

महाराष्ट्र MAHARASHTRA

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86AA 411985

प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क्र. ८०००००३

22 FEB 2024

सक्षम अधिकारी

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श्रीमती लता सांगळे

THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE MONITORING AGENCY AGREEMENT DATED MARCH 12, 2024 EXECUTED BY AND BETWEEN HINDUSTAN CONSTRUCTION COMPANY LIMITED AND CARE RATINGS LIMITED

002334

जोडपत्र-१ Annexure - 1

पत्रक प्रतिज्ञापनासाठी Only for Affidavit (U/1)

मुद्रांक विकत घेणाऱ्याचे नाव _____

मुद्रांक विकत घेणाऱ्याचे रहिवासी पत्ता _____

मुद्रांक विक्रीबाबतची नोंद वही अनु. क्रमांक _____



मुद्रांक विकत घेणाऱ्याची सही परवानाधारक मुद्रांक विक्रीत्याची सही

परवाना क्रमांक : ८०००००३

मुद्रांक विक्रीचे नाव/पत्ता : श्री. अशोक रघुनाथ कदम

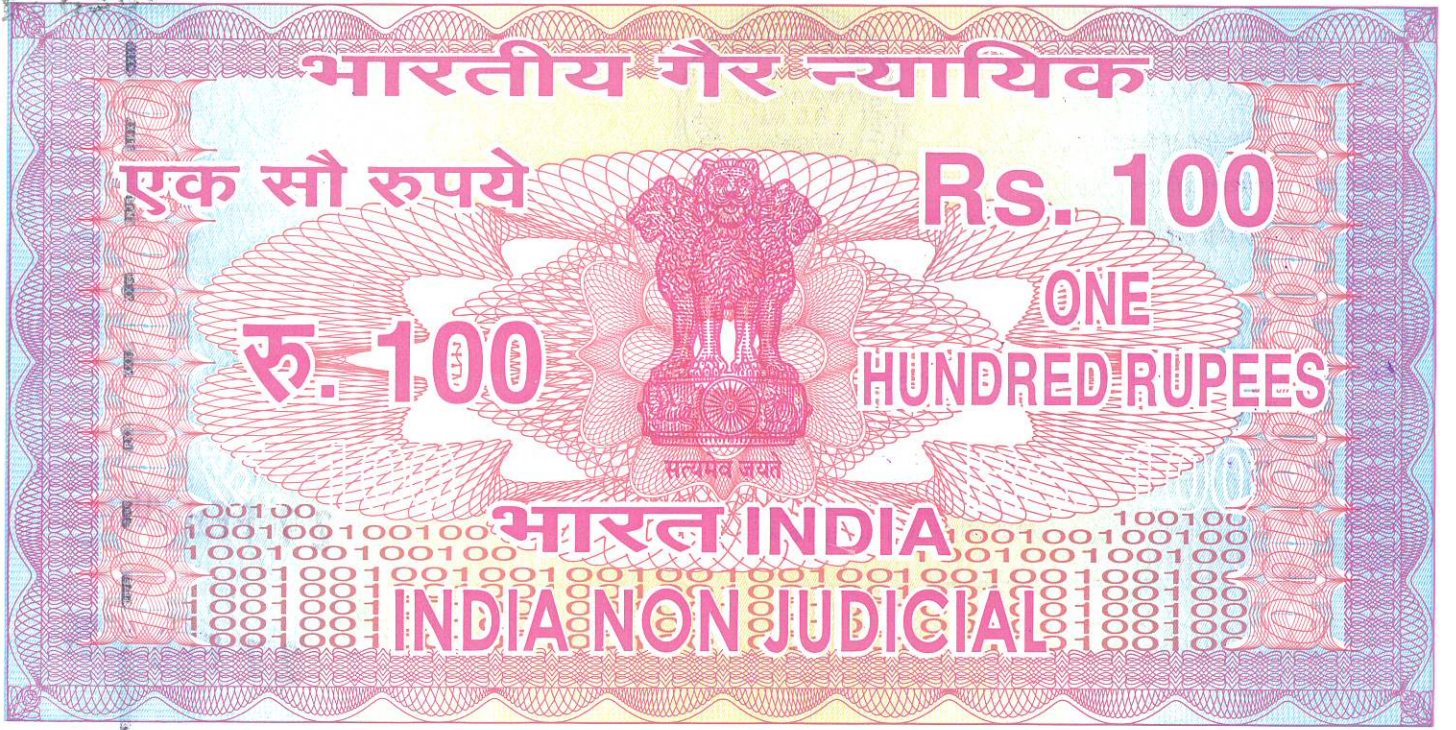
२२०, शाहिद भगत सिंह ३, तळमजला २/१५, आनंद भुवन, फ्लॉर, मुंबई-४०० ००९.

भासकीय कार्यालयासभार/न्यायालयसभार प्रतिज्ञापन साधर करणेसाठी मुद्रांक कागदाली आवश्यकता नाही. (शासन आदेश दि. ०१/०७/२००९) नुसार

ज्या कारणासाठी ज्यांनी मुद्रांक वारवी वेळ्या त्यांनी त्याच कारणासाठी मुद्रांक वारवी वेळ्यासाठी नमोदित वारवी वेळ्यासाठी आवश्यक आहे.

27 FEB 2024

27 FEB 2024



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प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क्र. ८०००००३
22 FEB 2024
सहायक अधिकारी L
श्रीमती लता सांगळे

THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE MONITORING AGENCY AGREEMENT DATED MARCH 12, 2024 EXECUTED BY AND BETWEEN HINDUSTAN CONSTRUCTION COMPANY LIMITED AND CARE RATINGS LIMITED

002385

जोडपत्र-१ Annexure - 1

फक्त प्रतिज्ञापत्रासाठी Only for Affidavit (U/T)



मुद्रांक विकत घेणाऱ्याचे नाव _____

मुद्रांक विकत घेणाऱ्याचे रहिवासी पत्ता _____

मुद्रांक विद्रोबाबतची नोंद वही अजु. क्रमांक _____ दिनांक _____

मुद्रांक विकत घेणाऱ्याची सही _____ परवानाधारक मुद्रांक विक्रेत्याची सही _____

परवाना क्रमांक : ८०००००३

मुद्रांक विक्रीचे नाव/पत्ता : श्री. अशोक रघुनाथ कदम

२९०, शहिद भगत सिंग रोड, ताकजला ४/५५, आनंद भुवन, फोर्ट, मुंबई-४००००९.

