

HC/SEC/PR/ 2016

December 2, 2016

National Stock Exchange of India Ltd,
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
Mumbai-400 051

Dear Sir,

Sub: **Press Release titled "HCC Board approves S4A scheme and Rs. 2100 crore BG for collection of arbitral awards"**

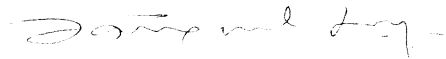
We are enclosing herewith a copy of Press Release that is being issued by the Company today in connection with the above.

We request you take the note of the same.

Thanking you.

Yours faithfully,

For **Hindustan Construction Co. Ltd**



Sangameshwar Iyer
Company Secretary

Cc: BSE Limited,
The Corporate Relationship Dept,
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Dalal Street,
Mumbai-400 001

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Press Release**HCC Board approves S4A scheme and Rs. 2100 crore BG for collection of arbitral awards**

Mumbai, December 02, 2016: Infrastructure major, Hindustan Construction Company (HCC) today approved the issuance of Equity shares as well as Optionally Convertible Debentures (OCDs) to lenders under RBI's S4A scheme.

The Board of Directors, in the meeting held today, has approved issuance of 25,19,92,670 Equity Shares of the Company, of face value Re.1/- each, representing 24.44% of the expanded share capital of the Company and such Optionally Convertible Debentures (OCDs) of face value Rs.1000/- each not exceeding Rs 2,000 crore on Preferential Basis, to the Lenders.

The Board decision to issue the aforesaid securities is pursuant to implementation of the HCC S4A Scheme, in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 and other applicable provisions of the Companies Act, 1956, subject to shareholders' approval.

The HCC Board also decided to convene an Extraordinary General Meeting of the Company on January 5, 2017 for seeking shareholders' approval for the aforesaid matter.

HCC is the first company to get its debt restructured under the S4A scheme.

The Board has also approved Rs 2,100 crore Bank Guarantee (BG) limits for release of arbitral award amount as per Cabinet Committee on Economic Affairs (CCEA) approval for revival of the construction sector directing government agencies to pay "75% of the arbitral award amount against margin free bank guarantee".

HCC has recently received communication from government agencies to submit BG and Escrow Account details for release of 75% of Arbitral awards. HCC has arbitration awards for Rs 3,427 crore as of September 30, 2016. Further claims worth around Rs 4,173 crore are in arbitration process.

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 25% of India's Hydel Power generation and over 65% of India's Nuclear Power generation capacities, over 3,800 lane km of Expressways and Highways, more than 320 km of complex Tunnelling and over 365 Bridges. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. HCC is also developing Lavasa City, a planned hill city and one of India's largest urban

development and management initiatives. The HCC Group, with a group turnover of Rs 8,768 crore, comprises of HCC Ltd, HCC Infrastructure Co. Ltd, Lavasa Corporation Ltd and Steiner AG in Switzerland.

For further information:*For*

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