

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF HINDUSTAN CONSTRUCTION COMPANY LIMITED
("COMPANY") ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer, dated March 12, 2024, ("**Letter of Offer**"), which is available on the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges where the Equity Shares of our Company are listed, *i.e.*, BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). You are encouraged to read greater details available in the Letter of Offer. Capitalised terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

**THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE
RECEIVED ALL THE PAGES.**

Our Company has made available on the Registrar's website at www.linkintime.co.in and the Company's website at www.hccindia.com, the Letter of Offer, this Abridged Letter of Offer, along with the Rights Entitlement Letter and the Application Form, to the Eligible Equity Shareholders. You may also download the Letter of Offer from the websites of the Company, the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the Lead Manager and the Registrar, *i.e.*, www.hccindia.com, www.sebi.gov.in, www.bseindia.com, www.nseindia.com, www.idbicapital.com and www.linkintime.co.in. In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI ICDR Master Circular and the ASBA Circulars, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see "*Terms of the Issue - Making of an Application through the ASBA Process*" on page 370 of the Letter of Offer.

**HINDUSTAN CONSTRUCTION COMPANY LIMITED**

Registered and Corporate Office: Hincon House, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Contact Person: Nitesh Kumar Jha, Company Secretary and Compliance Officer

Tel: + 91 22 2575 1000; **E-mail:** secretarial@hccindia.com; **Website:** www.hccindia.com

Corporate Identity Number: L45200MH1926PLC001228

**PROMOTERS OF OUR COMPANY: AJIT GULABCHAND, HINCON HOLDINGS LIMITED, HINCON FINANCE
LIMITED, SHALAKA GULABCHAND DHAWAN AND SHALAKA INVESTMENT PRIVATE LIMITED
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF HINDUSTAN
CONSTRUCTION COMPANY LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY****ISSUE DETAILS**

RIGHTS ISSUE OF UP TO 166,666,666* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹1 EACH OF THE COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 21 PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 20 PER RIGHTS EQUITY SHARE) AGGREGATING UP TO ₹ 350 CRORE* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 13 RIGHTS EQUITY SHARES FOR EVERY 118 EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON MARCH 16, 2024 ("RECORD DATE") (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE SEE "*TERMS OF THE ISSUE*" BEGINNING ON PAGE 368 OF THE LETTER OF OFFER.

**Assuming full subscription. Subject to finalisation of the Basis of Allotment*

LISTING DETAILS

The existing Equity Shares of our Company are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" together with BSE, the "**Stock Exchanges**"). Our Company has received "in-principle" approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through their letters dated February 6, 2024 and January 15, 2024 respectively. Our Company will also make applications to BSE and NSE to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purposes of the Issue, the Designated Stock Exchange is BSE.

Procedure: If you wish to know about processes and procedures applicable to a rights issue, you may refer to the section titled "*Terms of the Issue*" on page 368 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, SEBI, the Stock Exchanges and the Registrar, as stated above.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 1913. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Equity Shares pursuant to the Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking the Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Minimum Subscription: Our Promoters and members of the Promoter Group have vide their letters each dated March 12, 2024 confirmed that they (i) will subscribe to the full extent of their Rights Entitlements in the Issue and that they shall not renounce the Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of our Promoters or other member(s) of our Promoter Group); (ii) may subscribe to additional Rights Entitlements over and above their Rights Entitlements, if any, which are renounced in their favour by our Promoters or any other member(s) of our Promoter Group; and (iii) may subscribe to additional Rights Equity Shares, if any, which may remain unsubscribed in the Issue, each as may be applicable, subject to the aggregate shareholding of our Promoters and members of our Promoter Group being compliant with minimum public shareholding requirements under the SCRR and the SEBI LODR Regulations.