राजकीय कार्यालयासमोर/न्यायालयासमोर प्रतिज्ञापत्र सादर करणेसाठी मुद्रांक

कागदाची आवश्यकता नाही. (शासन आदेश क्र. ०५/०९/२००४) मुंबई

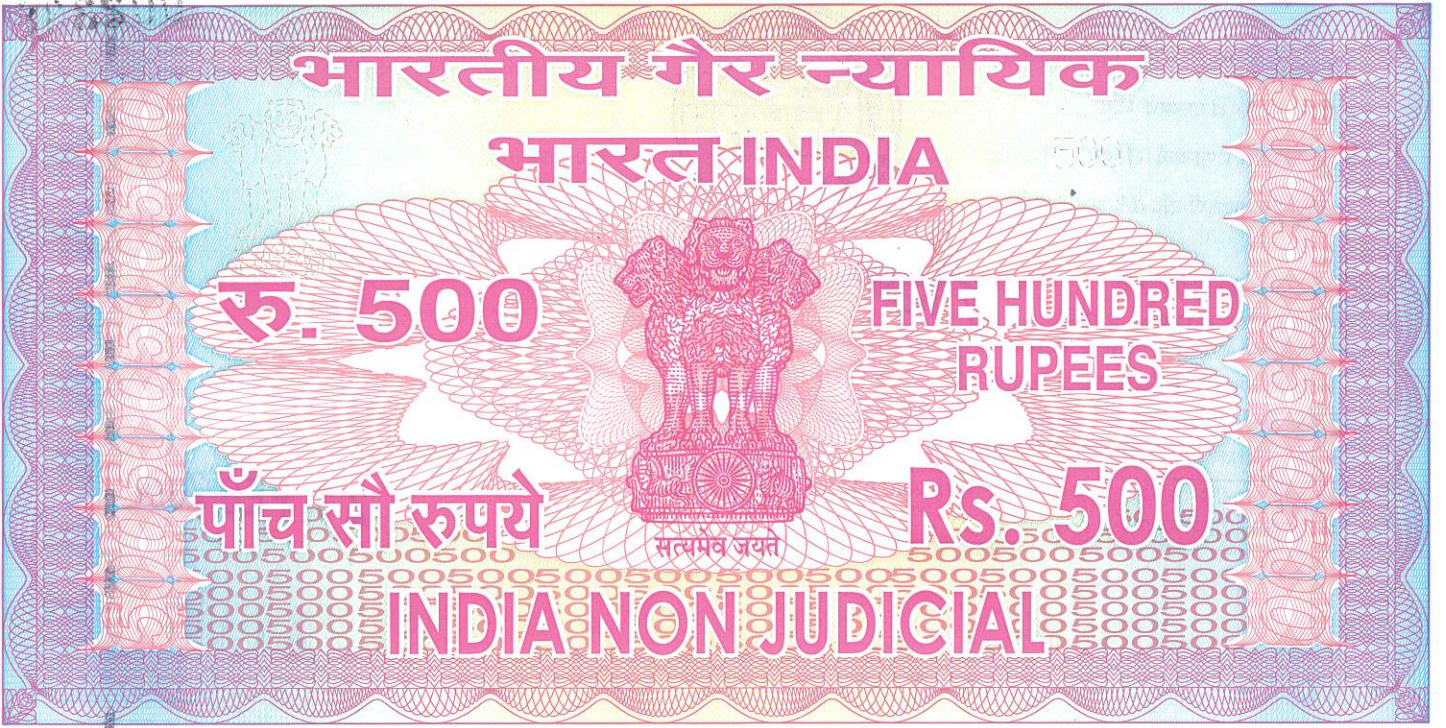
ज्या कारणासाठी ज्यांनी मुद्रांक विक्रीचे घेण्यास त्यांनी त्याच कारणासाठी मुद्रांक खरेदी

केल्यापरंतु हे महिन्यात कारणे संतुष्ट करू शकत नाही.

27 FEB 2024

27 FEB 2024

मुद्रांक विक्रीचे घेणाऱ्याची सही
परवाना क्रमांक : ८०००००३
मुद्रांक विक्रीचे नाव/पत्ता : श्री. अशोक रघुनाथ कदम
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कागदाची आवश्यकता नाही. (शासन आदेश क्र. ०५/०९/२००४) मुंबई
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केल्यापरंतु हे महिन्यात कारणे संतुष्ट करू शकत नाही.



महाराष्ट्र MAHARASHTRA

2023

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प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क्र. ८०००००३
22 FEB 2024
सक्षम अधिकारी

श्री. अतुल कि. किरडे

THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE MONITORING AGENCY AGREEMENT DATED MARCH 12, 2024 EXECUTED BY AND BETWEEN HINDUSTAN CONSTRUCTION COMPANY LIMITED AND CARE RATINGS LIMITED

002339

जाहपत्र-१ Annexure - 1

अन्त प्रतिज्ञापत्रासाठी Only for Affidavit (U/T)

मुद्रांक विकत घेणाऱ्याचे नाव _____

मुद्रांक विकत घेणाऱ्याचे रहिवासी पत्ता _____

मुद्रांक विनिम्बावतची नोंद वही अनु. क्रमांक _____



मुद्रांक विकत घेणाऱ्याची सही _____

परवाना क्रमांक: _____

परवाना क्रमांक: ८०००००३

मुद्रांक विक्रीचे नाव/पत्ता: श्री. आशोक रघुनाथ चव्हाण

२१०, शरिद भगत रिट बिल्ड, तळमजला २/१५, आंबे भुवन, फ्लॉट, मुंबई-४०० ००९.

आश्चर्यास कार्यालयसमोर/ज्याच्या कार्यालय समोर प्रतिज्ञापत्र सादर करण्यासाठी मुद्रांक कागदाची आवश्यकता नाही. (शासक आदेशा दि. ०९/०७/२०१९) मुद्रांक

ज्या कारणासाठी ज्यांनी मुद्रांक कागदासंदर्भात त्यांनी त्याच कारणासाठी मुद्रांक कोटी वेळोवेळी देण्यास न्याय द्यावे लागतो असे नमूद आहे.

