

BSE Limited The Corporate Relationship Dept, 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	National Stock Exchange of India Ltd Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051.
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Sub: Outcome of the Board Meeting held on March 26, 2019

Dear Sirs,

We would like to inform you that the Board of Directors of the Company at its meeting held on March 26, 2019, considered and approved the following proposals:

1. Monetization of Specified Awards & Claims

Pursuant to the recommendation of the Audit Committee of the Board, the Board of Directors of the Company approved the proposal for monetization of an identified pool of arbitration awards & claims (Transaction) for which the Company today signed terms. Under the terms of the Transaction, the Company will seek to transfer the beneficial interest/rights in a portfolio of identified awards & claims of the Company (Specified Awards & Claims) for a consideration of Rs. 1,750 Crore to a consortium of Investors led by BlackRock (Investors). A special purpose vehicle (SPV), to be controlled by the Investors, is being setup in this regard.

The Specified Awards & Claims will not be considered an asset of HCC and shall be free from all encumbrances. The Transaction does envision a claw back of value by HCC from the SPV if the recovery of the Specified Awards & Claims assigned to the SPV were to cross certain thresholds. HCC shall continue to take recovery measures/litigate the Specified Claims on behalf of the SPV. The Transaction will result in a partial write down of the net worth of the Company as on 31st March 2019, which will be precisely ascertained in HCC's year end accounts. HCC will continue to retain a material amount of awards and claims with the Transaction being limited only to the Specified Awards & Claims.

As per the structure of the Transaction, the SPV will issue Non Convertible Debentures (NCDs), which will be subscribed by the Investors. The money received from the Investors is to be deposited in an escrow account and to be utilised for the purchase of the Specified Awards & Claims from HCC by the SPV.

The consideration received by the Company will be used to prepay debts worth Rs.1,250 crore (comprising the entire Term Loan and a part of the Optionally Convertible Debentures) with the balance Rs.500 crore to be utilized for working capital requirements and business growth.

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 : L45200MH1926PLC001228

The Overseeing Committee of the Lenders, formed under the aegis of the Inter-Creditor Agreement framework executed amongst Lenders, has reviewed the proposal and requested consortium lenders to accord their respective approvals. Transaction completion is subject to formal sanctions by Lenders and requisite approvals from the Investors, including the completion of required conditions precedent and final documentation.

The value of the Specified Awards & Claims, pegged at Rs.2,000 crore, is more than 50% of the net worth of the Company. As per the legal opinion taken by the Company, the proposed sale does not tantamount to the sale of undertaking in terms of Section 180(1)(a) of the Companies Act, 2013, and hence no approval of the shareholders is required in terms of that section.

The Board also constituted a Committee of Directors to resolve issues, if any, that may crop up during the final consummation of the Transaction.

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

2. Appointment of Mr. Samuel Joseph as Nominee Director

The Board also approved the appointment of Mr. Samuel Joseph, nominee of Exim Bank, as nominee director on the Board of the Company, in place of Ms. Harsha Bangari.

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

Thanking you,
For Hindustan Construction Company Limited



Ajay Singh
Company Secretary