



# इरकॉन इन्टरनेशनल लिमिटेड

(भारत सरकार का उपक्रम)

## IRCON INTERNATIONAL LIMITED

(A Govt. of India Undertaking)

An integrated Engineering and Construction Company



IRCON/SECY/STEX/124

1<sup>st</sup> July, 2021

**National Stock Exchange of India Limited**

**Listing Department**

**Exchange Plaza, Plot no. C-1, Block G, BKC,**

**Bandra (E), Mumbai- 400 051**

**Scrip Code: IRCON**

**Sub: Clarification with respect to the announcement dated 29<sup>th</sup> June, 2021**

Dear Sir/ Madam,

This has reference to clarification sought by NSE with respect to the announcement made by IRCON on 29<sup>th</sup> June, 2021 regarding furnished Corporate Guarantee to Indian Overseas Bank (IOB).

We would like to submit that Ircon International Limited (IRCON) has been awarded the project for "Upgradation of Gurgaon-pataudi-Rewari section of NH-352W (design length 46.110 km) as Feeder route" in the State of Haryana on Hybrid Annuity Mode (HAM) by National Highways Authority Limited (NHAI) on 9<sup>th</sup> December, 2020 for Rs.900 Crore for a Concession Period of 17 years (It was intimated to Stock Exchange on 10<sup>th</sup> December, 2020).

As per the contract requirement of NHAI, IRCON has incorporated a wholly owned subsidiary named Ircon Gurgaon Rewari Highway Limited (IrconGRHL) as a Special Purpose Vehicle for execution of the Project. The Project is to be financed by way of equity & debt where equity will be met by IRCON. For debt funding, IOB has sanctioned the Term Loan of Rs.309.68 Crore to IrconGRHL with the condition of submission of Corporate Guarantee by IRCON i.e. holding company. Accordingly, IRCON has executed the Corporate Guarantee Deed with IOB which is valid till receipt of first Annuity from NHAI or upto commercial operation date (COD) + 180 days, whichever is later. The expected date of COD is 2 years from the date of award of project by NHAI. Hence, the Corporate Guarantee is valid upto 2.5 years from the award of the Project.

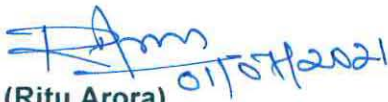
This is to further submit that:

- (1) Corporate Guarantee is furnished by IRCON; its promoters have no interest in the transaction directly.
- (2) Transaction is at arm's length basis.
- (3) There is no financial impact on IRCON for furnishing the Corporate Guarantee.

Thanking you,

Yours faithfully,

For Ircon International Limited



(Ritu Arora)

Company Secretary & Compliance Officer

Membership No.: FCS 5270