27 FEB 2024

27 FEB 2024

THIS MONITORING AGENCY AGREEMENT (THE “AGREEMENT”) is entered into this 12th day of March, 2024 by and among:

Hindustan Construction Company Limited, a company incorporated under the provisions of the Indian Companies Act, 1913, and having its registered office at Hincan House, LBS Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India, (herein after referred to as the "**Issuer**" or the "**Company**", which expression shall unless repugnant to the context or meaning thereof mean and include its successors and permitted assigns) of the **FIRST PART**;

AND

CARE Ratings Limited, a company duly incorporated under the Companies Act, 1956, and having its registered office at Godrej Coliseum, 4th Floor, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai- 400022 in the capacity of monitoring agency appointed in terms of SEBI ICDR Regulations (*as defined herein below*) ("**CARE**", which expression shall, unless it is repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the **SECOND PART**.

The Company and the Monitoring Agency are hereinafter individually referred to as a "**Party**" and collectively as "**Parties**".

WHEREAS:

- A. The Company proposes to issue fully paid-up equity shares of face value of Rs. 1 each ("**Equity Shares**") aggregating up to Rs. 350 crore by way of a rights issue to its existing eligible equity shareholders ("**Eligible Equity Shareholders**"), as on the record date as determined by the Board of Directors of the Company ("**Board of Directors**" including any committee thereof), in accordance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("**SEBI ICDR Regulations**"), and other applicable statutory and / or regulatory requirements, (hereinafter referred to as the "**Issue**").
- B. The Board of Directors ("**Board**") have, *vide* resolutions passed at its meetings held on August 3, 2023 and February 8, 2024, authorized the Issue.
- C. The Company has appointed IDBI Capital Markets & Securities Limited to manage the Issue (the "**Lead Manager**").
- D. In connection with the Issue, the Company shall file the Letter of Offer with the Securities and Exchange Board of India ("**SEBI**"), BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**") in accordance with the SEBI ICDR Regulations.
- E. In terms of Regulation 82 of the SEBI ICDR Regulations, the Company is required to appoint a monitoring agency, which shall monitor the use of the

Issue Proceeds (*as defined hereinafter*) of the Issue in accordance with the terms of the Objects of the Issue (*as defined hereinafter*) in the Letter of Offer. Accordingly, the Company hereby appoints CARE to act as the “**Monitoring Agency**” for monitoring the use of the Issue Proceeds in accordance with this Agreement and in accordance with the Applicable Laws.

- F. In relation to the Issue, the Company has received in-principle approvals pursuant to Regulation 28 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI Listing Regulations**”), for listing of the Equity Shares issued pursuant to the issue, from BSE and NSE dated _____ and January 15, 2024, respectively.
- G. On receipt of the listing and trading approvals from each of the Stock Exchange(s), the Net Proceeds deposited in the account(s) opened and maintained by the Company with the Banker to the Issue, namely ICICI Bank Limited (“**Banker to the Issue**”) for this purpose, shall be transferred to the Issue Monitoring Account or any other account as may be decided, as per the terms of this Agreement.
- H. This Agreement is executed and delivered to define the obligations of the Company to deposit the amount raised through the Issue in the Issue Monitoring Account(s) (*as defined hereinafter*) and the role of the Monitoring Agency to monitor the Issue Proceeds deposited in the Issue Monitoring Account(s) as per the schedule of utilization of proceeds of the Issue mentioned in the Letter of Offer (the “**Utilization Schedule**”).

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants, and agreements set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:

1. **Definitions and Interpretation**

1.1 Definitions:

“**Allotment Account**” the account opened with the Banker to the Issue, into which the amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.

“**Applicable Laws**” shall mean any applicable law, by-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), listing agreement with the Stock Exchanges, compulsory guidance, rule, order or decree of any court, any arbitral authority or any authority or directive, delegated or subordinate legislation in any applicable jurisdiction or any applicable securities law in any relevant jurisdiction, inside or outside India, including the Companies Act, 2013 read with the rules as notified thereunder, the Securities and Exchange Board

of India Act, 1992, the SEBI ICDR Regulations, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Listing Regulations and all other applicable laws which may apply to the Parties to this Agreement, including any amendments thereto, as may be in force and effect during the subsistence of this Agreement.

“Bankers to the Issue Agreement” shall mean the agreement amongst the Company, IDBI Capital Markets & Securities Limited, ICICI Bank Limited and Link Intime India Private Limited.

“Business Days” shall mean all days other than Saturday or Sunday or a public holiday on which commercial banks in Mumbai are open for business.

“Equity Shares” shall mean equity shares of the Company of Rs. 1 each.

“Report” shall mean the report(s) issued by the Monitoring Agency (monitoring the use of Issue Proceeds) in relation to the utilization of the Issue Proceeds. The Report shall be submitted to the Company in the format prescribed under XI of the SEBI ICDR Regulations.

“Gross Proceeds” or **“Issue Proceeds”** shall mean total proceeds from the Issue.

“Letter of Offer” shall mean the final letter of offer to be filed with the Stock Exchanges and SEBI;

“Objects of the Issue” or **“Objects”** shall mean the objects of the Issue as set out in the Letter of Offer.

“Net Proceeds” for the purposes of this Agreement, shall mean the Gross Proceeds (including the proceeds raised for general corporate purposes) less Issue related expenses as set out in the Offer Document /Letter of Offer.

“Issue Monitoring Account” shall have the meaning given to such term in Clause 3.3 of this Agreement.

“Stock Exchanges” shall collectively mean the BSE Limited and the National Stock Exchange of India Limited.

“Utilization Schedule” shall have the meaning given to such term in Recital H of this Agreement.

Terms not defined under this Clause or in this Agreement shall have the meaning ascribed to them in the Letter of Offer, unless the context specified otherwise.

1.2 In this Agreement, unless the context otherwise requires:

1.2.1 words denoting the singular number shall include the plural and *vice versa*;

1.2.2 words denoting a person shall include an individual, corporation, company,

partnership, trust or other entity;

- 1.2.3 heading and bold type face are only for convenience and shall be ignored for the purposes of interpretation;
- 1.2.4 references to the word “include” or “including” shall be construed without limitation;
- 1.2.5 references to this Agreement or to any other agreement, deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may from time to time be amended, varied, supplemented or noted or any replacement or novation thereof;
- 1.2.6 references to any Party to this Agreement or any other agreement or deed or other instrument shall include its successors or permitted assigns;
- 1.2.7 a reference to an article, clause, section, paragraph, schedule or annexure is, unless indicated to the contrary, a reference to an article, clause, section, paragraph, schedule or annexure of this Agreement; and
- 1.2.8 unless otherwise defined, reference to the word ‘days’ shall mean calendar days.
- 1.2.9 In case of any inconsistency in respect of the Issue related terminologies between any of the terms of this Agreement and the Letter of Offer, the terms of Letter of Offer shall prevail.

