021 dated May 27, 2021, we wish to inform you that the Company has completed the activities required from its end on September 26, 2022 in connection with its debt resolution plan in relation to its Facilities and Guarantee and Put Obligations in accordance with the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 dated June 7, 2019 and pursuant to the approval granted by the Members in their Extra-Ordinary General Meetings held on June 29, 2021 and March 23, 2022.

Details in accordance with Para A of Part A of Schedule III read with Regulation 30(2) of the SEBI Listing Regulation are as follows:

Salient Features of Debt Resolution Plan:

- A. The Company has novated/assigned ₹2,854.4 crore of lenders' liability along with beneficial economic interest in arbitration awards & claims of ₹6,508 crore to Prolific Resolution Pvt. Ltd., a wholly owned subsidiary of the Company (“SPV”)

SPV has issued and allotted 28,544 Non-Convertible Debentures having face value of Rs. 10,00,000/- each at par for consideration other than cash amounting to Rs. 2854.4 Crore on September 20, 2022, against the debt novated to it by the Company:

- B. The Company has furnished Corporate Guarantee in favour of SPV's lenders for the debt novated by it to the SPV as well as pledged the shares held by it in SPV to secure the above NCDs.
- C. The Company has issued and allotted 8,239 Non-Convertible Debentures having face value of Rs. 10,00,000/- each at par for consideration other than cash amounting to Rs. 823.9 Crore against restructuring of the amount due to the lenders on September 26, 2022.

Kindly take note that no benefits shall accrue to the promoter/promoter group/group companies and no change in shareholding pattern has taken place pursuant to the debt resolution plan.

A copy of the press release in this regard is enclosed herewith.

This is for your information and record.

Thanking you,

Yours faithfully,
For **Hindustan Construction Company Ltd.**



Nitesh Kumar Jha
Company Secretary

Press Release**HCC successfully deleverages through Debt Resolution Plan**

Mumbai, September 26, 2022: Hindustan Construction Company Limited (HCC) has today announced the successful completion of its debt resolution plan, duly supported by 23 banks and financial institutions. The resolution plan has carved-out a significant portion of HCC's debt along with commensurate assets from its balance sheet. This event results in a long-awaited solution to the asset-liability mismatch faced by HCC on account of delayed realization of its arbitration awards and claims. The plan comes on the back of sustained operations momentum and the robust performance alongside return of capital by its concessions arm.

Under this debt resolution plan, HCC has transferred ₹2,854 crore of lenders' liability along with beneficial economic interest in arbitration awards & claims of ₹6,508 crore as consideration to a Special Purpose Vehicle (SPV). This SPV will have an external investor controlling at least 51% and HCC holding balance shares. The SPV debt is significantly over-collateralised and is expected to be fully serviced from its own receivables. The underlying arbitration awards also carry interest (income), which comfortably cover any accrued interest on SPV debt.

Upon repayment of SPV liabilities, HCC will in fact have the right to receive surplus cashflows as a separate transaction, from realisation of awards and claims (expected to be of significant value).

Mr Arjun Dhawan, Vice Chairman, HCC, said, "This milestone gives us the freedom to focus on building our business with renewed confidence, by addressing a fundamental legacy issue relating to delayed arbitration payments. The resolution plan not only addresses the debt availed by HCC but also provides for resolution of HCC's guarantee obligations in relation to Lavasa's debt. I want to thank our lenders for their unwavering support in helping HCC realise its true growth potential as an Indian infrastructure major."

This carve-out will reduce the debt on HCC's books to ₹3,575 crore, resulting in a significant reduction in interest burden to the tune of around ₹400 crore annually, besides a comfortable and back-ended principal repayment over 10 years. This structure will allow HCC to focus on growth by increasing its liquidity and internal cash flow generation. Another source of capital for its operations and growth are HCC's various non-core assets, which will be realised at the appropriate time and will further be used for prepayment of any remaining HCC debt. The delay in implementation of this plan, partly due to COVID19, resulted in the interim freezing of the Company's working capital limits for over two years, while the plan was under implementation.

Members of HCC approved the debt resolution plan at the Extra-ordinary General Meetings held on June 29, 2021, and March 23, 2022.

Hindustan Construction Co Ltd

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There is no debt servicing obligation on the SPV for the next four years, and the repayments are back ended from FY27 to FY31, providing ample time to the SPV to realise cash from its overcollateralized awards & claims asset base.

About HCC:

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With an engineering heritage of nearly 100 years, HCC has executed a majority of India's landmark infrastructure projects, having constructed 26% of India's Hydro Power generation and 60% of India's Nuclear Power generation capacities, over 4,036 lane km of Expressways and Highways, more than 360 km of complex Tunnelling and 395 Bridges. Today, HCC serves the infrastructure sectors of Transportation, Power, and Water. The HCC Group, with a group turnover of ₹10,669 crore, comprises of HCC, HCC Infrastructure Co. Ltd., and Steiner AG in Switzerland.



For further information:

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