Accordingly, in terms of the proviso to Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue. In case of (ii) and (iii) above, the subscription to additional Rights Equity Shares shall be made to the extent that it does not result in any obligation on our Promoters and other members of our Promoter Group to make an “open offer” in accordance with the SEBI Takeover Regulations and shall be in compliance with the Companies Act, the SEBI ICDR Regulations and other applicable laws. Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

INDICATIVE TIMETABLE

Last Date For Credit Of Rights Entitlements	Friday, March 22, 2024	Finalisation of Basis of Allotment (on or About)	Monday, April 15, 2024
Issue Opening Date	Tuesday, March 26, 2024	Date of Allotment (on or About)	Tuesday, April 16, 2024
Last Date for on Market Renunciation of Rights Entitlements[#]	Tuesday, April 2, 2024	Date of Credit (on or About)	Thursday, April 18, 2024
Issue Closing Date[*]	Friday, April 5, 2024	Date of Listing (on or About)	Friday, April 19, 2024

Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager.

Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

** Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

NOTICE TO INVESTORS

The distribution of the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions

The Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, the Lead Manager, SEBI, and the Stock Exchanges, as applicable.

Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer will be filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, and any other Issue Materials may not be distributed, in whole or in part, in or into any jurisdiction (other than in India), except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, and any other Issue Materials should not distribute or send the Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or

would subject our Company or its affiliates or the Lead Manager or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer or any other Issue Material is received by any person in any such jurisdiction, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Letter of Offer or any of the Issue Materials.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES. ACCORDINGLY, THE RIGHTS ENTITLEMENTS (INCLUDING THEIR CREDIT) AND THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” AS DEFINED IN AND IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES OCCUR.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. Specific attention of investors is invited to the statement of “Risk Factors” beginning on page 18 of the Letter of Offer and “Internal Risk Factors” on page 6 of this Abridged Letter of Offer.

Name of the Lead Manager and contact details	IDBI Capital Markets & Securities Limited 6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005 Maharashtra, India Tel: +91 22 4069 1953 E-mail: hcc.rights@idbicapital.com Investor grievance e-mail: redressal@idbicapital.com Contact person: Ankit Agrawal Website: www.idbicapital.com SEBI registration number: INM000010866
Name of the Registrar to the Issue and contact details	Link Intime India Private Limited C-101, 1 st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 Maharashtra, India Tel: +91 810 811 4949 E-mail: hccltd.rights2023@linkintime.co.in Investor Grievance ID: hccltd.rights2023@linkintime.co.in Contact Person: Shanti Gopalakrishnan Website: www.linkintime.co.in SEBI Registration No.: INR000004058
Name of the Statutory Auditors	M/s. Walker Chandiok & Co. LLP, Chartered Accountants
Self-Certified Syndicate Banks (“SCSBs”)	The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.
Banker to the Issue	ICICI Bank Limited Capital Markets Division, 5th Floor, HT Parekh Marg, Churchgate, Mumbai 400 020 Maharashtra, India Tel: 022 6805 2182 E-mail: ipocmg@icicibank.com Website: www.icicibank.com Contact Person: Varun Badai SEBI Registration Number: INBI00000004

PRIMARY BUSINESS OF OUR COMPANY

We are an engineering and construction company in India, engaged in construction activities which include roads, bridges, ports, railway tunnels, metro projects, power stations, water supply and irrigation projects, and one of the oldest infrastructure development companies in India (*Source: CARE Report*). Over the last nine decades, we have transformed from a construction company into a global and diversified infrastructure group. We conduct our business operations primarily through three verticals, namely, (i) engineering and construction; (ii) infrastructure development; and (iii) real estate construction, as a single operating segment of engineering and construction. While the engineering and construction business is undertaken directly by our Company, the remaining business verticals are undertaken by our Subsidiaries.

For further details, please see ‘Our Business’ at page 98 of the Letter of Offer

SUMMARY OF OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

(in ₹ crore)

Particulars	Estimated amount (up to)
Funding long-term working capital requirements of our Company	254.00
Payment of outstanding dues in terms of the Framework Agreement	16.72
General corporate purposes*	63.58
Total Net Proceeds**	334.30

* The amount shall not exceed 20% of the Net Proceeds. The amount proposed to be utilized for general corporate purposes shall not be utilized towards funding the working capital requirements of our Company.