2. USE OF NET PROCEEDS

The Company proposes to raise funds by way of the Issue for the following purposes as set out in the Letter of Offer:

- a. Funding long-term working capital requirements of the Company;
- b. Payment of outstanding dues in terms of the Framework Agreement; and
- c. General corporate purposes

(Collectively, referred to herein as the “**Objects**”).

However, provided that the above shall be read in conjunction with and shall be superseded by the details mentioned in the Letter of Offer.

3. The Issue Monitoring Account

- 3.1 The Company hereby appoints CARE as the Monitoring Agency for the purposes of monitoring the use of the Issue Proceeds by the Company in accordance with the Objects of the Issue and the SEBI ICDR Regulations.
- 3.2 CARE agrees to act as the Monitoring Agency in accordance with the terms and

conditions of this Agreement and subject to the SEBI ICDR Regulations and other Applicable Laws.

3.3 Establishment of Issue Monitoring Account

The Company will establish an account, which will be designated as Monitoring Account in which the Net Proceeds shall be deposited from the Allotment Account, opened in terms of the Banker to the Issue Agreement after the receipt of listing and trading approval by the Company with respect to Equity Shares to be issued in the Issue (the “**Issue Monitoring Account**”). While such Net Proceeds for the Issue deposited in the Issue Monitoring Account will be utilized by the Company towards Objects of the Issue, the Monitoring Agency shall be liable to monitor Issue Proceeds in terms of this Agreement, the issue expenses lying to the credit of Allotment Account in terms of the Bankers to the Issue Agreement in accordance with Applicable Laws. Apart from monitoring the utilization as aforesaid, the Monitoring Agency shall not have any other right, whatsoever, in the Issue Monitoring Account.

3.4 Deposits into and withdrawals from the Issue Monitoring Account

The Company and/or the Lead Manager, shall intimate in writing to the Monitoring Agency, the details of the amounts that are to be transferred from the Issue Monitoring Account to other accounts of the Company or amounts which are to be transferred from the Allotment Account with respect to the Issue expenses, or any other account at the discretion of the Company in compliance with the Objects of the Issue. Any written instructions shall be valid only of such persons as may be authorized in writing from time to time. The Company may share the written instructions over email to be sent to the Monitoring Agency.

The Company shall submit the following information / documents to the Monitoring Agency:

- (a) A certificate to be issued by the statutory auditor or independent chartered accountant, tentatively within fifteen (15) calendar days, after the end of each quarter, as per the format specified in **Schedule I**:
- (b) Subject to Applicable Laws, the declaration may be issued by any of the following person amongst:
 - (i) Chief Financial Officer or the Company Secretary or Compliance Officer; or
 - (ii) authorized officer of the Company, who is authorized by the Board of directors of the Company or a duly authorized committee of directors, (collectively referred to as the “**Authorised Signatories**”); detailing the utilization of the Net Proceeds in accordance with the Objects of the

Issue to be provided. In the event, the Company is not in a position to obtain the signatures from one or both of the Authorised Signatories, then the Monitoring Agency may, in its sole discretion, which may not be unreasonably withheld, allow the Company to obtain the signature from any other authorized signatory as authorized by the board of directors/duly authorised committee of the Company.

3.5 Determination and Notice of Amounts of Deposits and Withdrawals

3.5.1 In determining any amounts that had been withdrawn, paid, allocated or deposited pursuant to this Agreement, the Monitoring Agency shall be entitled to rely on all the quarterly budgets / requisitions/information/certificate of payment of the Company as shared by the Company and certificate of the statutory auditor or independent chartered accountant.

3.6 Interim Use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described in the Letter of Offer, the Company shall have the flexibility to deploy the Net Proceeds in accordance with the SEBI ICDR Regulations and the Letter of Offer.

3.6.1 The Company shall disclose the utilization of the Net Proceeds under a separate head in the Company's balance sheet along with details, indicating the purpose for which such proceeds were utilized and the balance unutilized amount as may be required under the SEBI Listing Regulations, the SEBI ICDR Regulations and Applicable Law.

3.7 Additional Information/Documentation

The Monitoring Agency may request for additional documents and information from the Company, which it considers necessary for the purposes of undertaking its obligations under this Agreement or as required under Applicable Laws by giving a prior written notice to the Company of at least 3 (three) Business Days in advance.

4. Appointment of Monitoring Agency

4.1 CARE, in its capacity as the Monitoring Agency, shall fulfil such duties and obligations as may be prescribed under the SEBI ICDR Regulations and the Applicable Laws, including the following:

- (a) delivering the Report (containing details of utilization in accordance with the Objects of the Issue set out under the Letter of Offer and deviations, if any), and such other documents, agreements, instruments and certificates as are prescribed under the SEBI ICDR Regulations which are to be prepared, executed and/or delivered by a Monitoring Agency to the Company post receipt of all necessary information from the Company and

the statutory auditor or an independent chartered accountant after the end of each quarter or such other period as may be prescribed under Applicable Law, in the prescribed format in Schedule XI of the SEBI ICDR Regulations to the Company, and more particularly described in Schedule I of this Agreement (which shall stand amended and modified, without any further act, if there is any amendment to Schedule XI or other relevant provisions of the SEBI ICDR Regulations) until the utilization of 100% of the Net Proceeds or termination of this Agreement pursuant to Clause 10 of this Agreement;

