

HCC/ SEC/ 2023

March 29, 2023

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|---|---|
| BSE Ltd.,<br>The Corporate Relationship Dept,<br>1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>Mumbai-400 001<br>Scrip Code: 500185 | National Stock Exchange of India Ltd.,<br>Exchange Plaza,<br>Bandra Kurla Complex,<br>Bandra (East),<br>Mumbai-400 051<br>Scrip Code: HCC |
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Dear Sirs,

Sub: **Disclosure pursuant to regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – update on sale of stake in Baharampore-Farakka Highways Ltd., subsidiary**

In continuation of our letter dated February 02, 2022 and pursuant to regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that consequent upon transfer of 100% stake held in Baharampore-Farakka Highways Ltd. (BFHL), by HCC Concessions Ltd., a wholly owned subsidiary of the Company, BFHL has ceased to be subsidiary of the Company with effect from March 28, 2023.

The details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIWCFD1CMD1412015 dated September 09, 2015 are given below:

| Sr. No. | Particulars   | Details  |  |                    |          |
|---------|---|--|--|--------------------|----------|
|         |   | Particular (Rs. Cr.)   | Baharampore-Farakka Highways Ltd. (BFHL) | HCC - Consolidated | %        |
| 1       | The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year | Turnover   | 249.11                                   | 10,669.73          | 2.33 %   |
|         |   | Total Income   | 259.66                                   | 10,821.86          | 2.40 %   |
|         |   | PAT before minority interest   | (36.45)                                  | 484.63             | -7.52 %  |
|         |   | PAT after minority interest, associate interest  | (36.45)                                  | 484.63             | -7.52 %  |
|         |   | Net worth  | 255.04                                   | (784.64)           | -32.50 % |
|         |   |  |  |                    |          |
| 2       | Date on which the agreement for sale has been entered into  | Binding Term Sheet for sale of stake in BFHL by HCC Concessions Ltd. has been executed on February 01, 2022 and the Share Purchase Agreement has been executed on February 15, 2023. |  |                    |          |

**Hindustan Construction Co Ltd**

Hincon House,  
 LBS Marg, Vikhroli (West),  
 Mumbai - 400 083, India  
 Tel : +91 22 2575 1000 Fax : +91 22 2577 7568  
 CIN : L45200MH1926PLCO01228

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|---|---|---|
| 3 | The expected date of completion of sale/disposal;   | The shares have been transferred on March 28, 2023  |
| 4 | Consideration received from such sale/ disposal   | The total expected pay-out of Rs.941cr to HCC Group includes (i) cash pay-out of Rs.677 cr which combines equity consideration and contractor payments; (ii) up to Rs.264 cr of earnout is payable by Q3 FY24 and Q1 FY25 in two tranches, contingent on traffic projections. Additionally, as part of the agreement with Cube, HCC Group will be entitled to a revenue share from BFHL over the entire concession period, which could be material in nature.   |
| 5 | Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof                                   | Cube Highways and Infrastructure V Pte. Ltd. (Cube Highways) is a Singapore based company investing in road and highway projects, along with select other infrastructure sectors in India. Cube Highways is an independent, professionally-managed platform leveraging the extensive transportation experience of its management and execution advisory teams. Shareholders of Cube Highways are leading international investors including I Squared Capital and Abu Dhabi Investment Authority. The buyer does not belong to the promoter/ promoter group/ group companies |
| 6 | Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"   | No  |
| 7 | Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale | Not Applicable  |

A copy of the press release is also enclosed herewith.

Thanking you,

Yours truly,  
For **Hindustan Construction Co Ltd.**

**Nitesh Kumar Jha**  
**Company Secretary**



## Press Release

### **HCC completes sale of Baharampore-Farakka Highways for Rs.1,323 Crore**

**Mumbai, March 29, 2023:** HCC Group closed its sale of Baharampore-Farakka Highways Limited (“BFHL”) to Cube Highways and Infrastructure V Pte Ltd (“Cube”) at an enterprise valuation of Rs.1,323 cr, which includes SPV debt of Rs.646 cr.

