



HFCL Limited

8, Commercial Complex, Masjid Moth, Greater Kailash - II,
New Delhi - 110048, India

Tel : (+91 11) 3520 9400, 3520 9500 Fax : (+91 11) 3520 9525

Web : www.hfcl.com

Email : secretarial@hfcl.com

HFCL/SEC/23-24
October 06, 2023

BSE Ltd. 1 st Floor, New Trading Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400001 corp.relations@bseindia.com Security Code No.: 500183	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, C – 1, Block G Bandra – Kurla Complex, Bandra (E) Mumbai – 400051 cmlist@nse.co.in Security Code No.: HFCL
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RE: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Subject: Award in favour of the Company amounting to Rs.72.34 Crores in the matter of Arbitration between Wireless Advisor, Wireless Planning and Coordination, a wing of Ministry of Communication, Government of India (“WPC”) and HFCL Limited (“the Company”),

Dear Sir(s)/ Madam,

We would like to inform all our stakeholders that, in the matter of arbitration before the Arbitral Tribunal (“**Tribunal**”), the Tribunal has passed an Award of Rs.72.34 Crores in favour of the Company.

The further details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 are as under:

S. No.	Particulars	Details
a)	Brief details of litigation	
	i) Name(s) of opposing party	Wireless Advisor, Wireless Planning and Coordination, a wing of Ministry of Communication, Government of India (WPC).
	ii) Court/Tribunal Agency where the litigation is filed	Arbitral Tribunal, comprising of Justice Devinder Gupta (Retd.), Presiding Arbitrator, Justice Deepak Verma (Retd.), Co- Arbitrator and Justice R. C. Chopra (Retd.), Co – Arbitrator
	iii) Brief details of dispute/litigation	WPC placed order for National Radio Spectrum Management and Monitoring System (NRSMMMS) on May 23, 2002. The Super High Frequency (SHF) part of the contract was terminated by WPC on March 04, 2011 due to disagreement over design of the equipment. WPC imposed and recovered maximum liquidated damages (LD) from HFCL and further withheld other payments.



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		<p>HFCL invoked adjudication before Dr. M.K. Rao, (Retired Wireless Advisor to the Govt. of India) on April 06, 2011 as per the terms of the contract. Adjudicator had given the decision on June 28, 2011 in favour of HFCL.</p> <p>Dissatisfied with the decision of the said adjudicator, WPC had invoked arbitration on August 09, 2011 as per terms of contract, disputing the decision of adjudicator.</p> <p>The Tribunal has passed an Award of Rs.72.34 Crores in favour of HFCL on September 29, 2023. It has held that HFCL is entitled to recover from WPC, an amount of Rs.18.19 Crores as principal amount along with interest @ 10% per annum from March 19, 2014 until the date of Award, amounting to Rs.17.34 Crores, aggregating to Rs.35.53 Crores. Additionally the Tribunal has also awarded an amount of EURO 21,40,545 equivalent to Rs.18.85 Crores (calculated based on foreign exchange rate on the date of Award) along with interest @10% per annum from March 19, 2014 until date of Award, amounting to Rs.17.96 Crores, aggregating to Rs.36.81 Crores.</p> <p>Total Award aggregates to Rs.72.34 crores in favour of the Company.</p> <p>The Tribunal held that HFCL is also entitled to a future interest @10% per annum on the amount awarded from the date of Award till the actual date of payment, in case payment is not made within a period of 60 days from the date of Award.</p>
	<p>b) Expected financial implications, if any, due to compensation, penalty etc. imposed on the Company</p>	<p>Not Applicable</p>
	<p>c) Quantum of claims, if any, on the Company</p>	<p>Not Applicable</p>



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d) Settlement of Proceedings/Details of Award		<p>The Tribunal has passed an Award of Rs.72.34 Crores in favour of HFCL on September 29, 2023. It has held that HFCL is entitled to recover from WPC, an amount of Rs.18.19 Crores as principal amount along with interest @ 10% per annum from March 19, 2014 until the date of Award, amounting to Rs.17.34 Crores, aggregating to Rs.35.53 Crores. Additionally the Tribunal has also awarded an amount of EURO 21,40,545 equivalent to Rs.18.85 Crores (calculated based on foreign exchange rate on the date of Award) along with interest @10% per annum from March 19, 2014 until date of Award, amounting to Rs.17.96 Crores, aggregating to Rs.36.81 Crores.</p> <p>Total Award aggregates to Rs.72.34 crores in favour of the Company.</p> <p>The Tribunal held that HFCL is also entitled to a future interest @10% per annum on the amount awarded from the date of Award till the actual date of payment, in case payment is not made within a period of 60 days from the date of Award.</p>
	i) Compensation/penalty to be paid by the Company (if any)	Nil
	ii) Impact of such settlement/Award on the financial position of the Company	Upon receipt of awarded amount, as stated above, the financial position of the Company will be strengthened.

Please note that the aforementioned Award is subject to appeal before the appropriate court in accordance with the applicable laws.

We request to take the above information on your records and disseminate the same on your respective websites.

Thanking you.

Yours faithfully,
For HFCL Limited

(Manoj Baid)
President & Company Secretary