**Assuming full subscription in the Issue and subject to finalisation of Basis of Allotment.

MEANS OF FINANCE

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of the management, subject to applicable law. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

Our Company proposes to meet the entire funding requirements for the proposed objects of the Issue from the Net Proceeds and identified internal accruals. Further, our Company is not proposing to fund any specific project from the Net Proceeds. Accordingly, the requirement to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance for such project proposed to be funded from the Net Proceeds is not applicable

MONITORING AGENCY

Our Company has appointed CARE Ratings Limited to monitor the utilization of the Issue Proceeds, in accordance with Regulation 82 of the SEBI ICDR Regulations.

EQUITY SHAREHOLDING PATTERN

- a) The shareholding pattern of our Company as on December 31, 2023, can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/hindustan-construction-cold/hcc/500185/shareholding-pattern/> and NSE at [https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HCC&tabIndex=equity](https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HCC&tabIndex=equity;);
- b) The statement showing holding of Equity Shares of persons belonging to the category “Promoters and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, as on December 31, 2023 can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=500185&qtrid=120.01&QtrName=31-Dec-23> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HCC&tabIndex=equity>; and
- c) The statement showing details of shareholders of our Company belonging to the category “Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on December 31, 2023 as well as details of shares which remain unclaimed for public can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=500185&qtrid=120.01&QtrName=31-Dec-23> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HCC&tabIndex=equity>.

For more details, please refer to the section titled “Capital Structure” beginning on page 50 of the Letter of Offer.

BOARD OF DIRECTORS

S. No.	Name	Designation	Other Directorships
1.	Ajit Gulabchand	Chairman and Non-Executive Non-Independent Director	<ul style="list-style-type: none"> • Champali Garden Private Limited • Gulabchand Foundation • Hincon Finance Limited • Hincon Holdings Limited • Shalaka Investment Private Limited • Western Securities Limited • HCC Mauritius Enterprises Limited • HCC Mauritius Investment Limited • Steiner AG

BOARD OF DIRECTORS			
S. No.	Name	Designation	Other Directorships
2.	Jaspreet Singh Bhullar	Managing Director and Chief Executive Officer	<ul style="list-style-type: none"> • Brand 13 Promotions Private Limited • HCC Infrastructure Company Limited • Steiner India Limited • Triskaideka Advisors Private Limited • Prolific Resolution Private Limited
3.	Arjun Dhawan	Executive Vice Chairman	<ul style="list-style-type: none"> • Arya Capital Management Private Limited • AVG Hotels Private Limited • Dhawan Management Private Limited • HCC Infrastructure Company Limited • Hegias AG • Maharani Holdings Private Limited • Seeberg Private Limited • Steiner India Limited • Steiner AG
4.	Aditya Jain	Non-Executive Non-Independent Director	Nil
5.	N. R. Acharyulu	Independent Director	Nil
6.	Santosh Janakiram	Independent Director	<ul style="list-style-type: none"> • Ador Fontech Limited • Social Lending Technologies and Holdings Private Limited • Steiner AG
7.	Mahendra Singh Mehta	Independent Director	<ul style="list-style-type: none"> • Talwandi Sabo Power Limited • Lloyds Metals and Energy Limited
8.	Mukul Sarkar*	Non-Executive Nominee Director	<ul style="list-style-type: none"> • GPCL Consulting Services Limited • Jain Irrigation Systems Limited
9.	Mita Dixit	Independent Director	<ul style="list-style-type: none"> • Anuh Pharma Limited • Equations Advisors Private Limited • Prolific Resolution Private Limited • Shetron Limited
10.	Arun Karambelkar	Independent Director	<ul style="list-style-type: none"> • Capacit'e Infraprojects Limited • Prolific Resolution Private Limited

* Nominee of the Export Import Bank of India

For more details, see the chapter titled “Our Management” on page 110 of the Letter of Offer.

Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

FINANCIAL INFORMATION

Summary of Consolidated Financial Information/ Ratios

(₹ in crore, except per share data)

Particulars	As at and for the nine months period ended December 31, 2023	As at and for the nine months period ended December 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022
Equity Share Capital	151.31	151.31	151.31	151.31
Net Worth*	(484.19)	(1,066.36)	(754.08)	(698.84)
Revenue from Operations	5,233.58	6,762.50	9,856.59	10,668.26
Earnings before interest, taxes, depreciation, and amortization (EBITDA) less other income	788.71	261.80	576.71	1,187.81
Profit / (Loss) from continuing operations	283.19	(217.24)	(26.59)	571.74
Earnings per Share				
Basic	1.53	(1.44)	(0.19)	3.72
Diluted	1.53	(1.44)	(0.19)	3.72
Net Asset Value per Equity Share	(3.20)	(7.05)	(4.98)	(4.62)

Particulars	As at and for the nine months period ended December 31, 2023	As at and for the nine months period ended December 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022
Total Borrowings	2,412.51	5,465.34	5,294.52	4,918.27

*Net Worth is calculated by adding Equity Share Capital, other equity (including non-controlling interest) and capital reserve.

**Total Borrowings do not include accrued interest of ₹1,801.11 crore, ₹1,831.91 crore, ₹1,843.14 crore and ₹2,546.63 crore as on December 31, 2023, December 31, 2022, March 31, 2023 and March 31, 2022, respectively. Please see "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 317 of the Letter of Offer.

INTERNAL RISK FACTORS

The below mentioned are top 5 risk factors as per the Letter of Offer:

1. Our business is significantly dependent on projects in India undertaken or awarded by government authorities or other entities funded by the Government of India or State Governments and we derive significant revenues from contracts with a limited number of Government entities. Any adverse changes in the Central or State Government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business, revenue and results of operations.
2. Our business is substantially dependent on our ability to accurately carry out the pre-bidding engineering studies for bidding in such projects. Any deviation during the implementation and operation of the project as compared to our pre-bid engineering studies could have a material adverse effect on our cash flows, results of operations and financial condition.
3. Projects included in our Order Book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.
4. Our Company and our Subsidiaries are involved in outstanding legal proceedings. Any adverse outcome in any of these proceedings may adversely affect our reputation, business, operations, financial condition and results of operations.
5. Our financing agreements contain certain restrictive covenants including requiring prior consent of our lenders for undertaking a number of corporate actions, including the Issue, which may affect our interest. We are also subject to restrictions on our financial and operational flexibility and certain risks associated with debt financing.

For further details, see the section "Risk Factors" on page 18 of the Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

Our Company and our Subsidiaries are involved in certain outstanding arbitrations, legal proceedings and claims, which are pending at different levels of adjudication before various courts, tribunals and other authorities. A summary of the litigation involving our Company and our Subsidiaries is set out below.

Name of entity	Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Proceedings involving issues of moral turpitude or criminal liability	Proceedings before regulatory authorities involving material violations of statutory regulations	Tax proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Matters involving economic offences	Other pending matters, which if they result in an adverse outcome, would materially and adversely affect the operations or financial position of our Company	Amount Involved* (₹ in crore unless otherwise stated)
Company							
By the Company	50	Nil	Nil	Nil	Nil	2	4,919.25 [^]
Against the Company	8	4	Nil	3	Nil	1	1,745.15
Subsidiaries							
By the Subsidiaries**	5	Nil	Nil	Nil	Nil	Nil	555.31
Against the Subsidiaries	9	Nil	Nil	Nil	Nil	Nil	2,452.53

*To the extent ascertainable.

[^] This does not include an amount aggregating to ₹2,882.17 crore representing amounts withdrawn by our Company by furnishing bank guarantees in certain arbitration matters. For details, see “Outstanding Litigation and Defaults – Litigation by our Company – Material Civil Proceedings” on page 347 of the Letter of Offer.

** This does not include amount aggregating to CHF 53.50 million representing claims submitted by Steiner AG against various parties. For details, see “Outstanding Litigation and Defaults – Litigation by our Subsidiaries – Material Civil Proceedings” on page 359 of the Letter of Offer. For further details, see “Outstanding Litigation and Defaults” beginning on page 344 of the Letter of Offer.

TERMS OF THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see “Terms of Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” on page 379 of the Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

The ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “Terms of Issue - Grounds for Technical Rejection” on page 375 of the Letter of Offer. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see “Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 372 of the Letter of Offer

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, LIPL HCC LTD RIGHTS ESCROW DEMAT ACCOUNT) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/ reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars,

the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in an demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 372 of the Letter of Offer

Facilities for Application in this Issue:

Making of an Application through the ASBA process

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in the Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

▪ ***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to the Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that in terms of Regulation 78 of SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Hindustan Construction Company Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;

4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total Application amount paid at the rate of ₹ 21 per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account; and
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB).