HCC Group is to receive a total of Rs.941 cr which includes upfront amount of Rs.677 cr and Rs.264 cr payable by Q3 FY24 and Q1 FY25 in two tranches, contingent on traffic projections. Additionally, as part of the agreement with Cube, HCC will be entitled to a revenue share from BFHL over the entire concession period, which is material in nature.

On the occasion, **Arjun Dhawan, Vice Chairman, HCC** said “HCC is proud to have developed the backbone of West Bengal’s arterial highway on NH-12. Our concessions portfolio has been a value generator for the group and this asset sale underscores the material liquidity contribution toward our operations and growth.”

The legal and financial advisors for this transaction were Cyril Amarchand Mangaldas and Edelweiss Financial Services Ltd respectively.

#### **About Baharampore- Farakka Highways Ltd**

Baharampore-Farakka Highways Limited is a Special Purpose Vehicle of HCC Concessions Ltd. It was incorporated on 11<sup>th</sup> March 2010 for Design, Build, Finance, Operate & Transfer (DBFOT) Toll of the 4-lane highway between Baharampore and Farakka section of NH-12 (earlier NH-34) in the State of West Bengal under NHDP Phase III. NHA has granted concession period of 25 years (extending to 30 years) to the company and BFHL commenced commercial (toll) operations on May 14, 2014.

BFHL covers 101km of the busiest section of Bengal’s main artery, NH-12, and passes through major towns such as Baharampore, Umarpur, and Dhuliyān. NH-12 provides north-south connectivity between the capital region / ports of Kolkata & Haldia to the north eastern states of India. The west side of the highway borders Bihar and Jharkhand and the eastern side runs parallel to the Bangladesh border, where considerable import and export of goods occurs. NH-12 is the only viable route for commercial traffic over major rivers such as Bhagirathi, Ganga, Mahananda and Nagri in the region. Furthermore, it forms part of the critical route to neighbouring Bhutan, Bangladesh and Nepal. The entire border region of West Bengal and Jharkhand is very rich in mining, while crushing is done at major towns like Pakur, Rampurhat and Nalhatti. Stone and related aggregates are supplied to the industrial towns of Baharampore,

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Hincon House, 11th Floor, 247Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai 400 083, India  
Tel : +91 22 2575 1000 Fax : +91 22 2577 7568

[www.hccindia.com](http://www.hccindia.com)

Kolkata, Dhanbad, Asansol, Durgapur, Jamshedpur in the south and Farakka, Malda, Dalkhola, Bangladesh and New Jalpaiguri in the north. The land-locked seven sister States in the North East are heavily dependent on these nearby towns for industrial goods. Rivers are sand rich near Baharampore and Sainthia and this high-quality sand caters to NH-12's influence area. Bricks from Baharampore region are also transported to the Malda and Siliguri region. Apart from the aforementioned goods, other major commodities like agricultural produce, construction items, industrial goods, petroleum products, forest items, automobile and fishery products are supplied via NH-12.

### **About HCC Concessions Ltd:**

HCC Concessions Ltd is a leading developer in transport infrastructure concessions. The Company's focus on sustainable and responsible development through Public Private Partnership results from expertise in concept innovation, risk analytics, construction management and operations. HCC Concessions has developed and operated over Rs. 7,000 cr of NHAI concessions.

### **About Hindustan Construction Company Ltd:**

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 Ltd. serves the infrastructure sectors of Transportation, Power and Water. The HCC Group, with a group turnover of Rs. 10,669 cr, comprises of HCC Ltd., HCC Infrastructure Co. Ltd., and Steiner AG in Switzerland.

### **About Cube Highways and Infrastructure V Pte. Ltd:**

Cube Highways and Infrastructure V Pte. Ltd. (Cube Highways) is a Singapore based company investing in road and highway projects, along with select other infrastructure sectors in India. Cube Highways is an independent, professionally managed platform leveraging the extensive transportation experience of its management and execution advisory teams. Shareholders of Cube Highways are leading international investors including I Squared Capital and Abu Dhabi Investment Authority.

