

HC/SEC/PR/ 2016

November 30, 2016

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

Dear Sir,

Sub: **HCC to receive 75% arbitral award amount of appx Rs 2000 crore within 4 to 6 weeks**

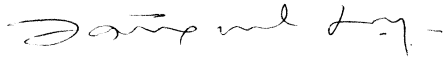
We are enclosing herewith a copy of Press Release that is being issued by the Company today in connection with the above.

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,
1st floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

Hindustan Construction Co Ltd

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
CIN : L45200MH1926PLC001228

www.hccindia.com

Press Release

HCC to receive 75% arbitral award amount of appx Rs 2000 crore within 4 to 6 weeks

Mumbai, November 30, 2016: Infrastructure major, Hindustan Construction Company (HCC) has received communication from NHPC Ltd and NHAI Ltd regarding arbitral award payment. NITI Ayog has given the SOP (Standard Operating Procedures) for release of payment for timely implementation. HCC has been asked to reconcile the award amount within 7 days and thereafter open escrow account and submit bank guarantees (BGs) within 30 days for recovering the amount. **This communication clears the way for HCC for receiving close to Rs 2000 crore within 4 to 6 weeks.**

The communication came in the backdrop of the Government setting into motion the process to release 75 percent of arbitration amounts against margin free guarantee in situations where awards have been given but have been contested by the concerned authorities.

The cabinet committee on economic affairs chaired by the Prime Minister in September 2016 has cleared several measures proposed by the Niti Aayog to revive the construction sector such as easier norms for faster settlement of disputes between contractors and government departments, and partial deposit of funds by government agencies in form of arbitration 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 70% of these cases were at the initial stage of arbitration process and the company has already given consent to transfer these cases under new arbitration act, which mandates decision within 12 months.

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:

Sandeep Sawant
Hindustan Construction Company Ltd
+91 22 2575 1000, Mobile: +91 98339 92874
Email: sandeep.sawant@hccindia.com