- (b) For the sake of duly fulfilling the obligations under this Agreement, CARE shall have the right to inspect all relevant and necessary records, registers and accounts of the Issuer as may be necessary for the purposes of carrying out its duties effectively under this Agreement, provided that the Issuer is given at least three (3) Business Days prior written notice or a reasonable notice of a shorter period, which is mutually agreed between the Company and CARE if the circumstances so require in this behalf.
- (c) The Monitoring Agency shall seek responses from the Issuer on the information provided.
- (d) Take such action and do such other acts, deeds or things as may be required under the provisions of the SEBI ICDR Regulations to discharge its responsibilities as the monitoring agency. This includes seeking clarifications on the information/ documents/ statements shared by the Company, seeking additional documents/ certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its responsibilities as a Monitoring Agency;
- (e) Review of the information / documents / statements (including the bank statements) received from the Company with regard to the use of the Net Proceeds including the status of activities proposed to be funded out of the Net Proceeds as stated in the Letter of Offer; and
- (f) CARE shall be issuing the Report on a quarterly basis till 100% of the Net Proceeds raised through Issue are utilized as per the SEBI ICDR Regulations or termination of this Agreement as per Clause 10 of this Agreement.
- (g) CARE shall take due care to produce Reports that are free of errors and shall disclose to the extent possible the source of information in the Report.
- (h) CARE shall deploy personnel who are competent and well-equipped to carry out the activities under this Agreement.
- (i) CARE will share a draft report with the Issuer and give reasonable time (say 3 working days) to the issuer to revert with additional information or clarifications on the draft, before finalising the Report, which shall be shared with the Audit Committee of the Board.

- (j) All activities of CARE as a Credit Rating Agency, including Monitoring Agency activity under this Agreement, shall be subject to policies framed by CARE (including amendment/updation from time to time) under SEBI directives including but not limited to confidentiality policy, guidelines for dealing with conflict of interest for investment/ trading by Credit Rating Agencies, which shall be deemed to be a part of this Agreement.

4.2 The Monitoring Agency agrees to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time with respect to the Company.

4.3 Payment of Monitoring Agency Fees

The details of the fees agreed between CARE Ratings Limited and the Company in relation to the monitoring of the Issue Proceeds of the Issue are contracted in a separate letter dated March 7, 2024.

5. Monitoring the Use of Issue Proceeds

5.1 The Company recognizes that compliance by the Monitoring Agency with the terms of the SEBI ICDR Regulations and any other requirements stipulated by SEBI or the Stock Exchanges is dependent upon it furnishing to the Monitoring Agency, the requisite information/documents as and when required by the Monitoring Agency.

5.2 The Company shall provide all the required information and necessary details for the preparation of Report, as per agreed timelines between the Company and the Monitoring Agency.

5.3 The Company shall inform the Monitoring Agency as to the use of the Net Proceeds and shall be obliged to furnish such documents, papers and information as may be required for enabling the Monitoring Agency to effectively monitor the utilization of the Issue Proceeds.

5.4 For Monitoring Agency to perform its role effectively, the Company will fulfil its obligations including but not limited to sharing of the required information on a timely basis and timely payment of fee in accordance with the terms of this Agreement. In the absence of this, the Monitoring Agency may qualify its report duly capturing any non-cooperation from the Company, in terms of sharing the requisite information or non-payment of the fee and may also inform SEBI and the Stock Exchange/s where the security of Issuer is listed, of any non-cooperation by the Company.

5.5 The Company shall ensure that the Net Proceeds are utilized only for the purposes as mentioned in the Objects of the Issue and shall, at its cost, as and when called upon by the Monitoring Agency, take such steps as may be necessary to prove the same.

5.6 The Monitoring Agency shall have the right to inspect the records, registers and accounts of the Company as may be necessary for the purposes of carrying out

its duties in accordance with monitoring of Issue Proceeds, provided that the Monitoring Agency has given at least three (3) Business Days prior notice in writing to the Company in this behalf.

5.7 The company shall provide the records, registers and accounts of the company as may be necessary by the Monitoring Agency in connection with the duties pursuant to this Agreement.

5.8 In accordance with Regulation 32 and any other applicable provisions of the SEBI Listing Regulations, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on deviations, if any, in the utilization of the Net Proceeds of the Issue.

5.9 The Company shall ensure that within forty-five (45) calendar days (or such other days as may be prescribed under the SEBI ICDR Regulations) from the end of each quarter, Report of the Monitoring Agency is publicly disseminated by uploading it on its website as well as is submitted to the Stock Exchanges.

6. Representations, Warranties and Covenants

6.1 As of the date of this Agreement, each Party represents and warrants to the other Party that (which representations shall continue to be true and correct on each day during the currency of this Agreement):

6.1.1 This Agreement constitutes a valid, legal and binding obligations on such Party and is enforceable against it in accordance with the terms hereof;

6.1.2 The execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorised and do not and will not contravene any provisions of, or constitute a default under (a) any Applicable Laws (b) its organizational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it

6.2 The Company further represents and warrants to the Monitoring Agency that it has the requisite power to open and maintain the Issue Monitoring Account and has taken all necessary corporate and other actions required to authorize the opening and maintenance thereof upon the terms referred to herein and the execution of all such documents as are necessary for the purpose thereof;

6.3 The Company shall at any time and from time to time upon the reasonable written request of the Monitoring Agency promptly and duly deliver or permit the delivery of any and all such further details, information, instruments and documents as the Monitoring Agency may consider necessary for the purpose of monitoring the Issue Proceeds of the Issue.

6.4 As of the date of this Agreement, the Monitoring Agency further represents and warrants to the Company that (which representations shall continue to be true

and correct on each day during the currency of this Agreement):

- 6.4.1 It shall perform its duties with the highest standards of integrity and fairness and shall act in an ethical manner in all its dealings with the Company;
- 6.4.2 It shall act with due diligence, care and skill while discharging the work assigned to it in relation to the Issue Proceeds;
- 6.4.3 It will not take up any activities which are likely to be in conflict with its own interests, interests of the Company, the Issue, its activities as the Monitoring Agency or contrary to the directions issued by SEBI or under any other Applicable Laws;
- 6.4.4 It shall carry out its duties/responsibilities and complete all the formalities including corporate action within the specified time limits as required under law, including with respect to relevant statutes, guidelines issued by SEBI, stock exchange regulations, etc.; and
- 6.4.5 It has authority and valid registration as required under Applicable Laws to act as the monitoring agency for the Issue and it is not prohibited from acting as a monitoring agency by any judicial, regulatory or administrative body.