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in.

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Rights Entitlement Ratio : 13 Rights Equity Share for every 118 Equity Shares held on the Record Date

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 13 Equity Share for every 118 Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 118 Equity Shares or not in the multiple of 118, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in the Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 10 Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the "**On Market Renunciation**"); or (b) through an off market transfer (the "**Off Market Renunciation**"), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/ selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: INE549A20018 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from Tuesday, March 26, 2024 to Tuesday, April 02, 2024 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: INE549A20018 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on ‘T+1 rolling settlement basis’, where ‘T’ refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE549A20018, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off market transfer shall be as specified by the NSDL and CDSL from time to time.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Terms of the Issue – Basis of Allotment*” on page 385 of the Letter of Offer.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares;
or
- (v) renounce its Rights Entitlements in full.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares

Intention and extent of participation by our Promoters / Promoter Group with respect to (i) their rights entitlement; and (ii) their intention to subscribe over and above their rights entitlement :

Our Promoters and members of the Promoter Group have vide their letters each dated March 12, 2024 confirmed that they (i) will subscribe to the full extent of their Rights Entitlements in the Issue and that they shall not renounce the Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of our Promoters or other member(s) of our Promoter Group); (ii) may subscribe to additional Rights Entitlements over and above their Rights Entitlements, if any, which are renounced in their favour by our Promoters or any other member(s) of our Promoter Group; and (iii) may subscribe to additional Rights Equity Shares, if any, which may remain unsubscribed in the Issue, each as may be applicable, subject to the aggregate shareholding of our Promoters and members of our Promoter Group being compliant with minimum public shareholding requirements under the SCRR and the SEBI LODR Regulations. Accordingly, in terms of the proviso to Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

Accordingly, in terms of the proviso to Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue. In case of (ii) and (iii) above, the subscription to additional Rights Equity Shares shall be made to the extent that it does not result in any obligation on our Promoters and other members of our Promoter Group to make an “open offer” in accordance with the SEBI Takeover Regulations and shall be in compliance with the Companies Act, the SEBI ICDR Regulations and other applicable laws. Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Availability of offer document of the immediately preceding public issue or rights issue for inspection :

A copy of the letter of offer dated March 12, 2024 in respect of the rights issue of equity shares of face value of Rs. 1 each by our Company is available for inspection the Registered Office and Corporate Office of the Company from the date of the Letter of Offer until the Issue Closing Date

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 386 OF THE LETTER OF OFFER.

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS AT THE RECORD DATE

I. IMPORTANT

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and

superscribed “Hindustan Construction Company Limited– Rights Issue” on the envelope and postmarked in India) to the Registrar at the following address:

Link Intime India Private Limited

C-101, 1st floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Tel: +91 810 811 4949; **E-mail:** hccltd.rights2023@linkintime.co.in; **Investor Grievance ID:** hccltd.rights2023@linkintime.co.in;

Website: www.linkintime.co.in

Contact Person: Shanti Gopalakrishnan

SEBI Registration No.: INR000004058

The Issue will remain open for a minimum 7 days. However, our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

DECLARATION BY OUR COMPANY

I hereby certify that no statement made in the Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

sd/-

Ajit Gulabchand

Chairman and Non-Executive Non-Independent Director

sd/-

Arjun Dhawan

Executive Vice Chairman

sd/-

N. R. Acharyulu

Independent Director

sd/-

Mahendra Singh Mehta

Independent Director

sd/-

Mita Dixit

Independent Director

SIGNED BY OUR CHIEF FINANCIAL OFFICER

sd/-

Rahul Rao

Chief Financial Officer

Place : Mumbai

sd/-

Jaspreet Singh Bhullar

Managing Director and Chief Executive Officer

sd/-

Aditya Jain

Non-Executive Non-Independent Director

sd/-

Santosh Janakiram

Independent Director

sd/-

Mukul Sarkar

Non-Executive Nominee Director

sd/-

Arun Karambelkar

Independent Director

Date : March 12, 2024