



HC/SEC/ 2016

August 31, 2016

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

Dear Sir,

Sub: HCC debt to reduce in half with Cabinet decision on Arbitration 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,
1st floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

Hindustan Construction Co Ltd

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Press Release**HCC debt to reduce in half with Cabinet decision on Arbitration Awards**

Mumbai, August 31, 2016: Today's Cabinet decision that requires Government agencies to pay 75% of arbitral awards will result in HCC's debt being reduced by half. HCC has arbitration awards for over Rs 3,200 crore and with the today's cabinet decision, the company will get 75 per cent of this amount immediately.

Similarly, claims worth around Rs 5,000 crore are in arbitration process. Today's cabinet decision will further help HCC to secure these awards within a duration of 12 months.

"We are pleased with the Cabinet's decision on payment of arbitration awards to infrastructure companies. HCC will immediately be able to reduce its debt by almost half as a result and within 12 to 24 months, materially reduce it even further. With this, HCC will be able to participate in country's infrastructure development in a much bigger way", said Mr. Ajit Gulabchand, Chairman and Managing Director, HCC Ltd.

HCC has a standalone debt of Rs 4900 crore. The Cabinet decision will help the company to substantially reduce this amount.

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:

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