7. Directions of Stock Exchanges / SEBI / Statutory Authorities

Subject to Applicable Law, in the event any instructions are received from any of the Stock Exchanges or SEBI or any other statutory authorities to the effect that the Issue Monitoring Account shall be frozen or that the Company shall not be allowed to make any payments to any of the specified parties then the Company acknowledges the same and shall also abide by such instructions, however, the Monitoring Agency undertakes to immediately intimate, within 1 Business Days to the Company, of such instruction/restriction unless such intimation is prohibited by Applicable Law or order of the court.

8. Rights and duties of Monitoring Agency and Indemnity

8.1 Particular rights and duties of the Monitoring Agency

8.1.1 The Monitoring Agency:

- 8.1.1.1 shall, except to such extent as may otherwise be provided herein, refrain from exercising any right, power or discretion vested in it as an agent;
- 8.1.1.2 shall review the information/ documents/ statements (including bank statements) received from the Issuer showing use of the Net Proceeds including the status of implementation of the

activities proposed to be funded out of the Net Proceeds, as stated in the final Letter of Offer.

- 8.1.1.3 shall take such action and do such other acts, deeds or things as may be required under the provisions of the SEBI ICDR Regulations to discharge its responsibilities as the monitoring agency. This includes seeking clarifications on the information/ documents/ statements provided by the Issuer, seeking additional documents/ certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its responsibilities as a monitoring agency.
- 8.1.1.4 Shall deliver the Report to the Issuer in the format as prescribed in the SEBI ICDR Regulations, on a quarterly basis until 100% of the Net Proceeds raised through the Issue are utilized or any other frequency as prescribed by SEBI in the SEBI ICDR Regulations from time to time. In such cases, the fee shall be payable on pro rata basis.
- 8.1.1.5 undertakes to perform only such duties as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Monitoring Agency unless required under Applicable Law;
- 8.1.1.6 shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it;
- 8.1.1.7 may rely on and shall be fully protected in acting on, or in refraining from acting in accordance with, any resolution, certificate, certificate of the statutory auditor or independent chartered accountant approved by the Company, or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the proper party or parties;
- 8.1.1.8 shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is, in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the Objects of the Issue and the Utilization Schedule, provided that the Monitoring Agency shall not later than three (3) Business Days after the receipt of any such intimation, notify the Company of such uncertainty, ambiguity, incorrectness or inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance

with such intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith if such uncertainty, ambiguity, incorrectness or inconsistency has not been rectified by the Company within three (3) Business Days of the intimation received from the Monitoring Agency, save and except in case of any default, bad faith, fraud or negligence on the part of the Monitoring Agency;

8.1.1.9 may execute any of the powers hereunder or perform any duties hereunder through agents or attorneys, at its own cost and expense and the Monitoring Agency shall be responsible for any misconduct or negligence on the part of any agent or attorneys appointed by it hereunder, provided the Company has been given prior intimation of appointment of such agents or attorneys and the Monitoring Agency has entered into arrangements / agreements with such agents or attorneys to indemnify the Monitoring Agency and the Company for all claims, losses, expenses and liabilities that the Monitoring Agency and / or Company might incur due the misconduct or negligence on the part of any such agent or attorneys;

8.2 Indemnity

- a) The Company shall indemnify and hold harmless the Monitoring Agency against all direct and reasonable costs, losses and damages incurred, including any third party claims which are made on the Monitoring Agency in respect of all or any part of the Issue Monitoring Account and which the Monitoring Agency may incur either as a consequence of breach of the terms and conditions of this Agreement by the Company, unless such breach is not rectified within thirty (30) Business Days from the date of written notice thereon, provided further that the Company shall not be liable for any losses suffered by the Monitoring Agency arising out of misconduct, negligence, wilful default or failure on the part of the of the Monitoring Agency.
- b) In case of breach or alleged breach of any provision of Applicable Laws or of any of the terms and conditions of this Agreement and/or any representations or warranties, or any non-observance or non-performance or error or failure to deliver or perform the services contemplated under this Agreement by the Monitoring Agency and/or its representatives, officers, directors, or other persons acting on behalf of the Monitoring Agency, the Monitoring Agency shall, at its own cost and expense, indemnify, defend and hold the Company, its affiliates, directors, promoters, management or employees free and harmless from and against any and all losses, liabilities, claims, damages, actions, costs and expenses, including attorney's fees and court costs arising out of such breach or alleged breach. Notwithstanding anything mentioned herein above, the total liability of the Monitoring Agency shall not exceed the actual fees paid by the Company to the Monitoring Agency, at the time of invoking indemnity.
- c) It is hereby clarified that neither Party shall be liable to the other for

any indirect, incidental, consequential, special, exemplary, damages arising out of or in connection with this Agreement even if the other Party has been advised of the possibility of such damage.

- d) This Clause 8.2 shall survive two (2) years from termination of this Agreement.

9. Limitation of Liability

9.1 In accordance with Applicable Laws, the Monitoring Agency shall be at liberty to accept a certificate signed by any of the authorized signatories of the Company as to any fact or matter prima facie within the knowledge of the Company as sufficient evidence thereof and other than as required by applicable laws, the Monitoring Agency shall not be in any way bound in any case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so.

9.2 The Monitoring Agency undertakes to perform only such duties (and the ancillary duties in connection therewith) as are specifically set forth in this Agreement and as are required by applicable laws.

9.3 Monitoring Agency shall have no responsibility, other than as required by Applicable Laws, to verify the authenticity of any order of a competent body, court or tribunal or any ruling of any arbitrator/s in proceedings between or concerning the other Parties and may rely, in good faith and without any liability, upon the contents thereof; Other than as required by Applicable Laws or by order of a court, tribunal, the Monitoring Agency shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it

9.4 The Monitoring Agency may, to the extent permitted by Applicable Laws, rely on any resolution, certificate, certificate of the statutory auditor or independent chartered accountant approved by the Company, or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the Company or its authorized official and whose specimen signatures are contained herein or any other persons as may be authorized by the Company in writing from time to time.

9.5 The Monitoring Agency, to the extent permitted by Applicable Laws, shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the Objects of the Issue and the Utilization Schedule, provided that the Monitoring Agency shall not later than three (3) Business Days after the receipt of any such intimation, notify the Company in writing of such uncertainty, ambiguity, incorrectness or

inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance with such intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith;

9.6 The recitals contained herein shall be taken as the statements of the Company, and the Monitoring Agency shall not be liable, to the extent permitted by Applicable Laws, for the use or any application by the Company of the Net Proceeds it receives pursuant to the Objects of the Issue and Utilization Schedule hereinafter;

9.7 Subject to Clause 8 and notwithstanding anything to the contrary contained herein, the Parties agree that, to the extent permitted by Applicable Laws, in no event shall either Party be liable for any indirect, incidental or consequential damages, or for any amounts claimed for lost business, opportunities or profits of the other Party, except in case of default, fraud, misrepresentation or negligence by such Party.

10. Termination

10.1 The Agreement shall be valid from the date of execution hereof and unless terminated by any of the Parties, shall automatically terminate immediately upon 100% of the Net Proceeds being utilised by the Company in accordance with the provisions of the Letter of Offer and/or as per the terms of the Companies Act and the Parties shall jointly inform SEBI of such termination, and take such action as may be required under the SEBI ICDR Regulations.

10.2 Neither Party has right to terminate this Agreement, except for the reasons such as market conditions or as prescribed under the relevant SEBI rules or regulations or guidelines framed thereunder from time to time or it is ordered to do so by any order or requirement of any government, statutory, judiciary, regulatory or any other authority, till CARE submit report confirming 100% utilization of the NetProceeds.

10.3 Both the Parties shall have an option to terminate this Agreement in compliance with Clause 10.2, by providing 30 days prior written notice to other Party. The Party terminating this Agreement shall intimate SEBI and the Stock Exchange/s, in which the security of the Issuer is listed, the reason for termination of this Agreement along with the termination notice/letter. The termination shall be effective after 30 days from the date of the termination notice or due date of publication of next Monitoring Agency Report, whichever is later.

10.4 During the termination notice period, CARE shall capture the reason for termination of the Agreement, in the report issued to the Issuer, during such period. The Monitoring Agency will display on its website regarding information of the termination of this Agreement.

10.5 On the appointment of a new monitoring agency, the Monitoring Agency shall hand over all relevant details, documents and information as it may have in

relation to the use of the Issue Proceeds by the Company and, or arising out of / connected with this Agreement, to the new monitoring agent.

11. Report Disclaimer

- 11.1 The Report is intended for the jurisdiction of India only. The Report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CARE providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.
- 11.2 Access or use of the Report does not create a client relationship between CARE and the user.
- 11.3 CARE will not be aware that any user intends to rely on the Report or of the manner in which a user intends to use the Report. In preparing the Report, CARE will not have taken into consideration the objectives or particular needs of any particular user.
- 11.4 Neither CARE nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the Report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Report. CARE and each aforesaid party disclaim any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a particular purpose or use or use.
- 11.5 CARE or its associates may have other commercial transactions with the Issuer to which the Report pertains. CARE may rate the Issuer or any debt instruments / facilities issued or proposed to be issued by the Issuer that is subject matter of this Report. CARE may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.
- 11.6 Unless required under any Applicable Laws, the Report should not be reproduced or redistributed to any other person or in any form without prior written consent from CARE.
- 11.7 The Report does not constitute a commentary on the quality of the objects of the Issue, reasonableness of costs or spending by the Issuer against any objects/heads or assurance on outcome of such spending.
- 11.8 A Monitoring Agency will not be required to either verify or comment on the appropriateness of the usage of Issue Proceeds.
- 11.9 The Monitoring Agency, based on its due consideration, may accept a certificate signed by one of the authorised signatories of the Company/Issuer as sufficient

evidence.

- 11.10 The Monitoring Agency is neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. The Monitoring Agency is issuing the Report solely in the capacity of a Monitoring Agency and that the same shall not be construed to be an opinion of an expert, as it relies on certificates, confirmations and representations of reliable stakeholders such as the statutory auditor or independent chartered accountant, banks and others.
- 11.11 The Monitoring Agency's role does not comprise, nor does it have wherewithal, to ensure that funds withdrawn from the Monitoring Account are actually applied for the purpose for which they were withdrawn. The Monitoring Agency shall rely on the certificates submitted by the statutory auditor or independent chartered accountant and information/document shared by the Company to submit its report on utilization of proceeds in relation to the objects of the issue.
- 11.12 The Monitoring Agency does not have the authority to approve/ disapprove any withdrawals of monies from bank accounts as the same is outside its scope of responsibilities.
- 11.13 Neither the Monitoring Agency nor any of its directors, officers, agents and employees shall be deemed to be a trustee for or have any fiduciary relationship with the Company, or any other person. Where the Monitoring Agency has acted in accordance with SEBI ICDR Regulations and its Agreement with the Issuer, it shall be deemed to have acted as if instructed to do so by the Company.
- 11.14 As the Monitoring Agency shall be relying on the due diligence conducted by Statutory Auditor or independent chartered accountant or other experts, the users of the Report shall not hold Monitoring Agency liable for any loss or liability arising out of their use of the Report, except for any such loss or liability which is directly attributable to the Monitoring Agency,
- 11.15 The Disclaimer mentioned in the Clause shall be read together with the Disclaimer mentioned in the Report.

12. Miscellaneous

12.1 Partial Invalidity and Exercise of Remedies

If any provision hereof is invalid or unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the parties hereto in respect of and including any provision hereof which is invalid or unenforceable as nearly as may be possible; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

12.2 Assignment

This Agreement shall be binding upon and inure to the benefit of each Party hereto and its successors and assigns. This Agreement is not intended to confer upon any Person other than the Parties hereto any rights or remedies.

However, a Party to this Agreement shall not assign its rights and/ or duties under this Agreement without prior written consent of the other Party.

12.3 Notices

Any notice, demand, communication or other request (individually, a “**Notice**”) to be given or made under this Agreement shall be in writing in the English language. Such Notice shall be delivered by hand, airmail (postage prepaid), recognized overnight courier service, email, facsimile or registered post to the party to which it is addressed at such party’s address specified below or at such other address as such party shall from time to time have designated by fifteen (15) Business Days’ written Notice to the party giving such Notice, and shall be deemed to have been duly given or made when delivered as aforesaid.

For the Company:

Hindustan Construction Company Limited

Hincon House,
LBS Marg, Vikhroli (West),
Mumbai - 400 083,
Maharashtra, India

For the Monitoring Agency:

CARE Ratings Limited

4th Floor, Godrej Coliseum,
Somaiya Hospital Road, Off Eastern Express Highway,
Sion (East), Mumbai-400022

13. **Governing Law and Dispute Resolution**

- 13.1 This Agreement is governed by and shall be construed in accordance with the laws of India.
- 13.2 In the event of any grievance, difference, claim or dispute between the parties arising out of the activities under this Agreement, the Parties will endeavour in the first instance to settle the dispute amicably through discussions between the Parties involved;
- 13.3 If the dispute is not settled through mutual discussions / negotiations within 30 (Thirty) days of the commencement of negotiations or if the outcome of such discussions is not satisfactory, the dispute may be referred to the SCORES Portal in accordance with the SCORES guidelines issued by SEBI from time to time;

13.4 If any party is not satisfied with the outcome of 13.2 and/or 13.3 above, the dispute shall then be referred to arbitration in accordance with paragraph 3(b) of the SEBI master circular dated July 31, 2023 bearing reference number SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145, (and updated as on December 28, 2023), as amended from time to time, and subject to any further directions or clarifications from SEBI (“SEBI ODR Circulars”), to be conducted at Mumbai Centre for International Arbitration, in accordance with the provisions of The Arbitration and Conciliation Act, 1996 (“Act”) as amended from time to time. The arbitration shall be conducted as follows:

- a. The arbitration shall be conducted under and in accordance with the arbitration rules of the Mumbai Centre for International Arbitration Rules (“**MCIA Rules**”);
- b. all proceedings in any such arbitration shall be conducted, and the arbitral award shall be rendered, in English;
- c. the seat and venue of the arbitration shall be in Mumbai, India;
- d. the Parties shall bear their respective costs of such arbitration proceedings unless otherwise awarded or fixed by the arbitrators;
- e. the Parties shall cooperate in good faith to conduct arbitral proceedings commenced pursuant to this Agreement and the Parties agree that in the event that the arbitration proceedings have not concluded within a period of twelve months as prescribed under the Act, the arbitration proceedings shall automatically be extended for an additional period of six months, as permitted under and in terms of the Act, without requiring any further consent of any of the Parties.

14. Amendments and Waiver

14.1 Any amendments of any provision of this Agreement shall be in writing and signed by the Parties hereto and shall have the same effect as if they were a part of these presents, unless decided otherwise.

14.2 Notwithstanding anything stated in this Agreement, the Parties to this agreement may, from time to time, or at any time, by mutual consent (in writing) waive such terms and conditions of this Agreement, so long as the same is not in contravention of the terms of the SEBI ICDR Regulations or Applicable Law.

15. English Language

This Agreement and all documents to be furnished or communications to be given or made under this Agreement shall be in the English language or, if in another language, shall be accompanied by a translation into English certified by a representative of the respective Party, which translation shall be the governing version thereof.

16. Confidentiality

During the currency of this Agreement, the Monitoring Agency shall not make

public and disclose any information received by it from the Company to any other party, without prior written consent from the Company, which shall not be unreasonably withheld, however, the Monitoring Agency may disclose information to SEBI, Stock Exchange/s where the security of the Issuer is listed or to any government, judicial, regulatory authority, if required under SEBI ICDR Regulations or Applicable Law, without prior approval of the Company, but shall intimate the Company as soon as reasonably practicable. However, this does not preclude the credit ratings activity utilizing the insights gained from the Monitoring Agency activity in general and post publication of the Report, utilizing the information received from the Issuer in specific, for forming credit opinions.

IN WITNESS WHEREOF, the Parties have entered into this Monitoring Agency Agreement between Hindustan Construction Company Limited and CARE Ratings Limited on the date mentioned above

For Hindustan Construction Company Limited



Authorized Signatory

Rahul Shukla
(AVP - Finance)

IN WITNESS WHEREOF, the Parties have entered into this Monitoring Agency Agreement between Hindustan Construction Company Limited and CARE Ratings Limited on the date mentioned above

For



Authorized Signatory
(Maheshkumar Narhare)
(Director)

Schedule I

INDICATIVE FORMAT OF THE CERTIFICATE BY THE STATUTORY AUDITOR OR INDEPENDENT CHARTERED ACCOUNTANT

To,
Board of Directors
Hindustan Construction Company Limited
Hincon House,
LBS Marg, Vikhroli (West),
Mumbai 400 083
Maharashtra, India

Dear Sir/ Madam,

1. We have verified the unaudited books of account and other relevant records of Hindustan Construction Company Limited ("**Company**"), as at [*insert date*] in connection with its rights issue vide its Letter of Offer and utilization of the Net Proceeds as per the objects of the Issue given in the said Letter of Offer.
2. We have verified the details of the utilization of the Net Proceeds submitted by the Company and are as per Annexure to this certificate, initialed by us for identification purposes only, based on the un/audited books of account and relevant records referred to in paragraph 1 above. We have agreed the amounts included in the Annexure with the un/audited books of account and relevant records of the Company as at [*insert date*]. We have verified the accuracy of the Annexure. Our responsibility is to verify the factual accuracy of the facts stated in the Annexure.
3. We conducted our procedures in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.
4. We have performed necessary audit so as to ensure the accuracy of figures mentioned in the Annexure. We also confirm that the utilization of the Net Proceeds is in line with the chapter titled 'Objects of the Issue' mentioned in the Letter of Offer of the Company.
5. On the basis of the unaudited books of account and relevant records, information and explanations provided to us and representation from the management of the Company, we certify the utilization of the Net Proceeds is in line with the objects of the Issue more particularly described in the Letter of Offer.
6. I/We hereby declare that this report is based on the format as prescribed by Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. I/We further declare that this report provides true and fair view of the utilization of the Net Proceeds
7. I/We declare that we do not have any direct / indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not

perceive any conflict of interest in such relationship / interest while monitoring and reporting the utilization of the Net Proceeds by the Company.

8. This certificate is furnished solely for submission to the monitoring agency regarding the utilization of the Net Proceeds in terms of the Monitoring Agency Agreement dated _____ between the Company and CARE Ratings Limited (“**Monitoring Agency Agreement**”), and is not to be used for any other purpose or to be distributed to any other parties without our prior written consent.

Capitalized terms not defined herein shall have the meaning ascribed to them in the Monitoring Agency Agreement.

For [●]

Chartered Accountants
ICAI Firm’s Registration No: [●]
[●]
[●]
Membership No. [●]
UDIN: [●]
Date: