

**JAIPRAKASH ASSOCIATES LIMITED**

**Details of NCDs**

S.No.	Name of the Issuer	ISIN Number	Issuance Date	Maturity Date	Coupon Rate	Payment Frequency	Embedded option if any	Amount Issued	Amount Outstanding
1	LIC of India	INE455F07543	25.07.2012	25.07.2022	12%	25th October, 25th January, 25th April, 25th July each year	-	5000000000	Refer Note 1.
2	LIC of India	INE455F07428	16.07.2010	16.07.2020	10.50%	Quarterly on 30th September, 31st December, 31st March, 30th June	-	5000000000	Refer Note 1.
3	LIC of India	INE455F07394	26.10.2009	26.10.2016	11.75%	Quarterly on 26th October, 26th January, 26th April & 26th July	-	4000000000	Refer Note 1.
4	LIC of India	INE455F07170	04.11.2008	04.11.2016	12.40%	Quarterly on 4th February, 4th May, 4th August & 4th November	-	1500000000	Refer Note 1.
5	LIC of India	INE455F07162	11.08.2008	11.08.2016	11.80%	Quarterly on 11th November, 11th February, 11th May, 11th August	-	3000000000	Refer Note 1.
6	AXIS Bank Limited	INE455F07667	27.09.2014	30.06.2023	11.90%	Monthly on last day of every month starting from 30.09.2014	-	1500000000	Refer Note 1.
7	AXIS Bank Limited	INE455F07675	27.09.2014	31.12.2023	11.90%	Monthly on last day of every month starting from 30.09.2014	-	650000000	Refer Note 1.
8	AXIS Bank Limited	INE455F07691	09.10.2014	31.03.2024	11.90%	Monthly on last day of every month starting from 31.10.2014	-	750000000	Refer Note 1.
9	AXIS Bank Limited	INE455F07683	09.10.2014	31.12.2023	11.90%	Monthly on last day of every month starting from 31.10.2014	-	850000000	Refer Note 1.

10	Axis Bank Limited	INE455F07642	27.09.2014	30.06.2022	11.90%	Monthly on last day of every month starting from 30.09.2014	-	1500000000	Refer Note 2
11	Axis Bank Limited	INE455F07659	27.09.2014	31.12.2022	11.90%	Monthly on last day of every month starting from 30.09.2014	-	1500000000	Refer Note 2
Note 1.	<p>The Company's Comprehensive Debt Realignment Proposal (DRP), <b>effective from 1<sup>st</sup> October 2016</b>, including transfer of certain portion of Debts to UltraTech Cement Limited on consummation of transaction on 29.06.2017 of sale of various Cement Assets of the Company &amp; Jaypee Cement Corporation Limited (JCCL), a wholly owned subsidiary of the Company, under Scheme of Arrangement subject to approval of High Court/National Company Law Tribunal (NCLT), includes conversion of outstanding ECBs &amp; NCDs of the Company into Rupee Term Loans (RTL), reduction in Rate of Interest, elongation of repayment period, conversion of interest due/to be due into Funded Interest Term Loan (FITL), transfer of unsustainable debt into a Real Estate Special Purpose Vehicle ( RE-SPV)etc. was in discussion since April 2016 with the Lenders of the Company &amp; JCCL. After deliberations amongst the lenders in a number of meetings of Joint Lenders Forum (JLF), finally the said DRP was approved by the lenders of the Company in the Joint Lenders Forum (JLF) meeting held on 22nd June 2017 with requisite majority as per RBI guidelines. The minutes of said JLF meeting are enclosed for your kind information.</p> <p>As per the DRP approved by the lenders, the outstanding ECBs/NCDs including overdue interest as on 30.09.2016 are to be converted into RTL and repayable as per the revised terms and conditions of DRP. In view of that, there are no overdue towards principal &amp; interest payable on the outstanding NCDs, the conversion of which into RTL is under process.</p> <p>The Sanction letters of LIC of India &amp; Axis Bank Ltd. (Debenture Holders) approving the DRP are also enclosed, for your ready reference.</p> <p>Considering the intent of the respective LOIs of Debenture Holders and approval of DRP, it can be observed that there is no overdue towards interest and principal on the aforesaid NCDs as on date. We have duly disclosed the facts about the DRP in the Company's Annual Report and to the Stock Exchanges while seeking their approval to the Scheme of Arrangement ( with the appointed date as 01.07.2017) under Regulation 37 of SEBI (LODR) Regulations, 2015 Scheme of Arrangement (Copy annexed) in October / November, 2017.</p> <p>After the approval/ crystallisation of conversion amount from NCD to Rupee Term Loans, suitable action for satisfaction/ modification of charges including extinguishment of ISIN would be undertaken.</p>								
Note 2.	<p>NCD's under ISIN mentioned at Serial No. 10 &amp; 11 have been redeemed ( as per letter of Axis Bank dated 11th January, 2018 - copy annexed) but the corporate Action for the extinguishment of ISIN shall be done shortly.</p>								



AXISB/CO/Treasury-S&P/ /2017-18

January 11, 2018

Jaiprakash Associates Ltd  
Sector 128, Gautam Budh Nagar,  
Noida, Uttar Pradesh – 201304.

Dear Sir/Madam,

**Balance Confirmation of NCDs**

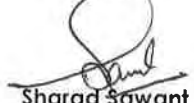
We refer to our investment in 11.90% NCD of Rs.1250 crores . We inform exposure has been reduced over period of time. Details of the same given below:

ISIN	Original Redemption Date	Principal (Rs. In Crores)	Closure Date
INE455F07550	31 <sup>st</sup> Dec 2017	25.00	20 <sup>th</sup> April 2016
INE455F07568	30 <sup>th</sup> Jun 2018	25.00	20 <sup>th</sup> April 2016
INE455F07576	31 <sup>st</sup> Dec 2018	25.00	20 <sup>th</sup> April 2016
INE455F07584	30 <sup>th</sup> Jun 2019	25.00	20 <sup>th</sup> April 2016
INE455F07592	31 <sup>st</sup> Dec 2019	50.00	20 <sup>th</sup> April 2016
INE455F07600	30 <sup>th</sup> Jun 2020	50.00	20 <sup>th</sup> April 2016
INE455F07618	31 <sup>st</sup> Dec 2020	125.00	20 <sup>th</sup> April 2016
INE455F07626	30 <sup>th</sup> Jun 2021	125.00	20 <sup>th</sup> April 2016
INE455F07634	31 <sup>st</sup> Dec 2021	125.00	28 <sup>th</sup> June 2016
INE455F07642	30 <sup>th</sup> Jun 2022	115.75	28 <sup>th</sup> June 2016
INE455F07642	30 <sup>th</sup> Jun 2022	34.25	29 <sup>th</sup> March 2017
INE455F07659	31 <sup>st</sup> Dec 2022	15.75	29 <sup>th</sup> March 2017
INE455F07659	31 <sup>st</sup> Dec 2022	30.825	30 <sup>th</sup> June 2017
INE455F07659	31 <sup>st</sup> Dec 2022	103.425	30 <sup>th</sup> June 2017
INE455F07667	30 <sup>th</sup> June 2023	124.75	30 <sup>th</sup> June 2017
	<b>Total</b>	<b>999.75</b>	

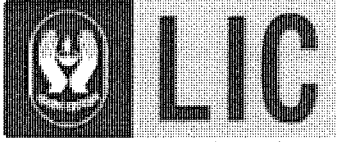
We hereby confirm that outstanding in the Debentures as on 31-12-2017 is mentioned as below

ISIN No	Principal (Rs. In Crores)	Redemption Date
INE455F07667	25.25	30 <sup>th</sup> June 2023
INE455F07675	65.00	31 <sup>st</sup> December 2023
INE455F07683	85.00	31 <sup>st</sup> December 2023
INE455F07691	75.00	31 <sup>st</sup> March 2024
<b>Total</b>	<b>250.25</b>	

Yours faithfully



Sharad Sawant  
Vice President - S&P Markets



भारतीय जीवन बीमा निगम  
LIFE INSURANCE CORPORATION OF INDIA

Yogakshema, Central Office, Investment Dept(M&A), 6<sup>th</sup> Floor (East wing), Jeevan Bima Marg, Mumbai-400021  
Ph: (022) - 6659 8961/ 8631 Fax: (022) - 22024955: [co\\_invrevcorp@licindia.com](mailto:co_invrevcorp@licindia.com)

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**CONFIDENTIAL**

Ref: Investment-M&A/ Review

21<sup>st</sup> August 2017

Jaiprakash Associates Limited  
Sector 128, Noida,  
Uttar Pradesh – 201 304

**Kind Attn: Mr Manoj Gaur, Executive Chairman**

Dear Sir,

**Re: Modification in terms of existing facilities sanctioned to Jaiprakash Associates Limited and sanction of Funded Interest Term Loan(FITL)**

We refer to the discussions held during multiple meeting of Joint Lender's Forum and Core Committee of Lenders and duly recorded in the minutes of meetings regarding Debt Realignment Plan(DRP). In addition, we refer to the Information Memorandum(IM) dated 29<sup>th</sup> December, 2016 and Addendum IM dated 13<sup>th</sup> May, 2017.

Accordingly, we give our approval to the proposal of Modified Debt Realignment Plan as detailed in Annexed Terms and Conditions in respect of RTL, FITL and Holdback Amount.

In case the annexed terms and conditions are acceptable to you, we request you to return the duplicate copy of this letter duly signed by authorised signatories in token of acceptance and also furnish to us a certified true copy of the resolutions passed by your Board of Directors.

Please note that this communication should not be construed as giving rise to any binding obligation on the part of LIC of India unless you have returned the duplicate copy of this letter duly signed by you in token of acceptance, by 30<sup>th</sup> August, 2017 and signed / executed the agreements / documents in connection with the aforesaid facilities within a period of 60 days from date of acceptance of this letter or such further time as may be allowed by LIC of India in writing in its absolute discretion. The offer shall automatically lapse without any further communication from LIC of India, unless the validity of the offer is expressly extended / revived by LIC of India in writing.

Yours faithfully,  
For LIC of India

Chief  
Investment Dept-M&A

Approved and Accepted  
For Jaiprakash Associates Limited

(Authorised Signatory)



**:2:**  
**Annexure**

The existing RTL facilities sanctioned to the Company shall be divided into buckets as mentioned below:

(Rs in Crore)

Outstanding at 31 <sup>st</sup> March 2017*	Transfer to UltraTech (UTCL) ( Bucket -1)	Residual Business of JAL (RTL Facility) (Bucket – 2 A)	Transfer to Real Estate SPV (Bucket – 2B)#
1664.86	271.83	188.17	1204.86

\*Outstanding at 31<sup>st</sup> March, 2017 includes interest overdues as per restructured terms, as per effective date for providing restructuring concession of 1<sup>st</sup> April, 2016.

# Bucket wise figures are tentative and are subject to closing adjustments. Any remaining debt post transfer to UTCL(Bucket-1) and Residual business of JAL (Bucket 2A) shall be transferred to Bucket 2B.

We would like to inform

- 1) Release of charge over following cement assets (including captive power plant and mining lease) being sold to UTCL
  - a. Sidhi
  - b. Sidhi CPP
  - c. Bela
  - d. Dalla
  - e. JP Super
  - f. Baga
  - g. Bagheri
  - h. Roorkee
- 2) Release of charge over 588.42 acres non-core area land of Jaypee Sports City belonging to JAL(erstwhile JPSI)
- 3) Release of second charge over SSTA security created in favour of working capital consortium.
- 4) From April 1, 2016 to September 30, 2016, interest rate applicable to all the fund-based (RTL and WC) facilities to be modified to 9.5% and interest accrued in excess of 9.5% to be reversed. Additionally default interest of 2% p.a.p.m for delay in principal and interest, to be reversed from April 1, 2016 to September 30, 2016.
- 5) Cessation of interest on loans to be transferred in Bucket 2B from October 1, 2016. The interest on RTL facilities getting transferred to Bucket 2B may be ceased with effect from October 1,2016 till transfer of debt into the new real estate SPV.
- 6) Interest applicable to the facilities being transferred to B1 and B2A to be modified to 9.5% and interest accrued in excess of 9.5% (including penal interest) from October 1, 2016 onwards to be reversed
- 7) Waiver of prepayment charges for the all the facilities sanctioned by ICICI Bank Limited to JAL.



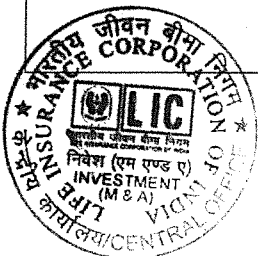
## A. TERMS AND CONDITIONS FOR RTL FACILITY

<b>Borrower</b>	Jaiprakash Associates Limited (JAL)
<b>Steering Committee</b>	Group of lenders comprising of ICICI Bank, State Bank of India, IDBI Bank, Axis Bank and Canara Bank
<b>Lead Bank</b>	ICICI Bank Ltd. Or any other lenders as may be decided by the Steering Committee
<b>Facility</b>	Rupee term loan (RTL) not exceeding ₹ 188.17 Crore
<b>Purpose</b>	Modifications in terms of existing rupee term loan facilities of the Borrower as per the Debt Realignment Plan approved by JLF
<b>Processing Fees</b>	No processing / upfront fees to be paid
<b>Banking Arrangement</b>	Consortium Arrangement led by ICICI Bank Ltd. or any other lender as may be decided by the JLF from time to time
<b>RTL Consortium/ Lenders</b>	Group of lenders restructuring/ providing following facilities to the Borrower: RTL: not exceeding ₹ 188.17 Crore Funded Interest Term Loan (FITL) : not exceeding ₹ 22.35 Crore
<b>Ranking</b>	The obligations of the Borrower under RTL Consortium for both servicing of interest dues and repayment of principal shall rank, at all times, in the following pecking order: Rank 1: WCTL Rank 2: FITL Rank 3: RTL
<b>Security Trustee</b>	Security Trustee as mutually decided by the lenders and JAL
<b>Transaction Documents</b>	To include the Common Facility Agreement (CFA) and all other financing and Security documents as may be required by the Lender and which are usual and customary for financing of this nature.
<b>Business Day</b>	A day (other than Saturday, Sunday and public holidays) on which banks are open in Delhi and Mumbai.
<b>Reference Date</b>	Date of signing CFA
<b>Interest Rate</b>	The interest rate applicable to the Facility shall be equivalent to I-MCLR-1Y + Spread or 9.5% p.a., whichever is higher on the Reference Date.  Spread will be equivalent to (9.5% - I-MCLR-1Y) in case I-MCLR-1Y is less than 9.5% on the Reference Date. If I-MCLR-1Y is higher than 9.5% on the Reference Date, Spread will be equivalent to 0%. As on date 1-MCLR-1Y is 8.20% and spread is 1.30%.  Above interest rate shall be reset at the end of every 1 year from the date of the Reference Date as a sum of I-MCLR-1Y prevailing on the reset date + "Spread", plus applicable interest tax or other statutory levy, if any. Any change in "Spread" would be as communicated by the Bank from time to time.  In case there is any change in the regulatory requirements pertaining to provisioning norms and/or risk weight applicable to the Facility, the Lender may revise the spread to reflect the regulatory change, subject to extant RBI guidelines.
<b>Interest Period</b>	Interest to be paid on monthly basis on the last Business Day of each calendar month ("Interest Payment Date"). Any shortfall in interest payment by the Borrower from October 1, 2016 till December 31, 2017 shall be converted to FITL.  All interest payments to be made in arrears at the end of the each interest





	period and calculated on the basis of the actual number of days elapsed in a year of 365 days or in the case of a leap year, 366 days
<b>Repayment schedule</b>	<p>Principal to be paid on quarterly basis on the last Business Day of each fiscal quarter ("Principal Payment Date").</p> <p>Repayment over 20 years starting FY2018 as per the following schedule:-</p> <ul style="list-style-type: none"> <li>• Q1-FY2018 to Q4-FY2018: Nil</li> <li>• Q1-FY2019 to Q4-FY2020 : 0.50% of the facility amount</li> <li>• Q1-FY2021 to Q4-FY2037 : 1.412% of the facility amount</li> </ul>
<b>Security</b>	<ol style="list-style-type: none"> <li>1. A first ranking pari-passu security interest over fixed assets of the Borrower, both present and future, as per the Structured Security Trustee Arrangement (SSTA). List of assets forming part of SSTA are as follows: <ol style="list-style-type: none"> <li>i) Cement and Power Division <ul style="list-style-type: none"> <li>• Rewa Integrated Cement Unit (including captive power plant)</li> <li>• Chunar Cement Grinding Unit (including captive power plant)</li> <li>• Sadwa Khurd Cement Blending Unit</li> <li>• Churk Thermal Power Plant</li> </ul> </li> <li>ii) Hotel Division <ul style="list-style-type: none"> <li>• Siddharth Hotel, Delhi</li> <li>• Jaypee Vasant Continental, Delhi</li> <li>• Residency Manor, Mussoorie</li> <li>• Jaypee Palace, Agra</li> <li>• Jaypee Golf Spa &amp; Resort, Greater NOIDA</li> </ul> </li> <li>iii) Engineering &amp; Construction Division <ul style="list-style-type: none"> <li>• Movable and Immoveable fixed assets pertaining to Engineering division</li> </ul> </li> <li>iv) Land belonging to Jaypee Infratech Limited <ul style="list-style-type: none"> <li>• 166.96 Acres land situated at village Tappal, Kansera &amp; Jahengarh, Aligarh, Uttar Pradesh</li> <li>• 167.23 Acres land situated at village Chagan and Chhalesar, Agra, Uttar Pradesh</li> </ul> </li> </ol> </li> <li>2. In addition to the RTL facility covered by this term sheet, the above securities are also charged against following facilities on a pari-passu basis: <ol style="list-style-type: none"> <li>a. Debt of Rs 1.49 billion from AKA and SIDBI as on 30<sup>th</sup> September, 2016</li> <li>b. BG's of Rs 1.00 billion issued by Punjab and Sind Bank to YEIDA with respect to the JPSI project:</li> </ol> </li> <li>3. Second charge on the fixed assets of Shahabad plant owned by Jaypee Cement Corporation Ltd (JCCL) (100% subsidiary of JAL)</li> </ol> <p><b>The above security shall be shared on a pari-passu basis with lenders under FITL and WCTL facilities.</b></p> <p>Charge on Movable Assets shall be created/modified on or prior to the date of CFA. Charge over all the assets (except Movable Assets) shall be created/modified within 90 days from the date of CFA and perfected within</p>



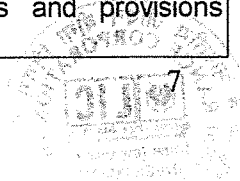
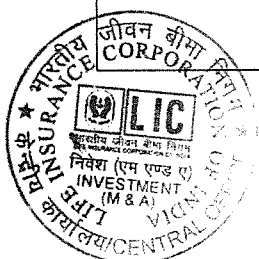
	180 days of CFA.																
<b>Guarantee</b>	<p>The Facility shall be backed by an irrevocable and unconditional Personal Guarantee of Mr. Manoj Gaur (Executive Chairman of the Borrower) The same is to be provided on or prior to date of CFA.</p> <p>The Personal Guarantee shall be valid till such time the Borrower demonstrates DSCR &gt; 1.5x for two consecutive financial years (after the regular principal repayment has started) and shall be released within 45 days of achieving the same. Company to provide a formal note and CA certificate to demonstrate the required DSCR.</p>																
<b>Voluntary Prepayments</b>	<p>Borrower shall have the option to prepay the lender, in part or in full, the Facility together with all interest and other charges and monies due and payable to the Lender upto the date of such prepayment upon giving the Lender at least 15 days prior written notice without any prepayment premium. Any prepayment should be proportionately distributed (on the basis of outstanding at the time of reorganization of debt as on the date of notice of voluntary prepayment) between all the lenders of the Consortium.</p> <p>Any prepayment made under the Facility shall be applied to the then remaining principal outstanding under the Facility in the reverse chronological order of maturity or in a manner as decided by the Steering Committee.</p>																
<b>Mandatory Prepayments</b>	<p>50% of cash flows (after meeting shortfall in interest and debt servicing and DSRA, if any) received from monetization of any further assets of JAL (cement assets, land parcels etc.) or sale of investments (equity) in various Group Companies (excluding sale of stake in Bhilai Jaypee Cement Ltd), shall be mandatorily applied for prepayment to all RTL Consortium lenders on a pro-rata basis. Decision of Steering Committee shall be final and binding on the Borrower. Utilization of proceeds from sale of stake in Bhilai Jaypee Cement Limited shall be decided in consultation with the Steering Committee.</p> <p>Balance 50% cash flows to be retained/reinvested in the company/distributed as dividend, after approval from Steering Committee) or utilized for further prepayment of residual debt</p> <p>For above purpose, the investments shall include but not limited to equity holding in Jaypee Fertilizers &amp; Industries Limited, Himalayan Expressway Ltd., Jaypee Infratech Ltd., Jaiprakash Power Ventures Ltd., Prayagraj Power Generation Company Ltd., , Jaypee Cement Corporation Ltd.</p>																
<b>Financial Covenant</b>	<p>At all times during the tenure of the Facility, Borrower to maintain the following:</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Particulars</th> <th>Criteria</th> <th>Covenant testing start date</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Fixed Asset Coverage Ratio (FACR)</td> <td>at least 1.35x in FY18, and at least 1.40x in FY19 and subsequent years</td> <td>Audited financials for FY 2018 and subsequent years</td> </tr> <tr> <td>2</td> <td>TD/ TNW</td> <td>Not to exceed [0.40x ]</td> <td>Audited financials for FY 2018 and subsequent years</td> </tr> <tr> <td>3</td> <td>TD/ EBITDA</td> <td>Not to exceed 14.0 x</td> <td>Audited financials for FY 2018</td> </tr> </tbody> </table>	S. No.	Particulars	Criteria	Covenant testing start date	1	Fixed Asset Coverage Ratio (FACR)	at least 1.35x in FY18, and at least 1.40x in FY19 and subsequent years	Audited financials for FY 2018 and subsequent years	2	TD/ TNW	Not to exceed [0.40x ]	Audited financials for FY 2018 and subsequent years	3	TD/ EBITDA	Not to exceed 14.0 x	Audited financials for FY 2018
S. No.	Particulars	Criteria	Covenant testing start date														
1	Fixed Asset Coverage Ratio (FACR)	at least 1.35x in FY18, and at least 1.40x in FY19 and subsequent years	Audited financials for FY 2018 and subsequent years														
2	TD/ TNW	Not to exceed [0.40x ]	Audited financials for FY 2018 and subsequent years														
3	TD/ EBITDA	Not to exceed 14.0 x	Audited financials for FY 2018														



		Not to exceed 9.0 x	Audited financials for FY 2019
		Not to exceed 5.0 x	Audited financials for FY 2020 and subsequent years
	<p><b>"FACR"</b> means the fixed asset coverage ratio of the Borrower as determined under the Structured Security Trustee Arrangement (SSTA) entered into between the Borrower and its existing lenders.</p> <p>The Borrower shall submit a compliance certificate for the said covenants duly certified by the Statutory Auditor within 60 days from the end of the respective financial year. The Statutory Auditor should clearly certify whether the Borrower is in compliance with the financial covenants as per the audited accounts or not.</p> <p>In the event of an adverse deviation in any of the covenants from the levels stipulated above, a further interest of 1% p.a. on the entire outstanding Facility will be levied for the period of non-adherence starting from the end of latest financial year.</p>		
<b>Affirmative Covenants</b>	<p>Customary for financings of this nature including, but not limited to, the following:</p> <ol style="list-style-type: none"> <li>1. The Borrower shall notify on the happening of any actual or potential event of default or breach of representation, covenant, warranty or undertaking;</li> <li>2. Keep the lenders informed of the happening of any event likely to have material adverse effect on its profit and business with explanations and the remedial steps proposed to be taken;</li> <li>3. Furnishing of annual audited financial statements within 180 days of the end of fiscal year or 5 days of submission to stock exchange, whichever is earlier and quarterly interim reports on profits and losses within 60 days from the end of fiscal quarter;</li> <li>4. Reporting requirements (including annual compliance certificates, notices of default, notices and records) as the Lender may request;</li> <li>5. Maintain adequate books of accounts which should correctly reflect its financial position and scale of operations;</li> <li>6. No change in the nature of business;</li> <li>7. Notification on any loss or damage suffered;</li> <li>8. Maintenance of ownership and control by the promoters;</li> <li>9. Maintenance of all licenses and approvals as may be customary for the business;</li> <li>10. The Borrower's hedging policy shall remain in full force and effect and updated from time to time, till all the monies due and payable under the Facility Agreement/ Transaction Documents are fully paid to the satisfaction of the Lender;</li> <li>11. The Borrower shall provide all information as may be required by the Lender from time to time in relation to its foreign currency exposures and hedging details in relation thereto;</li> <li>12. In the event of any change in applicable laws/ regulations (including regulatory/statutory requirements pertaining to provisioning norms and/or risk weightage), the Lender shall have the right to recover the cost, in any manner that it deems fit, including by way of revision in spread/applicable rate;</li> <li>13. Pay and discharge, before the same shall become delinquent, all lawful governmental claims and all federal, state, local &amp; foreign taxes, assessments, charges and levies;</li> </ol>		



	<p>14. Maintain all the assets in good working condition and preserve its permits and intellectual property, subject to regular wear and tear in the ordinary course;</p> <p>15. Agree to comply with all reporting requirements as may be stipulated by the lenders in the Finance Documents;</p> <p>16. Agree not to induct a person into its Board whose name appears in the wilful defaulters list of RBI/CIBIL and in case such a person is already on the Board at any time during the tenor of the Facility, the Borrower would take expeditious and effective steps for removal of that person from its Board;</p> <p>17. Give intimation to the lenders after change of the statutory auditors and accounting period during the tenor of the Facility within 5 Business Days from date of shareholders resolution in this regard.</p> <p>18. The Borrower, prior to signing of CFA, shall provide necessary shareholders resolution for conversion of debt into equity in case of event of default under the Facility, WCTL and FITL</p>
<p><b>Negative Covenants</b></p>	<p>Customary for financings of this nature, (including but not limited to) the Borrower shall not without prior approval of the Steering Committee;</p> <ol style="list-style-type: none"> <li>1. No dividend / capital return to be declared and paid by the Borrower;</li> <li>2. Removal of the Statutory Auditors</li> <li>3. Raise additional debt above ₹200.00 crore ensuring compliance with stipulated Financial Covenants</li> <li>4. Invest in its subsidiaries/ associates/ JVs</li> <li>5. Sell any of its fixed assets/investments during the financial year, with aggregate net sale consideration greater than ₹50.00 crore without prior approval of Steering Committee unless the fixed assets have become obsolete due to normal wear and tear or due to replacement.</li> <li>6. Become party to any agreement to create security/pledge over any assets/ investments of Jaiprakash Associates Ltd. and Jaypee Cement Corporation Ltd., including but not limited to, equity/ preference shares of any of its subsidiaries, unencumbered assets/ land parcels, cash flow from any projects/ assets.</li> <li>7. Make any change in its management or cede Management Control or enter into any merger, demerger, amalgamation, compromise or acquisition or corporate reconstruction;</li> <li>8. Make any amendments in the Borrower's Memorandum of Association and Articles of Association</li> </ol>
<p><b>Other Conditions</b></p>	<ol style="list-style-type: none"> <li>1) In addition to stock statements, a monthly statement capturing operational performance of individual divisions of the Borrower to be shared with the Lenders</li> <li>2) The Steering Committee shall have the right to appoint Nominee Director (maximum two directors) or an Observer on the Board of the Borrower</li> <li>3) The Borrower shall comply with the environmental, health, safety and social (EHSS) requirements related to all the assets;</li> <li>4) Lender and/or consultants appointed by the Lender, shall, by providing a prior written notice to the Borrower, have the right to visit/inspect the assets of the Borrower.</li> <li>5) The Borrower shall indemnify the Lender against all actions, suits, proceedings and all costs, charges, expenses, losses or damages which may be incurred or suffered by the Lender by reason of any materially false or materially misleading information given by the Borrower to the Lender hereunder or any breach / default non-performance of a material nature by the Borrower of any terms, conditions, agreements and provisions hereunder.</li> </ol>



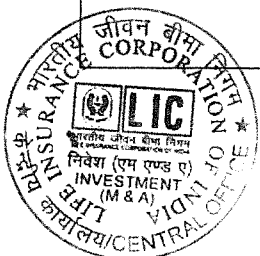
- 6) Information (as pre-agreed) would be needed to be provided on a monthly basis for all business lines. The same shall be provided by 20th day of the immediately succeeding calendar month.
- 7) All the figures (outstanding/overdues/ projected FITL etc.) as mentioned in the restructuring package will be subject to actual/ reconciliation with the Borrower and lenders.
- 8) The Borrower shall broad base its Board of Directors and strengthen management set up by inducting outside professionals, if required by the lenders, to the satisfaction of Lenders.
- 9) The Borrower cannot open/ maintain any account or avail any type of banking services/ facilities from any bank (s) other than Banks/ FIs from whom the Borrower is enjoying credit facilities, except for operational requirements as per project agreements in the knowledge of the Steering Committee. Any deviation in this regard needs to be approved by Steering Committee.
- 10) The lenders shall establish Trust & Retention Account (TRA) and enter into a TRA agreement.
- 11) The Borrower shall not sell any of its fixed assets / investments during the financial year, with aggregate net sale consideration greater than ₹ 50 crore , without prior approval permission of Steering Committee unless the fixed assets have become obsolete (to be certified by a reputed LIE) due to normal wear and tear or due to replacement.
- 12) In the event of the Borrower committing default on the repayment of installment of the loan or payment of interest on the due dates, the lenders shall have an unqualified right to disclose the name of the company and its directors to the Reserve Bank of India (RBI) or any credit information agencies approved by RBI. The company shall give its consent to lenders or RBI/ any credit information agencies approved by RBI to publish its name and the names of its Directors as defaulters in such manner and through such medium as lenders/RBI/ any credit information agencies approved by RBI in their absolute discretion may think fit.
- 13) The Borrower shall keep the Steering Committee informed of any legal proceedings, the outcome of which would have a material impact on the debt servicing capability of the Borrower. In consultation with the lenders, it shall take such remedial actions, as may be required in the best interest of the Borrower and the lenders.
- 14) Lenders, with the approval of Steering Committee, shall have the right to revoke the restructuring package in case the Borrower commits an Event of default (EOD) as defined under the Transaction Documents beyond the cure period.
- 15) Lenders, shall have the right to appoint a concurrent auditor during the currency of the facilities, to review the operations of the Borrower on a monthly basis, monitoring the operations of TRA and any other work that may be assigned by the lenders.
- 16) The Borrower shall not incur any major capital expenditure (greater than ₹150.00 cr per annum) without prior approval from Steering Committee if there are defaults in the servicing of debt obligations.
- 17) The Lenders shall have the right to recompense the reliefs/sacrifices/waivers extended by respective Lenders as per the restructuring guidelines. However, Lenders may examine to waive right to recompense in the event of any dilution or divestment of any significant business unit or any change in management on the behest of lenders.
- 18) Individual lenders shall have right to assign / hypothecate / transfer their outstanding to any Asset Reconstruction company / Bank / or any other



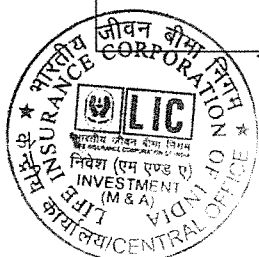
	<p>entity. The said lender has to inform the Steering Committee 45 days prior to effecting any of the actions above. The assignee needs to accede to the ICA for the assignment to be effective.</p> <p>19) Promoters shall ensure the realization of sticky debtors/ long term receivables</p> <p>20) Lenders, with approval of Steering Committee, shall have a right to appoint lenders' engineer/ monitoring agency/ Lenders' Counsel.</p>
TRA	<p>Accounts for all businesses mentioned below to be opened with ICICI Bank with routing of entire cash flows of all businesses of JAL and JCCL except for operational requirements as per project agreements</p> <ul style="list-style-type: none"> <li>• Engineering &amp; Construction Business</li> <li>• Cement Business</li> <li>• Hospitality Business</li> <li>• Real Estate (except for project assets specifically charged to HDFC Ltd/ any other lenders. Servicing of loans availed from HDFC Ltd. to be made only through cash flows of the projects encumbered to HDFC Ltd.)</li> <li>• Power (CPP)</li> <li>• Any other cash flows</li> </ul> <p>Accounts with all banks with which JAL does not have a lending relationship to be closed prior to signing of CFA and account closure statements to be submitted (Statutory auditor's certificate to be submitted annually confirming details of accounts maintained).</p>
Representations and Warranties	<p>Customary for financings of this nature including, but not limited to the following:</p> <ol style="list-style-type: none"> <li>1. Full disclosure and no misleading information;</li> <li>2. No director, employee of the Borrower, or of a subsidiary of the Borrower, is a director of the Lender and no director of the Lender holds substantial interest in the Borrower or Guarantors or any subsidiary of the Borrower;</li> <li>3. Except to the extent disclosed, none of the directors of the Borrower, is a director of a banking company or specified near relation (as specified by RBI) of a director of a banking company or a near relative of any senior officer of the Lender;</li> <li>4. Neither the Borrower nor any of its directors has been declared to be a wilful defaulter. In the event of a person having being identified as a wilful defaulter, the Borrower shall take expeditious and effective steps for removal of such person from directorship;</li> <li>5. The Borrower represents that it has adopted a suitable hedging policy, approved by its board of directors, which includes mechanisms to reduce its currency mismatches.</li> <li>6. Execution, delivery and performance of Transaction Documents not violating law, Borrower's charter or bylaws or existing agreements;</li> <li>7. No undisclosed liabilities and no misleading information;</li> <li>8. Legality, Validity, binding effect and enforceability of the financial and Transaction Documents;</li> <li>9. Status and authority;</li> <li>10. Legality, validity, binding effect and enforceability of the Transaction Documents;</li> <li>11. Non conflict with other obligations;</li> <li>12. No filing or stamp taxes required on the Financing Agreements, other than those done;</li> <li>13. The Borrower agrees to pay any and all duties and all applicable indirect taxes under applicable laws which may be payable in relation to the Transaction Documents;</li> <li>14. No defaults under other loan facilities of the Borrower and no material</li> </ol>



	<p>default under other agreements that would affect the borrower's ability to perform its obligation under the Transaction Documents as on date;</p> <ol style="list-style-type: none"> <li>15. No proceedings or legal actions pending or threatened, except already disclosed;</li> <li>16. Ownership of assets,;</li> <li>17. Comprehensive insurances;</li> <li>18. No encumbrances except as permitted;</li> <li>19. Each of the Financing Documents has been duly executed and delivered by the Borrower and constitutes a valid and binding obligation of the Borrower;</li> <li>20. Compliance with laws and regulations;</li> <li>21. The Borrower enjoys no immunity from any suit, execution, attachment or other legal process in any proceedings;</li> <li>22. Audited accounts delivered/ to be delivered to the Lender has been/ shall be prepared in accordance with generally accepted accounting principles and guidelines in India and represent a true and fair view of the financial condition as to the date to which they were drawn up;</li> <li>23. No litigation, investigation or proceeding, other than those already disclosed that may have a material adverse effect on the business, condition (financial or otherwise), operations, performance, prospects of the Borrower that purports to affect the legality, validity, binding effect or enforceability of the Transaction Documents;</li> <li>24. Compliance with taxation laws in all material respects;</li> <li>25. All the Borrower's contracts or agreements (except to the extent disclosed to Lender) with, or any commitments to, any affiliates or group companies are on arm's length basis;</li> </ol>
<p><b>Sharing of Information</b></p>	<p>Requisite annexures as per RBI Circular on "Lending under consortium arrangement / Multiple Banking arrangements" to be provided by the Borrower.</p>
<p><b>Events of Default</b></p>	<p>Usual and Customary to such financing, including but not limited to the following events of defaults:</p> <ul style="list-style-type: none"> <li>• Non-adherence of repayment schedule, non-payment of interest, principle or any other dues of the Lenders under the facility documents;</li> <li>• Breach of any terms of Transaction Documents by the Borrower including but not limited to the various timelines for creation of Security, Representation and Warranties, Covenants;</li> <li>• Breach of any undertaking furnished by Borrower;</li> <li>• Insolvency, voluntary dissolution, restructuring, winding up, suspension of payment of debt, reorganization (including merger or amalgamation or de-merger), liquidation, illegality, cessation of business;</li> <li>• Change in management control</li> <li>• Compulsory acquisition, nationalization or expropriation of any part of the assets;</li> <li>• Unlawfulness or Misrepresentation;</li> <li>• Litigation;</li> <li>• Material Adverse Effect;</li> <li>• Failure to pay a final judgment or court order, post acceptance of this Letter of Intent;</li> <li>• If in the opinion of the Lender, the Security is not adequately created and perfected as stipulated herein or the Security provided is in jeopardy or ceases to have effect or is inadequate/insufficient or any document pertaining to it executed or furnished by or on behalf of the Borrower becomes illegal, invalid or unenforceable. Without any prejudice to the rights of Lender, the Lender may allow the Borrower to provide substitute or additional Security to the satisfaction of the Lender within the period</li> </ul>



	<p>prescribed by Lender;</p> <ul style="list-style-type: none"> <li>• A default in any other facility availed by the Borrower from Lenders;</li> <li>• If it is certified by an Accountant of a Firm of Accountants appointed by the Bank (which the Bank is entitled and hereby authorised to do so at any time) that the liabilities of the Borrower exceed the Borrower's assets;</li> <li>• Any other event occurring, which, in opinion of Lenders may have potential to jeopardize / impair the Borrower's prospects and eventually lead to a default scenarios</li> </ul> <p>Upon the occurrence of any of the above mentioned Events of Default (other than payment default) that is capable of remedy, a cure period of 30 days, unless otherwise specifically provided for, shall be available from the date of the occurrence of such event.</p> <p>The Borrower shall promptly notify the Lender upon becoming aware of any default or event which constitutes an Event of Default and steps being taken to cure it.</p>
<p><b>Consequences of Events of Default</b></p>	<p>Upon occurrence (and continuance beyond the stipulated cure period) of an Event of Default, the Steering Committee may exercise, inter-alia, any one or more of the following rights:</p> <ul style="list-style-type: none"> <li>• Accelerate maturity of the Facility and demand immediate repayment of outstanding amount, in part or full;</li> <li>• Cancel all undrawn commitments;</li> <li>• Enforce the Security and exercise such other rights in relation to the Security including appointment of receivers;</li> <li>• Restricting the borrower from declaring any dividend on equity shares;</li> <li>• Right to review and strengthen management control ;</li> <li>• Appointment of Nominee Director (maximum two directors) and/or Observer on Board of the Borrower on behalf of all the Lenders;</li> <li>• Appointment of consultants to review and examine the working of the Borrower;</li> <li>• Exercise any other right that the Lenders may have under the transaction documents or under law.</li> <li>• Conversion at its option the whole or part of its outstanding Facility along with outstanding interest / overdues into equity shares of the Borrower as per SEBI guidelines and/or as per the terms mutually agreed. The Borrower/ promoters shall take necessary steps and obtain all requisite / necessary / statutory / other approvals for such allotment of equity shares. In the event the Lender or any of the Lenders exercises its right to sell the shares issued in terms of above, the first right of refusal to buy back the shares would be offered to the promoters.</li> </ul> <p>If there is an Event of Default subsisting, the Borrower shall not, without prior approval of the Lenders:</p> <ul style="list-style-type: none"> <li>• Effect any change in the capital structure;</li> <li>• Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;</li> <li>• Repay or prepay inter corporate deposits or loans given by shareholders/group companies;</li> <li>• Repay monies brought in by the sponsor/directors/principal shareholders or their friends/relatives by way of deposits/loans/advances;</li> <li>• Undertake any fresh guarantee obligation on behalf of any other</li> </ul>





	<p>company (including group companies); normal trade guarantee or security deposits in the normal course of business or guarantees to statutory authorities can, however, be extended</p> <ul style="list-style-type: none"> <li>• Declare any dividend;</li> <li>• Undertake any new project, implement any scheme of expansion, prepay subordinate loans or acquire fixed assets;</li> <li>• Incur any further indebtedness;</li> <li>• Sell, dispose off or create any encumbrance</li> </ul>
<b>Default Interest</b>	<ul style="list-style-type: none"> <li>• 1.0% p.a. over the prevailing Interest Rate, plus interest tax or other statutory levy, if any, on the defaulted amounts in the event of a payment default.</li> <li>• 1.0% p.a. over the prevailing Interest Rate, plus interest tax or other statutory levy, if any, on the outstanding Facility Amount under any other Event of Default.</li> <li>• 1.0% p.a. over the prevailing Interest Rate, plus interest tax or other statutory levy, if any, on the outstanding Facility Amount in case of non-creation or perfection of Security within the timelines stipulated hereunder.</li> </ul> <p>Overall applicable Default Interest Rate will not exceed 1.0% p.a. on the outstanding Facility Amount at any given time. Default interest (except for payment default) shall be computed post expiry of cure period of 30 days as mentioned in the events of default.</p>
<b>Taxes and Deductions</b>	<p>All payments under the Facility to be made free and clear of all present and future taxes, deductions, charges, withholding, stamp duty, liability or impost of whatever nature. Should any such deduction be required by law, the amount of the relevant payment shall be increased to the extent necessary to ensure that the recipient receives a sum net of any deduction or withholding equal to the sum which it would have received had no such deduction been made.</p> <p>The Borrower will indemnify the Lender for such taxes paid other than taxes on income. All payments to be grossed up for tax where applicable.</p>
<b>Expenses</b>	<ul style="list-style-type: none"> <li>• All out of pocket expenses incurred by the Lender including but not limited to expenses in connection with the preparation, execution, delivery, modification, amendment and administration of the loan documentation (including fees and expenses of counsel to the Lenders) to be paid by the Borrower, irrespective of whether the transaction contemplated herein is completed or not; The Borrower will also bear its own expenses.</li> <li>• Any outstanding fee to be set-off against the proceeds of the first / applicable utilization.</li> </ul>
<b>Increased Costs</b>	<p>Borrower to reimburse the Lender and its assigns / successors / affiliates for any increased costs arising due to their implementation or imposition of any new reserve requirements or higher provisioning requirements on account of unhedged foreign currency exposures of the Borrower or other measures by regulatory bodies, including any change in capital adequacy norms, subject to customary mitigation and avoidance provisions.</p>
<b>Illegality</b>	<p>In the event that it becomes illegal for the Lender to lend or maintain their commitment, the Borrower will repay all amounts outstanding under the Facility to the Lender and/or that Lender's commitment will be cancelled.</p>
<b>Transfers and Participation</b>	<p>The Lender is entitled to transfer, assign or novate the whole or any part of their rights and obligations under or in respect of the Facility to other persons/entities without prior concurrence or intimation to the Borrower or to any other bank / lender or financial institution. The Borrower shall at no time assign, transfer or novate the Facility (whether in full or in part).</p>
<b>Governing Law</b>	<p>The financing documents shall be governed by laws of India. The Borrower</p>



	agrees to the jurisdiction at New Delhi. However, lenders shall have a right to proceed at any other appropriate jurisdiction as well.
<b>Documentation</b>	All documentation has to be in form and substance acceptable to ICICI Bank. In addition to the terms and conditions contained above, the final documentation will contain other customary clauses including but not limited to Additional Covenants, Information Covenants, Unconditional Cancellability, RBI disclosure norms, Basel II clause, Financial Covenants, Negative Covenants, Governing Law and jurisdiction, RBI disclosure norms, indemnity clauses, Increased cost clause(s) (including clause on risk management policy and unhedged foreign currency exposure), representations and warranties, IFC (if required), OFAC (if required), MAE, MAC, as may be applicable, etc.

### B. Additional terms and conditions of Funded Interest Term Loan

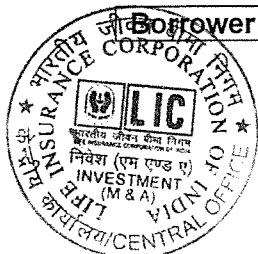
<b>Borrower</b>	Jaiprakash Associates Limited (JAL)
<b>Processing Fees</b>	Nil
<b>Facility</b>	Funded Interest Term Loan (FITL) not exceeding ₹ 22.35 Crore
<b>Purpose</b>	To fund shortfall in interest payment on <ul style="list-style-type: none"> <li>On Bucket 2A RTL facilities from October 1, 2016 to December 31, 2017</li> </ul>
<b>Banking Arrangement</b>	Consortium
<b>Drawdown</b>	An amount, only to the extent of shortfall in interest servicing on RTL of Bucket 2 A shall be available for drawdown.
<b>Interest</b>	As per the same terms mentioned for RTL
<b>Interest Period</b>	Interest to be paid on monthly basis on the last Business Day of each calendar month ("Interest Payment Date") starting from January 31, 2018.
<b>Repayment</b>	Principal to be paid on quarterly basis in 28 equal installments starting March 31, 2018 on the last Business Day of each fiscal quarter ("Principal Payment Date").
<b>Security</b>	The Facility shall be secured on a first pari-passu basis by the same security package as stipulated under RTL
<b>Mandatory Prepayment</b>	Any cash flows received by the Borrower from arbitration claims against its EPC projects shall be mandatorily utilized towards prepayment of the FITL facility.
<b>Right to conversion</b>	Lenders, with the approval of Steering Committee, shall have a right to convert entire outstanding amount under FITL to equity.

Unless specifically mentioned above, all terms and conditions mentioned under RTL not exceeding ₹ 188.17 Crore shall be applicable for the proposed sanction of FITL.

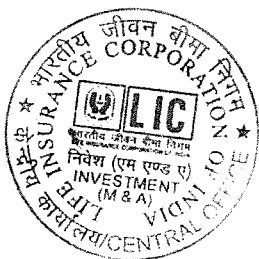
### C. Term and Conditions for Holdback Amount (JP Super cement plant)

The below mentioned terms shall be applicable till 5 years from the date of consummation of UTCL transaction or completion of the prescribed Conditions Precedent (CPs) as specified in Master Implementation Agreement (MIA), whichever is earlier, post which the respective terms stipulated for B2A Debt shall be applicable thereafter. All other terms and conditions applicable for RTL facility for ₹ 188.17 crore shall be applicable for Holdback Amount as well.

<b>Borrower</b>	Jaiprakash Associates Limited (JAL)
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<b>Holdback Amount</b>	Not exceeding ₹ 27.13 Crore  The said debt shall be secured by Redeemable Preference Shares (RPS) issued by UTCL to JAL on the closing date of the cement asset sale transaction or fixed assets of JP Super plant. It will be repaid through RPS redemption proceeds on compliance of Condition Precedent related to JP Super Plant (CP).
<b>Facility</b>	Rupee Term Loan (RTL)
<b>Banking Arrangement</b>	Consortium arrangement under "RTL Consortium"
<b>Interest</b>	Interest computation shall be as below: <ul style="list-style-type: none"> <li>From October 1, 2016 till completion of CP or September 30, 2017, whichever is earlier: 9.5% p.a. or MCLR-1Y, whichever is lower. The interest accrued shall be added to the respective lenders' debt to be transferred to the proposed Real Estate SPV ("B2B Debt").</li> <li>Post September 30, 2017, the Interest terms shall be in line with the interest terms fro RTL facility.</li> </ul>
<b>Repayment</b>	The Holdback Amount shall be repaid from redemption proceeds of RPS issued by UTCL upon satisfaction of the CP corresponding to JP Super Plant.  In Case CP is not completed till 5 years from the consummation of transaction and the CP is not waived off by UTCL, the loan shall be repaid over the next 15 years through equal quarterly installments.
<b>Security</b>	This holdback amount shall be secured by either the RPS of ₹1000 crore which shall be issued by UTCL to JAL against the Holdback Amount on completion of the CP or fixed assets of JP Super Plant.  In Case CP is not completed till 5 years from the consummation of transaction and the CP is not waived off by UTCL, the loan shall be secured by a first pari passu charge on JP Super plant.





AXISB/SCG/North/2017 - 18/212

June 27, 2017

Jaiprakash Associate Limited & Jaypee Cement Corporation Limited  
Sector 128, NOIDA – 201304  
Uttar Pradesh

**Kind Attention: Shri Rahul Kumar (Director – Finance)**

Dear Sir,

**Sub: Modification in terms of existing facilities and sanction of Funded Interest Term Loan ("FITL") facility**

This is with reference to Debt Realignment Plan (DRP) and various Joint Lenders Forum (JLF) meeting, we would like to inform you that term & conditions for existing facilities sanctioned to the Company shall be modified, as per the Annexure II. Other approvals related to existing facilities of the bank are mentioned in Annexure II.

Kindly return the duplicate copy of this letter duly signed by the authorized signatory of the Company, in token of having acceptance the terms and conditions governing the sanction. You may contact Mr. Santosh Bajpayee (SVP & Head, CBB New Delhi) for necessary assistance.

Assuring you of our best services at all the times.

Yours faithfully

Arun Tyagi

VP & Sr. Relationship Manager

Strategic Client Coverage Group

Vaibhav Raizada

AVP & Relationship Manager

Strategic Client Coverage Group

## Annexure I

The existing RTL facilities sanctioned to the Company shall be divided into buckets as mentioned below –

<b>Outstanding</b>	<b>Transfer to Ultratech (UCL) (Bucket 1)</b>	<b>Residual Business of JAL (RTL Facility) (Bucket 2A &amp; B2B)</b>
<b>1942.40</b>	<b>1186.00</b>	<b>756.40</b>

#Bucket wise figures are tentative and are subject to closing adjustments. Any remaining debt post transfer to UTCL (Bucket 1) and residual business of JAL (Bucket 2a) shall be transferred to Bucket 2b.

We would like to inform following approvals have also been granted for facilities sanctioned to the Company –

1. Release of charge over cement assets to be sold to UTCL. Approval is sought for release of charge over cement assets (including captive power plant and mining leases) being sold to UTCL namely –
  - a. Sidhi
  - b. Sidhi CPP
  - c. Bela
  - d. Dalla
  - e. JP Super
  - f. Baga
  - g. Bagheri
  - h. Roorkee
  - i. Balaji

Release of above mentioned charge is based on the understanding that existing debt of Rs.1,186 crore (Bucket 1) would be transferred to Ultratech Cement Limited.

2. Charge over 588.42 acres non-core area land of Jaypee sports city belonging to JAL (erstwhile JPSI) would be released upon final implementation of scheme and transfer of bucket 2b debt along with real estate assets to real estate SPV
3. Charge over core area of jaypee sports city belonging to JAL (erstwhile JPSI) would be released upon final implementation of scheme and transfer of bucket 2b debt along with real estate assets along with real estate assets to real estate SPV
4. Release of second charge over SSTA security created in favour of working capital consortium
5. From April 1, 2016 to Sep 30, 2016, interest rate applicable to the entire fund based (RTL and WC) facilities to be modified to 9.50%. Interest rate applicable to the facilities being transferred to B1 and B2A to be modified to 9.50%.
6. Cessation of interest on Loans to be transferred in Bucket 2B from October 1, 2016. The interest on the RTL facilities getting transferred to Bucket 2B may be ceased with effect from October 1, 2016 till transfer of debt into the new real estate SPV. Post transfer of debt to real estate SPV, terms & conditions applicable to the facility would be communicated separately.
7. Final approval and modification is subject to IEC approval.

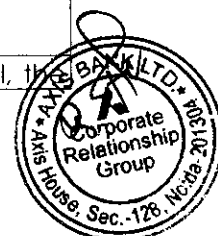


## Annexure II – Terms & Conditions

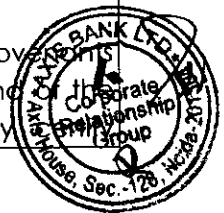
Borrower	Jaiprakash Associates Limited (JAL)
Steering Committee	Group of lenders comprising of ICICI Bank, State Bank of India, IDBI Bank, Axis Bank and Canara Bank
Facility	Rupee term loan (RTL) amount to the satisfaction of Axis Bank Limited within the contours of the overall scheme approved by JLF.
Purpose	Modifications in terms of existing rupee term loan facilities of the Borrower as per the Debt Realignment Plan approved by JLF
Processing Fees	Nil
Banking Arrangement	Consortium Arrangement led by ICICI Bank Ltd. or any other lender as may be decided by the JLF from time to time
RTL Consortium/ Lenders	Group of lenders restructuring/ providing following facilities to the Borrower: RTL: As per Facility amount Working Capital Term Loan (WCTL) : Rs. 80 Crore Funded Interest Term Loan (FITL) : not exceeding Rs. 22.00 Crore and subject to the requirement of the outstanding facilities
Ranking	The obligations of the Borrower under RTL Consortium for both servicing of interest dues and repayment of principal shall rank, at all times, in the following pecking order: Rank 1: WCTL Rank 2: FITL Rank 3: RTL
Security Trustee	Security Trustee as mutually decided by the lenders and JAL
Transaction Documents	To include the Common Facility Agreement (CFA) and all other financing and Security documents as may be required by the Lender and which are usual and customary for financing of this nature.
Business Day	A day (other than Saturday, Sunday and public holidays) on which banks are open in Delhi and Mumbai.
Reference Date	Date of signing CFA
Interest Rate	The interest rate applicable to the Facility shall be equivalent to ICICI-MCLR-1Y + Spread or 9.5% p.a., whichever is higher on the date of CFA.  Spread will be equivalent to (9.5% - ICICI-MCLR-1Y) in case ICICI-MCLR-1Y is less than 9.5% on the date of CFA. If I-MCLR-1Y is higher than 9.5% on date of CFA, Spread will be equivalent to 0%.  Above interest rate shall be reset at the end of every 1 year from the date of CFA as a sum of I-MCLR-1Y prevailing on the reset date + "Spread", plus applicable interest tax or other statutory levy, if any. Any change in "Spread" would be as communicated by the Bank from time to time.  In case there is any change in the regulatory requirements pertaining to provisioning norms and/or risk weight applicable to the Facility, the Lender may revise the spread to reflect the regulatory change, subject to extant RBI guidelines.
Interest Period	Interest to be paid on monthly basis on the last Business Day of each calendar month ("Interest Payment Date"). Any shortfall in interest payment by the Borrower from October 1, 2016 till December 31, 2017 shall be converted to FITL.  All interest payments to be made in arrears at the end of the each interest period and calculated on the basis of the actual number of days elapsed in a year of 365 days or in the case of a leap year, 366 days
Repayment	Principal to be paid on quarterly basis on the last Business Day



schedule	<p>fiscal quarter ("Principal Payment Date").</p> <p>Repayment over 20 years starting FY2018 as per the following schedule:-</p> <ul style="list-style-type: none"> <li>• Q1-FY2018 to Q4-FY2018: Nil</li> <li>• Q1-FY2019 to Q4-FY2020 : 0.50% of the facility amount</li> <li>• Q1-FY2021 to Q4-FY2037 : 1.412% of the facility amount</li> </ul>
Security	<p>1) For all Lenders including AKA and lenders providing FITL and WCTL facilities</p> <p>A first ranking pari-passu security interest over fixed assets of the Borrower, both present and future, as per the Structured Security Trustee Arrangement (SSTA). List of assets forming part of SSTA are as follows:</p> <ul style="list-style-type: none"> <li>i) Cement and Power Division <ul style="list-style-type: none"> <li>• Rewa Integrated Cement Unit (including captive power plant)</li> <li>• Chunar Cement Grinding Unit (including captive power plant)</li> <li>• Sadwa Khurd Cement Blending Unit</li> <li>• Churk Thermal Power Plant</li> </ul> </li> <li>ii) Hotel Division <ul style="list-style-type: none"> <li>• Siddharth Hotel, Delhi</li> <li>• Jaypee Vasant Continental, Delhi</li> <li>• Residency Manor, Mussoorie</li> <li>• Jaypee Palace, Agra</li> <li>• Jaypee Golf Spa &amp; Resort, Greater NOIDA, as per the terms of NOC from Axis Bank)</li> </ul> </li> <li>iii) Engineering &amp; Construction Division <ul style="list-style-type: none"> <li>• Movable and Immoveable fixed assets pertaining to Engineering division</li> </ul> </li> <li>iv) Land belonging to Jaypee Infratech Limited <ul style="list-style-type: none"> <li>• 166.96 Acres land situated at village Tappal, Kansera &amp; Jahengarh, Aligarh, Uttar Pradesh</li> <li>• 167.23 Acres land situated at village Chagan and Chhalesar, Agra, Uttar Pradesh</li> </ul> </li> <li>v) Second pari-passu charge on the fixed assets of Shahabad cement plant.</li> </ul> <p>2) For Shahabad Project lenders (In addition to the security mentioned above):</p> <ul style="list-style-type: none"> <li>• First pari-passu charge on the fixed assets of Shahabad cement plant.</li> </ul> <p>Charge on Movable Assets shall be created/modified on or prior to the date of CFA. Charge over all the assets (except Movable Assets) shall be created/modified within 30 days from the date of CFA and perfected within 90 days of CFA.</p>
Guarantee	<p>The Facility shall be backed by an irrevocable and unconditional Personal Guarantee of Mr. Manoj Gaur (Executive Chairman of the Borrower) The same is to be provided on or prior to date of CFA.</p>
Voluntary	<p>Borrower shall have the option to prepay the lender, in part or in full, the</p>

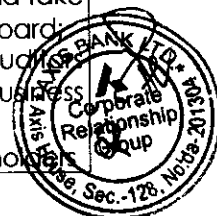


Prepayments	<p>Facility together with all interest and other charges and monies due and payable to the Lender upto the date of such prepayment upon giving the Lender at least 15 days prior written notice without any prepayment premium. Any prepayment should be proportionately distributed (on the basis of principal outstanding as on the date of notice of voluntary prepayment) between all the lenders of the Consortium.</p> <p>Any prepayment made under the Facility shall be applied to the then remaining principal outstanding under the Facility in the reverse chronological order of maturity or in a manner as decided by the Steering Committee.</p>																				
Mandatory Prepayments	<p>50% of cash flows (after meeting shortfall in interest and debt servicing and DSRA, if any) received from monetization of any further assets of JAL (cement assets, land parcels etc.) or sale of investments (equity) in various Group Companies (excluding sale of stake in Bhilai Jaypee Cement Ltd), shall be mandatorily applied for prepayment to all RTL Consortium lenders on a pro-rata basis. Decision of Steering Committee shall be final and binding on the Borrower. Utilization of proceeds from sale of stake in Bhilai Jaypee Cement Limited shall be decided in consultation with the Steering Committee.</p> <p>Balance 50% cash flows to be retained/reinvested in the company/distributed as dividend, after approval from Steering Committee) or utilized for further prepayment of residual debt</p> <p>For above purpose, the investments shall include but not limited to equity holding in Jaypee Fertilizers &amp; Industries Limited, Himalayan Expressway Ltd., Jaypee Infratech Ltd., Jaiprakash Power Ventures Ltd., Prayagraj Power Generation Company Ltd., , Jaypee Cement Corporation Ltd.</p>																				
Financial Covenant	<p>At all times during the tenure of the Facility, Borrower to maintain the following:</p> <table border="1" data-bbox="443 1243 1396 1780"> <thead> <tr> <th>S. N.</th> <th>Particulars</th> <th>Criteria</th> <th>Commencement of Testing</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Fixed Asset Coverage Ratio (FACR)</td> <td>at least 1.34x in FY18, FY19 and FY20 and at least 1.40x in FY21 and subsequent years</td> <td>Audited financials for FY 2018 and subsequent years</td> </tr> <tr> <td>2</td> <td>TD/ TNW</td> <td>Not to exceed [0.40x ]</td> <td>Audited financials for FY 2018 and subsequent years</td> </tr> <tr> <td rowspan="3">3</td> <td rowspan="3">TD/ EBITDA</td> <td>Not to exceed 14.0 x</td> <td>Audited financials for FY 2018</td> </tr> <tr> <td>Not to exceed 9.0 x</td> <td>Audited financials for FY 2019</td> </tr> <tr> <td>Not to exceed 5.0 x</td> <td>Audited financials for FY 2020 and subsequent years</td> </tr> </tbody> </table> <p>"FACR" means the fixed asset coverage ratio of the Borrower as determined under the Structured Security Trustee Arrangement (SSTA) entered into between the Borrower and its existing lenders.</p> <p>The Borrower shall submit a compliance certificate for the said covenants duly certified by the Statutory Auditor within 60 days from the end of respective financial year. The Statutory Auditor should clearly</p>	S. N.	Particulars	Criteria	Commencement of Testing	1	Fixed Asset Coverage Ratio (FACR)	at least 1.34x in FY18, FY19 and FY20 and at least 1.40x in FY21 and subsequent years	Audited financials for FY 2018 and subsequent years	2	TD/ TNW	Not to exceed [0.40x ]	Audited financials for FY 2018 and subsequent years	3	TD/ EBITDA	Not to exceed 14.0 x	Audited financials for FY 2018	Not to exceed 9.0 x	Audited financials for FY 2019	Not to exceed 5.0 x	Audited financials for FY 2020 and subsequent years
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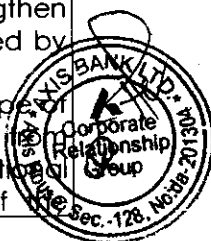




	<p>whether the Borrower is in compliance with the financial covenants as per the audited accounts or not.</p> <p>In the event of an adverse deviation in any of the covenants from the levels stipulated above, a further interest of 1% p.a. on the entire outstanding Facility will be levied for the period of non-adherence starting from the end of latest financial year.</p>
Affirmative Covenants	<p>Customary for financings of this nature including, but not limited to, the following:</p> <ol style="list-style-type: none"> <li>1. The Borrower shall notify on the happening of any actual or potential event of default or breach of representation, covenant, warranty or undertaking;</li> <li>2. Keep the lenders informed of the happening of any event likely to have material adverse effect on its profit and business with explanations and the remedial steps proposed to be taken;</li> <li>3. Furnishing of annual audited financial statements within 4 months of the end of fiscal year or 30 days of submission to stock exchange, whichever is earlier and quarterly interim reports on profits and losses within 60 days from the end of fiscal quarter;</li> <li>4. Reporting requirements (including annual compliance certificates, notices of default, notices and records) as the Lender may request;</li> <li>5. Maintain adequate books of accounts which should correctly reflect its financial position and scale of operations;</li> <li>6. No change in the nature of business;</li> <li>7. Notification on any loss or damage suffered;</li> <li>8. Maintenance of ownership and control by the promoters;</li> <li>9. Maintenance of all licenses and approvals as may be customary for the business;</li> <li>10. The Borrower's hedging policy shall remain in full force and effect and updated from time to time, till all the monies due and payable under the Facility Agreement/ Transaction Documents are fully paid to the satisfaction of the Lender;</li> <li>11. The Borrower shall provide all information as may be required by the Lender from time to time in relation to its foreign currency exposures and hedging details in relation thereto;</li> <li>12. In the event of any change in applicable laws/ regulations (including regulatory/statutory requirements pertaining to provisioning norms and/or risk weightage), the Lender shall have the right to recover the cost, in any manner that it deems fit, including by way of revision in spread/applicable rate;</li> <li>13. Pay and discharge, before the same shall become delinquent, all lawful governmental claims and all federal, state, local &amp; foreign taxes, assessments, charges and levies;</li> <li>14. Maintain all the assets in good working condition and preserve its permits and intellectual property, subject to regular wear and tear in the ordinary course;</li> <li>15. Agree to comply with all reporting requirements as may be stipulated by the lenders in the Finance Documents;</li> <li>16. Agree not to induct a person into its Board whose name appears in the wilful defaulters list of RBI/CIBIL and in case such a person is already on the Board at any time during the tenor of the Facility, the Borrower would take expeditious and effective steps for removal of that person from its Board;</li> <li>17. Give intimation to the lenders after change of the statutory audit and accounting period during the tenor of the Facility within 5 Business Days from date of shareholders resolution in this regard.</li> <li>18. The Borrower, prior to signing of CFA, shall provide necessary sharehold</li> </ol>



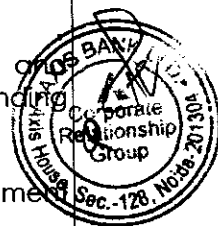
	resolution for conversion of debt into equity in case of event of default under the Facility, WCTL and FITL
Negative Covenants	<p>Customary for financings of this nature, (including but not limited to) the Borrower shall not without prior approval of the Steering Committee;</p> <ol style="list-style-type: none"> <li>1. No dividend / capital return to be declared and paid by the Borrower;</li> <li>2. Removal of the Statutory Auditors</li> <li>3. Raise additional debt above ₹ 200.0 crore ensuring compliance with stipulated Financial Covenants</li> <li>4. Invest in its subsidiaries/ associates/ JVs</li> <li>5. Become party to any agreement to create security/pledge over any assets/ investments of Jaiprakash Associates Ltd. and Jaypee Cement Corporation Ltd., including but not limited to, equity/ preference shares of any of its subsidiaries, unencumbered assets/ land parcels, cash flow from any projects/ assets except: <ol style="list-style-type: none"> <li>a) Encumbrances made by JAL in favour of lenders of its associates/ subsidiaries as part of any restructuring exercise.</li> <li>b) Mandatory promoter's contribution to be deployed by JAL in its associates/ subsidiaries required for restructuring of debt as per extant regulatory guidelines.</li> </ol> </li> <li>6. Make any change in its management or cede Management Control or enter into any merger, demerger, amalgamation, compromise or acquisition or corporate reconstruction;</li> <li>7. Make any amendments in the Borrower's Memorandum of Association and Articles of Association</li> </ol>
Other Conditions	<ol style="list-style-type: none"> <li>1) In addition to stock statements, a monthly statement capturing operational performance of individual divisions of the Borrower to be shared with the Lenders</li> <li>2) The Steering Committee shall have the right to appoint Nominee Director (maximum two directors) or an Observer on the Board of the Borrower</li> <li>3) The Borrower shall comply with the environmental, health, safety and social (EHSS) requirements related to all the assets;</li> <li>4) Lender and/or consultants appointed by the Lender, shall, by providing a prior written notice to the Borrower, have the right to visit/inspect the assets of the Borrower.</li> <li>5) The Borrower shall indemnify the Lender against all actions, suits, proceedings and all costs, charges, expenses, losses or damages which may be incurred or suffered by the Lender by reason of any materially false or materially misleading information given by the Borrower to the Lender hereunder or any breach / default non-performance of a material nature by the Borrower of any terms, conditions, agreements and provisions hereunder.</li> <li>6) Information (as pre-agreed) would be needed to be provided on a monthly basis for all business lines. The same shall be provided by 20th day of the immediately succeeding calendar month.</li> <li>7) All the figures (outstanding/overdues/ projected FITL etc.) as mentioned in the restructuring package will be subject to actual/ reconciliation with the Borrower and lenders.</li> <li>8) The Borrower shall broad base its Board of Directors and strengthen management set up by inducting outside professionals, if required by the lenders, to the satisfaction of Lenders.</li> <li>9) The Borrower cannot open/ maintain any account or avail any type of banking services/ facilities from any bank (s) other than Banks/ FIs (as a Corporate Relationship Group) whom the Borrower is enjoying credit facilities, except for operational requirements as per project agreements in the knowledge of</li> </ol>



	<p>Steering Committee. Any deviation in this regard needs to be approved by Steering Committee.</p> <p>10) The lenders shall establish Trust &amp; Retention Account (TRA) and enter into a TRA agreement.</p> <p>11) The Borrower shall not sell any of its fixed assets / investments during the financial year, with aggregate net sale consideration greater than `50 crore , without prior approval of Steering Committee unless the fixed assets have become obsolete (to be certified by a reputed LIE) due to normal wear and tear or due to replacement.</p> <p>12) In the event of the Borrower committing default on the repayment of installment of the loan or payment of interest on the due dates, the lenders shall have an unqualified right to disclose the name of the company and its directors to the Reserve Bank of India (RBI)/Credit Information Bureau of India (CIBIL). The company shall give its consent to lenders or RBI/CIBIL to publish its name and the names of its Directors as defaulters in such manner and through such medium as lenders/RBI/CIBIL in their absolute discretion may think fit.</p> <p>13) The Borrower shall keep the Steering Committee informed of any legal proceedings, the outcome of which would have a material impact on the debt servicing capability of the Borrower. In consultation with the lenders, it shall take such remedial actions, as may be required in the best interest of the Borrower and the lenders.</p> <p>14) Lenders, with the approval of Steering Committee, shall have the right to revoke the restructuring package in case the Borrower commits an Event of default (EOD) as defined under the Transaction Documents beyond the cure period.</p> <p>15) Lenders, shall have the right to appoint a concurrent auditor during the currency of the facilities, to review the operations of the Borrower on a monthly basis, monitoring the operations of TRA and any other work that may be assigned by the lenders.</p> <p>16) The Borrower shall not incur any major capital expenditure (greater than `150.00 cr per annum) without prior approval from Steering Committee if there are defaults in the servicing of debt obligations.</p> <p>17) The Lenders shall have the right to recompense the reliefs/sacrifices/waivers extended by respective Lenders as per the restructuring guidelines. However, Lenders may examine to waive right to recompense in the event of any dilution or divestment of any significant business unit or any change in management on the behest of lenders.</p> <p>18) Individual lenders shall have right to assign / hypothecate / transfer their outstanding to any Asset Reconstruction company / Bank / or any other entity. The said lender has to inform the Steering Committee 45 days prior to effecting any of the actions above. The assignee needs to accede to the ICA for the assignment to be effective.</p> <p>19) Promoters shall ensure the realization of sticky debtors/ long term receivables</p> <p>20) Lenders, with approval of Steering Committee, shall have a right to appoint lenders' engineer/ monitoring agency/ Lenders' Counsel.</p>
TRA	<p>Accounts for all businesses mentioned below to be opened with ICICI Bank with routing of entire cash flows of all businesses of JAL and JCCL except for operational requirements as per project agreements</p> <ul style="list-style-type: none"> <li>• Engineering &amp; Construction Business</li> <li>• Cement Business</li> <li>• Hospitality Business</li> <li>• Real Estate (except for project assets specifically charged to Housing Ltd/ any other lenders. Servicing of loans availed from HDFC Ltd. to</li> </ul>



	<p>be made only through cash flows of the projects encumbered to HDFC Ltd.)</p> <ul style="list-style-type: none"> <li>• Power (CPP)</li> <li>• Any other cash flows</li> </ul> <p>Accounts with all banks with which JAL does not have a lending relationship to be closed prior to signing of CFA and account closure statements to be submitted (Statutory auditor's certificate to be submitted annually confirming details of accounts maintained).</p>
Representations and Warranties	<p>Customary for financings of this nature including, but not limited to the following:</p> <ol style="list-style-type: none"> <li>1. Full disclosure and no misleading information;</li> <li>2. No director, employee of the Borrower, or of a subsidiary of the Borrower, is a director of the Lender and no director of the Lender holds substantial interest in the Borrower or Guarantors or any subsidiary of the Borrower;</li> <li>3. Except to the extent disclosed, none of the directors of the Borrower, is a director of a banking company or specified near relation (as specified by RBI) of a director of a banking company or a near relative of any senior officer of the Lender;</li> <li>4. Neither the Borrower nor any of its directors has been declared to be a wilful defaulter. In the event of a person having being identified as a wilful defaulter, the Borrower shall take expeditious and effective steps for removal of such person from directorship;</li> <li>5. The Borrower represents that it has adopted a suitable hedging policy, approved by its board of directors, which includes mechanisms to reduce its currency mismatches.</li> <li>6. Execution, delivery and performance of Transaction Documents not violating law, Borrower's charter or bylaws or existing agreements;</li> <li>7. No undisclosed liabilities and no misleading information;</li> <li>8. Legality, Validity, binding effect and enforceability of the financial and Transaction Documents;</li> <li>9. Status and authority;</li> <li>10. Legality, validity, binding effect and enforceability of the Transaction Documents;</li> <li>11. Non conflict with other obligations;</li> <li>12. No filing or stamp taxes required on the Financing Agreements, other than those done;</li> <li>13. The Borrower agrees to pay any and all duties and all applicable indirect taxes under applicable laws which may be payable in relation to the Transaction Documents;</li> <li>14. No defaults under other loan facilities of the Borrower and no material default under other agreements that would affect the borrower's ability to perform its obligation under the Transaction Documents as on date;</li> <li>15. No proceedings or legal actions pending or threatened, except already disclosed;</li> <li>16. Ownership of assets,;</li> <li>17. Comprehensive insurances;</li> <li>18. No encumbrances except as permitted;</li> <li>19. Each of the Financing Documents has been duly executed and delivered by the Borrower and constitutes a valid and binding obligation of the Borrower;</li> <li>20. Compliance with laws and regulations;</li> <li>21. The Borrower enjoys no immunity from any suit, execution, attachment or other legal process in any proceedings;</li> <li>22. Audited accounts delivered/ to be delivered to the Lender has been/</li> </ol>



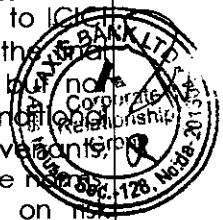
	<p>shall be prepared in accordance with generally accepted accounting principles and guidelines in India and represent a true and fair view of the financial condition as to the date to which they were drawn up;</p> <p>23. No litigation, investigation or proceeding, other than those already disclosed that may have a material adverse effect on the business, condition (financial or otherwise), operations, performance, prospects of the Borrower that purports to affect the legality, validity, binding effect or enforceability of the Transaction Documents;</p> <p>24. Compliance with taxation laws in all material respects;</p> <p>25. All the Borrower's contracts or agreements (except to the extent disclosed to Lender) with, or any commitments to, any affiliates or group companies are on arm's length basis;</p>
Sharing of Information	Requisite annexures as per RBI Circular on "Lending under consortium arrangement / Multiple Banking arrangements" to be provided by the Borrower.
Events of Default	<p>Usual and Customary to such financing, including but not limited to the following events of defaults:</p> <ul style="list-style-type: none"> <li>• Non-adherence of repayment schedule, non-payment of interest, principle or any other dues of the Lenders under the facility documents;</li> <li>• Breach of any terms of Transaction Documents by the Borrower including but not limited to the various timelines for creation of Security, Representation and Warranties, Covenants;</li> <li>• Breach of any undertaking furnished by Borrower;</li> <li>• Insolvency, voluntary dissolution, restructuring, winding up, suspension of payment of debt, reorganization (including merger or amalgamation or de-merger), liquidation, illegality, cessation of business;</li> <li>• Change in management control</li> <li>• Compulsory acquisition, nationalization or expropriation of any part of the assets;</li> <li>• Unlawfulness or Misrepresentation;</li> <li>• Litigation;</li> <li>• Material Adverse Effect;</li> <li>• Failure to pay a final judgment or court order, post acceptance of this Letter of Intent;</li> <li>• If in the opinion of the Lender, the Security is not adequately created and perfected as stipulated herein or the Security provided is in jeopardy or ceases to have effect or is inadequate/insufficient or any document pertaining to it executed or furnished by or on behalf of the Borrower becomes illegal, invalid or unenforceable. Without any prejudice to the rights of Lender, the Lender may allow the Borrower to provide substitute or additional Security to the satisfaction of the Lender within the period prescribed by Lender;</li> <li>• A default in any other facility availed by the Borrower from Lenders;</li> <li>• If it is certified by an Accountant of a Firm of Accountants appointed by the Bank (which the Bank is entitled and hereby authorised to do so at any time) that the liabilities of the Borrower exceed the Borrower's assets;</li> <li>• Any other event occurring, which, in opinion of Lenders may have potential to jeopardize / impair the Borrower's prospects and eventually lead to a default scenarios</li> </ul> <p>Upon the occurrence of any of the above mentioned Events of Default (other than payment default) that is capable of remedy, a cure period of 30 days, unless otherwise specifically provided for, shall be available from the date of the occurrence of such event.</p>



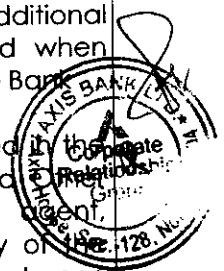
	The Borrower shall promptly notify the Lender upon becoming aware of any default or event which constitutes an Event of Default and steps being taken to cure it.
Consequences of Events of Default	<p>Upon occurrence (and continuance beyond the stipulated cure period) of an Event of Default, the Steering Committee may exercise, inter-alia, any one or more of the following rights:</p> <ul style="list-style-type: none"> <li>• Accelerate maturity of the Facility and demand immediate repayment of outstanding amount;</li> <li>• Cancel all undrawn commitments;</li> <li>• Enforce the Security and exercise such other rights in relation to the Security including appointment of receivers;</li> <li>• Restricting the borrower from declaring any dividend on equity shares;</li> <li>• Right to review and strengthen management control ;</li> <li>• Appointment of Nominee Director (maximum two directors) and/or Observer on Board of the Borrower on behalf of all the Lenders;</li> <li>• Appointment of consultants to review and examine the working of the Borrower;</li> <li>• Exercise any other right that the Lenders may have under the transaction documents or under law.</li> <li>• Conversion at its option the whole or part of its outstanding Facility along with outstanding interest / overdues into equity shares of the Borrower as per SEBI guidelines and/or as per the terms mutually agreed. The Borrower/ promoters shall take necessary steps and obtain all requisite / necessary / statutory / other approvals for such allotment of equity shares. In the event the Lender or any of the Lenders exercises its right to sell the shares issued in terms of above, the first right of refusal to buy back the shares would be offered to the promoters.</li> </ul> <p>If there is an Event of Default subsisting, the Borrower shall not, without prior approval of the Lenders:</p> <ul style="list-style-type: none"> <li>• Effect any change in the capital structure;</li> <li>• Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;</li> <li>• Repay or prepay inter corporate deposits or loans given by shareholders/group companies;</li> <li>• Repay monies brought in by the sponsor/directors/principal shareholders or their friends/relatives by way of deposits/loans/advances;</li> <li>• Undertake any fresh guarantee obligation on behalf of any other company (including group companies); normal trade guarantee or security deposits in the normal course of business or guarantees to statutory authorities can, however, be extended</li> <li>• Declare any dividend;</li> <li>• Undertake any new project, implement any scheme of expansion, prepay subordinate loans or acquire fixed assets;</li> <li>• Incur any further indebtedness;</li> <li>• Sell, dispose off or create any encumbrance</li> </ul>
Default Interest	<ul style="list-style-type: none"> <li>• 1.0% p.a. over the prevailing Interest Rate, plus interest tax or statutory levy, if any, on the defaulted amounts in the event of payment default.</li> <li>• 1.0% p.a. over the prevailing Interest Rate, plus interest tax or statutory levy, if any, on the outstanding Facility Amount under any Event of Default</li> <li>• 1.0% p.a. over the prevailing Interest Rate, plus interest tax or other</li> </ul>



	<p>statutory levy, if any, on the outstanding Facility Amount in case of non-creation or perfection of Security within the timelines stipulated hereunder.</p> <p>Overall applicable Default Interest Rate will not exceed 1.0% p.a. on the outstanding Facility Amount at any given time.</p> <p>Default interest (except for payment default) shall be computed post expiry of cure period of 30 days, if any granted, as mentioned in the events of default.</p>
Taxes and Deductions	<p>All payments under the Facility to be made free and clear of all present and future taxes, deductions, charges, withholding, stamp duty, liability or impost of whatever nature. Should any such deduction be required by law, the amount of the relevant payment shall be increased to the extent necessary to ensure that the recipient receives a sum net of any deduction or withholding equal to the sum which it would have received had no such deduction been made.</p> <p>The Borrower will indemnify the Lender for such taxes paid other than taxes on income.</p> <p>All payments to be grossed up for tax where applicable.</p>
Expenses	<ul style="list-style-type: none"> <li>• All out of pocket expenses incurred by the Lender including but not limited to expenses in connection with the preparation, execution, delivery, modification, amendment and administration of the loan documentation (including fees and expenses of counsel to the Lenders) to be paid by the Borrower, irrespective of whether the transaction contemplated herein is completed or not; The Borrower will also bear its own expenses.</li> <li>• Any outstanding fee to be set-off against the proceeds of the first / applicable utilization.</li> </ul>
Increased Costs	<p>Borrower to reimburse the Lender and its assigns / successors / affiliates for any increased costs arising due to their implementation or imposition of any new reserve requirements or higher provisioning requirements on account of unhedged foreign currency exposures of the Borrower or other measures by regulatory bodies, including any change in capital adequacy norms, subject to customary mitigation and avoidance provisions.</p>
Illegality	<p>In the event that it becomes illegal for the Lender to lend or maintain their commitment, the Borrower will repay all amounts outstanding under the Facility to the Lender and/or that Lender's commitment will be cancelled.</p>
Transfers and Participation	<p>The Lender is entitled to transfer, assign or novate the whole or any part of their rights and obligations under or in respect of the Facility to other persons/entities without prior concurrence or intimation to the Borrower or to any other bank / lender or financial institution. The Borrower shall at no time assign, transfer or novate the Facility (whether in full or in part).</p>
Governing Law	<p>The financing documents shall be governed by laws of India. The Borrower agrees to the jurisdiction at New Delhi. However, lenders shall have a right to proceed at any other appropriate jurisdiction as well.</p>
Documentation	<p>All documentation has to be in form and substance acceptable to ICICI Bank. In addition to the terms and conditions contained above, the documentation will contain other customary clauses including but not limited to Additional Covenants, Information Covenants, Unconditional Cancellability, RBI disclosure norms, Basel II clause, Financial Covenants, Negative Covenants, Governing Law and jurisdiction, RBI disclosure norms, indemnity clauses, Increased cost clause(s) (including clause on risk management policy and unhedged foreign currency exposure), representations and warranties, IFC (if required), OFAC (if required), MAE,</p>



	MAC, as may be applicable, etc.
Utilisation	Under no circumstances shall the Facility be utilised for: <ul style="list-style-type: none"> <li>a. Subscription to or purchase of shares/debentures</li> <li>b. Extending loans to subsidiary companies/associates or for making inter-corporate deposits.</li> <li>c. Any speculative purposes.</li> <li>d. Activities not eligible for bank credit as per RBI guidelines</li> </ul>
Validity of sanction	The sanction shall be valid for acceptance upto 90 days from date issuance of sanction letter. The Sanction Letter should be duly accepted by the authorized signatory of the relevant obligors on or before expiry of the Validity Period.
Other Covenants	<ul style="list-style-type: none"> <li>i. As per RBI circular No. RBI/2014-15/627 DBR.BP.BC. No.101/21.04.132/2014-15 dated 08.06.2015 regarding strategic debt restructuring; the Bank shall have the right to convert loan to equity or other capital in accordance with the regulatory guidelines for conversion of debt to equity in stressed situation or restructuring of debt. The Borrower shall provide shareholder resolution/ authorization allowing Lender (s) the right to facilitate such conversions. Suitable undertaking as per Banks standard format to this effect to be provided by the borrower;</li> <li>ii. All the assets secured to the Bank shall be insured for full value plus 10% covering all risks with usual Bank clause. The Borrower shall ensure that the name of the Bank is duly endorsed as the "Beneficiary"/"Loss Payee" on such insurance policies and all renewals thereof. The Borrower shall arrange for the comprehensive Insurance on the assets and a copy of the Insurance Policie(s) is to be submitted to the Bank.</li> <li>iii. The Borrower shall permit the Bank to inspect the Borrower's premises, assets, documents in the possession of the Borrower and inter alia conduct forensic audit and stock audit at such intervals as decided by the Bank by the Officers of the Bank or external experts appointed for the purpose. The cost of inspection/audit is to be borne by the Borrower. The frequency of stock audit may change subject to change in the rating of the Borrower.</li> <li>iv. The Bank has the right to get the facility rated at such intervals as may be required by the Bank from time to time, failing which the Bank shall have the right to review the applicable interest rate on the Facility and/or stipulate such additional conditions as the Bank may deem fit and/or charge default interest at the rate of 2%. The Borrower shall also obtain a rating for the guarantor if required by the Bank.</li> <li>v. The Borrower shall provide a certificate from its authorised signatory confirming its outstanding statutory and other financial obligations including income tax dues (including disputed amounts), provident fund and gratuity statement (deductions and deposits), additional emoluments (compulsory deposit), electricity dues as and when demanded by the Bank with clarification as requested by the Bank.</li> <li>vi. Borrower shall give a written undertaking that: <ul style="list-style-type: none"> <li>a. none of the directors of Axis Bank or their relatives as defined by the RBI Master Circular - Loans and Advances - Statutory and Restrictions is a director / partner, manager, managing agent, employee or guarantor of the borrower or of a subsidiary of the borrower or of the holding company of the borrower and that none of them hold substantial interest in the borrower or its subsidiary or its holding company.</li> <li>b. to the best of the borrower's knowledge none of the directors of any</li> </ul> </li> </ul>





	<p>other bank or the subsidiaries of the banks or trustees of mutual funds / venture capital funds set up by the banks or their relatives as defined in the RBI Master Circular - Loans and Advances - Statutory and Other Restrictions is a director / partner, manager, managing agent, employee or guarantor of the borrower or its subsidiary or its holding company and that none of them holds substantial interest in the borrower or its subsidiary or its holding company.</p> <p>c. to the best of the borrower's knowledge none of senior officials of the bank or the participating banks under consortium or their relatives as defined in the RBI Master Circular - Loans and Advances - Statutory and Other Restrictions is a director / partner, manager, managing agent, employee or guarantor of the borrower or its subsidiary or its holding company and that none of them hold substantial interest in the borrower or its subsidiary or its holding company and</p> <p>d. in case if any of the above requirement is breached, the borrower shall inform the Bank the same immediately.</p> <p>vii. The borrower shall be required to provide an undertaking w.r.t. to declaration of beneficial owner in line with the Reserve Bank of India's guidelines stated in Rule 9 (1A) of the Prevention of Money Laundering Rules, 2005 and Section 12 of the Prevention of Money Laundering (Amendment) Act (PMLA), 2012.</p>
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**B. Additional terms and conditions of Funded Interest Term Loan (FITL)**

Borrower	Jaiprakash Associates Limited (JAL)
Processing Fees	Nil
Facility	Funded Interest Term Loan (FITL) facility not exceeding Rs. 22 crore
Purpose	To fund shortfall in interest payment on Bucket 2A RTL facilities from October 1, 2016 to December 31, 2017
Banking Arrangement	Consortium
Drawdown	An amount, only to the extent of shortfall in interest servicing on RTL facility under bucket 2a shall be available for drawdown.
Interest	As per the same terms mentioned for RTL facility
Interest Period	Interest to be paid on monthly basis on the last Business Day of each calendar month ("Interest Payment Date") starting from January 31, 2018.
Repayment	Principal to be paid on quarterly basis in 28 equal installments starting March 31, 2018 on the last Business Day of each fiscal quarter ("Principal Payment Date").
Security	The Facility shall be secured on a first pari-passu basis by the same security package as stipulated under RTL
Mandatory Prepayment	Any cash flows received by the Borrower from arbitration claims against its EPC projects shall be mandatorily utilized towards prepayment of the FITL facility.
Right to conversion	Lenders, with the approval of Steering Committee, shall have a right to convert entire outstanding amount under FITL to equity.

Unless specifically mentioned above, all terms and conditions mentioned under RTL exceeding Rs. 80 crore shall be applicable to the proposed sanction of FITL



- 1 Allahabad Bank  
Industrial Finance Branch, 17 Parliament Street, New Delhi 110001
- 2 Andhra Bank  
S C F Branch, Maker Towers F 8th floor, Cuffe Parade , Mumbai-400005
- 3 Axis Bank Ltd  
Statesman house, 2<sup>nd</sup> Floor, 148 Barakhamba Road., New Delhi 110001
- 4 Axis Trustee Services Ltd  
Red Fort Capital, 2nd Floor, Parasnath Towers, Bhai Veer Singh Marg,  
Near Speed Post Office, Gole Market, New Delhi-11001
- 5 Bank of Baroda  
Parliament Street, New Delhi 110001
- 6 Bank of India  
Corporate Banking Branch, Bank of India Building, 2<sup>nd</sup> Floor Bhadra,  
Ahmedabad 380001
- 7 Bank of Maharashtra  
South Extension Part I, New Delhi 110049
- 8 Barclays Bank  
Nirlon knowledge park, Nirlon compound, Goregaon (East), Mumbai –  
400063
- 9 Canara Bank  
Prime Corporate Branch-1, Ground Floor, Ansal Tower, 38 Nehru Place, New  
Delhi 110019
- 10 Central Bank of India  
Corporate Finance Branch, Jeevan Tara Building, 5 Parliament Street, New  
Delhi 110001
- 11 Corporation Bank  
Industrial Finance Branch, 1<sup>st</sup> Floor, 16/10 Main Arya Samaj Road, Karol  
Bagh, New Delhi 110005
- 12 Dena Bank  
Corporate Business Branch, Dena Corporate Centre, C-10, G-Block  
Bandra-Kurla Complex, Bandra(E), Mumbai– 400051
- 13 Export Import Bank of India  
Statesman House, Ground Floor, 148 Barakhamba Road, New Delhi 110001
- 14 HDFC Ltd.  
Capital Tower, Olof Palme Marg, Outer Ring Road, Munirka, New Delhi

- 15 IDBI Bank Ltd  
3<sup>rd</sup> Floor, Indian Red Cross Society Building, 1 Red Cross Road, New Delhi 110001
- 16 IDBI Trusteeship Services Ltd  
J-1, Virjanand Marg, Vikaspuri, New Delhi – 110018
- 17 IFCI Ltd  
IFCI Tower, 11<sup>th</sup> Floor, Nehru Place, New Delhi 110019
- 18 Indian Overseas Bank  
F-47 Malhotra Building, Janpath, New Delhi 110001
- 19 IndusInd Bank Ltd  
3<sup>rd</sup> floor, Tower B, Building No. 10, DLF Cyber City, Phase II, Gurgaon 122002
- 20 L&T Infrastructure Finance Co. Ltd  
411-415, 4<sup>th</sup> Floor, Narain Manzil, 23, Barakhamba Road, Connaught Place, New Delhi 110001
- 21 Life Insurance Corporation of India  
Central Office: Yogakshema, 6<sup>th</sup> Floor, Jeevan Bima Marg, Mumbai 400021
- 22 Janpath Branch, G-8,9,10, Tolstoy House, New Delhi 110001
- 23 Oriental Bank of Commerce  
43 Basant Lok, Vasant Vihar, New Delhi 110057
- 24 Punjab & Sind Bank  
Bank House, 21 Rajendra Place, New Delhi 110008
- 25 Punjab National Bank  
Large Corporate Branch, Tolstoy House, Tolstoy Marg, Connaught Circus, New Delhi 110001
- 26 Small Industries Development Bank of India  
10<sup>th</sup> and 11<sup>th</sup> Floor, Videocon Tower, Jhadewala extension, New Delhi 110055
- 27 Srei Equipment Fin. Co.Pvt. Ltd.  
D-2, 5th Floor, Southern Park, Saket Place, Saket, New Delhi 110017
- 28 Standard Chartered Bank  
Corporate Banking Dept., H-2 Connaught Circus, New Delhi 110001
- 29 State Bank of Bikaner & Jaipur  
C.S.C. Sector-D, Pocket-II, Vasant Kunj, New Delhi 110070
- 30 State Bank of Hyderabad  
74 Janpath, Connaught Place, New Delhi 110001

- 31 State Bank of India  
CAG Branch, 12<sup>th</sup> Floor, Jawahar Vyapar Bhawan, 1 Tolstoy Marg New Delhi  
110001
- 32 State Bank of Mysore  
Antriksh Bhawan, 22 K. G. Marg, New Delhi 110001
- 33 State Bank of Patiala  
Credit Appraisal Department, 2nd Floor, Chanderlok Building, 36 Janpath,  
New Delhi 110001
- 34 State Bank of Travancore  
SBT House, 18/4 Arya Samaj Road, Karol Bagh, New Delhi 110005
- 35 Syndicate Bank  
C-Block Market, Paschimi Marg, Vasant Vihar, New Delhi 110057
- 36 Tata Motors Finance Corp. Ltd.  
2nd Floor | SCO 6, Main Market | Sec-16 | Faridabad-121003
- 37 The Jammu & Kashmir Bank Ltd  
63 D Basant Lok, Vasant Vihar, New Delhi 110057
- 38 The Karnataka Bank Ltd  
Ground floor, K-13, Chowdhry Building, Connaught Place, New Delhi 110001
- 39 The Karur Vysya Bank Ltd  
882 East Park Road, Karol Bagh, New Delhi 110005
- 40 The South Indian Bank  
6-3-805/d/G1, Ground floor, Dega towers, Somajiguda, Hyderabad 500082
- 41 UCO Bank  
Branch Office, Flagship Corporate Centre, 5 Parliament Street, New Delhi  
110001
- 42 Union Bank of India  
Corporate Credit & SME Department, Union Bank Bhawan, 239, Vidhan  
Bhavan Marg, Mumbai 400021
- 43 United Bank of India  
Corporate Finance Branch, 106-109, Ansal Tower, 1st Floor  
38, Nehru Place, New Delhi-110 019
- 44 Yes Bank Ltd  
48 Nyaya Marg, Chanakya Puri, New Delhi 110021
- 45 Vijaya Bank  
Residency Road Branch, Janardhan Towers No. 2, Bengaluru, Karnataka  
560025

MFG/2017/06/680

June 22, 2017

Dear Madam/ Sir,

**Minutes of meeting of Joint Lenders Forum of Jaiprakash Associates Limited (JAL) and Jaypee Cement Limited (JCCL)**

The minutes of Joint Lenders meeting held on June 22, 2017 at ICICI Securities Ltd. Mumbai are enclosed herewith for your record.

Yours faithfully,

For ICICI Bank Limited



Authorized Signatory

**Minutes of meeting of Joint Lenders Forum of Jaiprakash Associates Ltd.  
(JAL) and Jaypee Cement Corporation Ltd. (JCCL)**

Venue: ICICI Securities Ltd., ICICI Center, H.T.Parekh Marg, Churchgate, Mumbai-400020  
Date: June 22, 2017

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The meeting was chaired by Ms. Chanda Kochhar, MD & CEO, ICICI Bank & was attended by senior designates from lenders to JAL and JCCL. The list of attendees is enclosed.

1. MD & CEO, ICICI Bank, welcomed all the JLF members and thanked them for making it convenient to attend the meeting at a relatively short notice. She mentioned that the JLF has deliberated over resolutions for JAL & JCCL for a significant period of time and the stage where finalization of plans is necessary, has now been reached. Ms. Kochhar then requested Ms. Vishakha Mulye (Executive Director, ICICI Bank) and Mr. P. Suresh (General Manager, ICICI Bank) to take the discussion forward.
2. Ms. Mulye and Mr. Suresh expressed gratitude, once again, for attendance by a significant number of JLF members. They then proceeded to present the following to the attendees:
  - **Status of the UTCL transaction:** It was informed that all regulatory approvals necessary for transfer of assets and liabilities to UltraTech Cement Ltd. (UTCL) (*viz.* those from the Competition Commission of India (CCI), Securities & Exchange Board of India (SEBI), shareholder and creditor approvals, relevant benches (Mumbai and Allahabad) of the National Company Law Tribunal (NCLT), approvals for transfer of mining leases from all four state governments concerned) have been obtained by the relevant parties. The lenders were requested to facilitate closure of the transaction before June 30, 2017.
  - **JLF Proceedings:** Lenders were apprised that since the first JLF with respect to the proposed resolutions held on March 27, 2016, various activities have been completed. Principles of debt trifurcation and lender wise allocations thereof have been agreed upon (as captured in the presentation annexed hereto), the Techno Economic Viability (TEV) study has been completed and concurrence of the Independent Evaluation Committee (IEC) on the TEV of the residual business of JAL & JCCL (for B2A debt) and their approval on the restructuring proposal envisaged by the JLF lenders has been obtained on June 19, 2017.
  - **Way Forward:** It was informed that the 'Closing' of the UTCL transaction has been scheduled for June 29, 2017. For achieving the same, execution of necessary documents by the lenders coupled with release of all requisite charges on the cement assets identified for sale/transfer to UTCL, are critical in addition to other procedural requirements and activities. (Please refer to slide 4 of the appended presentation for details.) Lenders were requested to ensure that timelines for activities as mentioned in the presentation are adhered to.
3. Mr. Suresh then touched upon the process of decision making by JLFs as prescribed in the RBI Circular (RBI/2016-17/299-DBR.BP.BC.No.67/ 21.04.048/2016-17) dated May 5, 2017, on Timelines for Stressed Assets Resolution. He highlighted that as per the guidelines, approval by 50% of JLF members by number and 60% by value, is sufficient for approving a proposal. He also explained that as per the mailbox clarification provided by the Department of Banking Operations & Development (DBOD), RBI date June 9, 2017, the above mentioned percentages shall be calculated



**Jaiprakash Associates Ltd.**

**JLF MEETING - June 22, 2017**

**Agenda 1: Sale to UltraTech Cement Limited (UTCL)**

**Transfer of identified cement assets & liabilities to UTCL and authorization to security trustee for release of charge over such assets**

**Agenda 2 : Residual JAL/JCCL debt realignment**

**Restructuring of sustainable debt (B2A) and transfer of balance unsustainable debt (B2B) to a 100% SPV of JAL (RE-SPV) / Debt Asset Swaps**

(₹ billion)

S. No.	Bank / FI	Total debt Sep 30, 2016	Present	Agenda 1 (Y/ N)	Agenda 2 (Y/ N)	Name	Designation	Signature
1	SBI	76.92	Y	Y	Y	S. K. PRADHAN	GM	
2	ICICI Bank	60.57	Y	Y	Y			
3	IDBI Bank	34.13	Y	Y	—	K. K. Upadhyay	GM	
4	Axis Bank	18.13	Y	Y	Y			
5	LIC	16.65	Y	Y	Y	P. SRI DHARADAO	CHIEF	
6	Yes Bank	15.15	Y	Y	Y			
7	SCB	13.65	Y	Y	Y	SUNIL PRADHU	HEAD - C.SAM	
8	Canara Bank	13.64	N					
9	Bank of Maharashtra	9.78	Y	Y	Y	S J Marathe	By Gen. Manager	
10	Oriental Bank of Commerce	7.09	Y	Y	Y	Ashok Gupta	By Gen. Manager	
11	IFCI	5.97	Y	Y	Y	Vishnu Shankar	Manager	
12	IndusInd Bank	5.44	Y	Y	Y			
13	Uco Bank	4.96	N			S. S. Chaharade	DGM	
14	South Indian Bank	3.51	Y	Y	Y	Gen. Sivakumar	EVP Credit	
15	SIDBI	2.97	N					
16	J&K Bank Limited	2.89	N					
17	Punjab & Sind Bank	2.83	N					
18	Indian Overseas Bank	2.79	N			T. V. Basavar	A. G. M.	
19	Karnataka Bank	2.57	Y	Y	Y			
20	L&T Finance	2.21	Y	Y	Y			
21	Syndicate Bank	2.19	N			K. J. Banerjee	GM CO. (CRS)	
22	Karur Vysya Bank	1.99	Y	Y	Y			
23	United Bank	1.93	Y	Y	N			
24	Bank of India	1.60	N			R. N. Hantchandani	DA, IC. 45.	
25	Bank of Baroda	1.58	N					
26	Lakshmi Vilas Bank	1.38	N					
27	EXIM Bank	1.34	Y	Y	Y	TARUN SHARMA	General Mgr	
28	Allahabad Bank	1.14	N					
29	Corporation Bank	1.05	N					



30	Punjab National Bank	1.01	Y	Y	Y			
31	Barclays	0.54	N					
32	Central Bank of India	0.32	N					
33	Union Bank of India	0.17	Y	Y	Y			
34	SREI	0.03	Y	Y	Y			
35	Tata Motors	0.02	N					
	<b>Grand Total*</b>	<b>318.10</b>						

*\*Including working capital*

Particulars	Present	Required	%age	Agenda 1	%age	Agenda 2	%age
By Number	20	10	50%	20	100%	18	90%
By Value (₹ billion)	278.21	166.92	60%	278.21	100%	242.14	87%

**Jaiprakash Associates Ltd.**

**JLF MEETING - June 22, 2017**

**Agenda 1: Sale to UltraTech Cement Limited (UTCL)**

**Transfer of identified cement assets & liabilities to UTCL and authorization to security trustee for release of charge over such assets**

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(₹ billion)

S. No.	Bank / FI	Total debt Sep 30, 2016	Present	Agenda 1 (Y/N)	Agenda 2 (Y/N)	Name	Designation	Signature
1	SBI	76.92	Y	Y	Y	S.K. PRADHAN	GM	
2	ICICI Bank	60.57	Y	Y	Y			
3	IDBI Bank	34.13	Y	Y				
4	Axis Bank	18.13	Y	Y	Y	ANIL AGARWAL	EVP	
5	LIC	16.65	Y	Y	Y			
6	Yes Bank	15.15	Y	Y	Y	Sanjay D. Polc	Scrp	
7	SCB	13.65	Y	Y	Y			
8	Canara Bank	13.64	N					
9	Bank of Maharashtra	9.78	Y	Y	Y			
10	Oriental Bank of Commerce	7.09	Y	Y	Y			
11	IFCI	5.97	Y	Y	Y	Nishant	Manager	
12	IndusInd Bank	5.44	Y	Y	Y	Anant Anand	VP	
13	Uco Bank	4.96	N					
14	South Indian Bank	3.51	Y	Y	Y			
15	SIDBI	2.97	N					
16	J&K Bank Limited	2.89	N					
17	Punjab & Sind Bank	2.83	N					
18	Indian Overseas Bank	2.79	N					
19	Karnataka Bank	2.57	Y	Y	Y	Nagaraj	S.M	
20	L&T Finance	2.21	Y	Y	Y	Shreshth Puri	Team Manager	
21	Syndicate Bank	2.19	N					
22	Karur Vysya Bank	1.99	Y	Y	Y	JAYARAJ THOORA	DGM	
23	United Bank	1.93	Y	Y	N	D. Mukherjee	GM	
24	Bank of India	1.60	N					
25	Bank of Baroda	1.58	N					
26	Lakshmi Vilas Bank	1.38	N					
27	EXIM Bank	1.34	Y	Y	Y			
28	Allahabad Bank	1.14	N			Vipul Singh	Asst. M.	
29	Corporation Bank	1.05	N					

30	Punjab National Bank	1.01	Y	Y	Y	N K Sharma	AGM	<del>AS</del>
31	Barclays	0.54	N					
32	Central Bank of India	0.32	N					
33	Union Bank of India	0.17	Y	Y	Y	E Mahendran	CM	Quarant
34	SREI	0.03	Y	Y	Y	A.S. Rajamat	Manager	AE
35	Tata Motors	0.02	N					
<b>Grand Total*</b>		<b>318.10</b>						

\*Including working capital

Particulars	Present	Required	%age	Agenda 1	%age	Agenda 2	%age
By Number	20	10	50%	20	100%	18	90%
By Value (₹ billion)	278.21	166.92	60%	278.21	100%	242.14	87%

**Jaypee Cement Corporation Ltd.**

**Agenda 1: Sale to UltraTech Cement Limited (UTCL)**

**Transfer of identified cement assets & liabilities to UTCL and authorization to security trustee for release of charge over such assets**

**Agenda 2 : Residual JAL/JCCL debt realignment**

**Restructuring of sustainable debt (B2A) and transfer of balance unsustainable debt (B2B) to a 100% SPV of JAL (RE-SPV) / Debt Asset Swaps**

S. No.	Bank / FI	Total debt Sep 30, 2016	Present	Agenda		Name	Designation	Signature
				Agenda 1 (Y/N)	Agenda 2 (Y/N)			
						₹ billion)		
1	Yes Bank	6.86	Y	Y	Y	Sanjay D. Palre	SGP	
2	Punjab National Bank	5.48	Y	Y	Y	N K Sharma	AGM	
3	SBI	3.79	Y	Y	Y	S. K. PRADHAN	GM	
4	Axis Bank	2.19	Y	Y	Y	ANIL KUMAR	EVP	
5	Corporation Bank	1.52	N					
6	Allahabad Bank	1.44	N					
7	South Indian	1.00	Y	Y	Y	G. Sivabalan	EVP Credit	
8	Dena Bank	0.97	Y	Y	Y	RK Bhardwaj	FGM	
9	Andhra Bank	0.62	N			NARESH K DHANAN	DGM	
10	J&K Bank Limited	0.59	N					
11	Indian Bank	0.58	N					
12	Bank of Baroda	0.55	N			R A Pal.	AGM	
13	Vijaya Bank	0.36	N			V. Srinivasulu	AGM	
14	Punjab & Sind Bank	0.35	N					
	<b>Grand Total</b>	<b>26.29</b>						

Particulars	Present	Required	%age	Agenda 1	%age	Agenda 2	%age
50% by number	6	3	50%	6	100%	6	100%
60% by value ₹ billion)	20.29	12.17	60%	20.29	100%	20.29	100%

**DRAFT**  
**SCHEME OF ARRANGEMENT**  
**BETWEEN**  
**JAIPRAKASH ASSOCIATES LIMITED**  
**(TRANSFEROR COMPANY)**  
**AND**  
**JAYPEE INFRASTRUCTURE DEVELOPMENT LIMITED**  
**(TRANSFeree COMPANY)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

THIS SCHEME IS DIVIDED INTO FOLLOWING PARTS:

- PART – I : INTRODUCTION  
PART – II : DEFINITIONS  
PART – III : CAPITAL STRUCTURE  
PART – IV : TRANSFER AND VESTING  
PART – V : CONSIDERATION  
PART – VI : ACCOUNTING TREATMENT  
PART – VII : GENERAL TERMS AND CONDITIONS

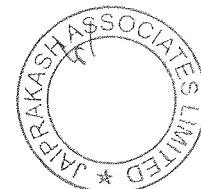
**PART – I**  
**INTRODUCTION**

- 1.01 Jaiprakash Associates Limited [Transferor Company] was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. The registered office of the Company is presently situate at Sector 128, NOIDA-201 304, Uttar Pradesh.
- 1.02 Jaiprakash Associates Limited [Transferor Company] is a multi-activities company having diverse business interests. It is engaged in the business of Civil Engineering Construction, manufacture & marketing of Cement; Asbestos Sheets; manufacture, supply and repairing of various heavy equipments and structures in its Heavy Engineering Workshop; production of



different kinds of Hi-tech Castings; Hospitality and Real Estate business, etc. It is a widely held public limited company and its shares are listed on National Stock Exchange of India Limited and BSE Limited.

- 1.03 Jaypee Infrastructure Development Limited [Transferee Company] was originally incorporated on 20-10-2012 as a public limited company under the Companies Act, 1956 in the State of Uttar Pradesh under the name of Jaypee Cement Cricket (India) Limited. The Company received Certificate of Commencement of Business on 23-10-2012. Its name was changed to its present name with effect from 21-02-2017. The company after alteration of its object clause with effect from 21-02-2017 is entitled to carry on the business of development of real estate business. It is a wholly-owned subsidiary of Jaiprakash Associates Limited [Transferor Company].
- 1.04 This Scheme of Arrangement provides for the demerger of “SDZ Real Estate Development Undertaking” of Jaiprakash Associates Limited [Transferor Company] and its transfer to and vesting in Jaypee Infrastructure Development Limited [Transferee Company], as a going concern on a slump exchange basis and in accordance with the terms mentioned in this Scheme pursuant to Sections 230-232 and other applicable provisions of the Companies Act, 2013.
- 1.05 This Scheme of Arrangement has been prepared to give effect to a part of the Comprehensive Debt Realignment Proposal (DRP) for Jaiprakash Associates Limited and Jaypee Cement Corporation Limited (JCCL), subsidiary of Jaiprakash Associates Limited, pursuant to DRP approved by the Joint Lenders Forum at their meeting held on 22.06.2017 by requisite majority as per RBI Circular No. RB/2016-17/229-DBR.BP.BC.No.67/21.04.048/2016-17 dated 5th May, 2017. The DRP is thus binding on all the member banks of the Joint Lenders Forum. The member banks of the Joint Lenders Forum are secured and unsecured creditors of the Transferor Company and part of their outstanding loans/dues, which are attributable to the demerged undertaking, will stand transferred to the Transferee Company in terms of this Scheme.
- 1.06 The Scheme will benefit the Transferor Company and the Transferee Company and their respective shareholders and also the creditors in various ways including the following–
- (i) The debt burden and consequently recurring interest liability of the Transferor Company shall stand substantially reduced, which will help in addressing the cash flow mismatch which the Transferor Company has been



facing in recent years through restructured repayment of debt and corresponding interest rates.

(ii) The land parcel forming part of SDZ Real Estate Development Undertaking of Transferor Company is proposed to be demerged from the Transferor Company and transferred to and vested in the Transferee Company. The Transferor Company will be insulated from any headwinds that may occur in the business operations of the Transferee Company.

(iii) The Transferee Company is expected to be benefitted so that –

- it could carry out its business more conveniently with greater focus and attention.
- it will enable independent evaluation of transferred undertaking.

(iv) The Scheme will not adversely affect any class of creditors or the shareholders of either company.

## **PART – II DEFINITIONS**

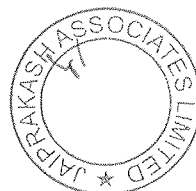
2.01 In this Scheme of Arrangement, unless inconsistent / repugnant with the subject, context or meaning thereof, the following words or expressions shall have the meaning as set out herein below:

- (a) **“Act”** means the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- (b) **“Appointed Date”** means the date from which the provisions of this Scheme shall become operational i.e. open of business on 01.07.2017 or such other date as fixed or approved by the Hon’ble National Company Law Tribunal;
- (c) **“Board” or “Board of Directors”** means the board of directors of the Transferee Company or of the Transferor Company, as the context may require, and shall include a committee of such Board duly constituted or any officer(s) thereof, duly authorized, by the Board;
- (d) **“Demerged Undertaking”** means the entire business of SDZ Real Estate Development Undertaking of the Transferor Company subject to specific provisions made in this Scheme as may be applicable, which will stand transferred to and vested in the Transferee Company in terms of this Scheme. The span and extent of the assets, liabilities, etc. which form part of the



Demerged Undertaking is more specifically described in Clause 4.01(ii) of this scheme and hence the ambit of the expression 'Demerged Undertaking' is to be read and understood as per description given in Clause 4.01(ii) of the Scheme;

- (e) **“Effective Date”** or **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”**, or **“Scheme becoming effective”** or the like expressions used in the Scheme mean the date on which the certified copy of the order of the Hon'ble National Company Law Tribunal having its branch at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. The 'effective date' is the date on which the Scheme will be put into force after completing the above formalities and will not in any way result in altering the 'appointed date';
- (f) **“Joint Lenders' Forum”** or **“Lenders Forum”** means the Forum constituted by the Lenders as per RBI Circular No. DBOD.BP.BC.No.97/ 21.04.132 / 2013-14 dated 26<sup>th</sup> February, 2014 representing all the Lenders;
- (g) **“NCLT”** means the Hon'ble National Company Law Tribunal having its Bench at Allahabad or such other Bench as may for the time being be having jurisdiction in the matter, or such other Tribunal, Court, Forum or Authority as may, for the time being be vested with the powers presently vested in the NCLT under sections 230-232 of the Act in relation to the sanction of Scheme of Arrangement;
- (h) **“Residual Business”** with respect to the Transferor Company means all the businesses and undertakings of the Transferor Company other than the business of the “Demerged Undertaking”;
- (i) **“Scheme”** means this Scheme in its present form as submitted to the NCLT or with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferee and the Transferor Companies in their meetings, if any, held as per the directions of the NCLT, or such modifications(s) as may be imposed by any competent authority and/or with such modifications as are directed to be made by the NCLT while sanctioning the Scheme, provided all such modifications are accepted by the respective Board of Directors of the Transferee and the Transferor Companies;
- (j) **“SDZ Real Estate Development Undertaking”** means the undertaking by that name which is owned by the Transferor Company and is engaged in the real estate development, which comprises of the business/activities of development of the land parcels and which is proposed to be demerged from the Transferor Company and transferred to and vested in the Transferee Company in terms of this scheme;





- (k) **“Shareholders”** with reference to the Transferor Company or the Transferee Company means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories, if shares are held in dematerialized form;
- (l) **“Transferee Company”** means Jaypee Infrastructure Development Limited [CIN: U70100UP2012PLC053203 and PAN: AACJ9967G] having its Registered Office at Sector – 128, NOIDA, Uttar Pradesh – 201304;
- (m) **“Transferor Company”** means Jaiprakash Associates Limited [CIN: L14106UP1995PLC019017 and PAN AABCB1562A] having its Registered Office at Sector – 128, NOIDA, Uttar Pradesh – 201304;
- (n) **Transferred Liabilities”** means the liabilities pertaining to the Demerged Undertaking as more elaborately described in Clause 4.01.

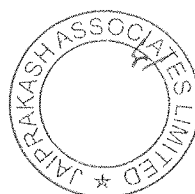
**PART - III**  
**CAPITAL STRUCTURE**

3.01 The authorized, issued, subscribed and paid up share capital of the Transferor Company as per its audited Balance Sheet as at 31<sup>st</sup> March, 2017 have been as under –

As at 31.03.2017

<b>AUTHORISED CAPITAL :</b>	Rs.
1609,40,00,000 Equity Shares of Rs. 2/each	3218,80,00,000
281,20,000 Preference Shares of Rs. 100/- each	281,20,00,000
<b>TOTAL</b>	<b>35,00,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL :</b>	
243,24,56,975 Equity shares of Rs.2/- each fully paid up	486,49,13,950
<b>TOTAL</b>	<b>486,49,13,950</b>

There has been no change in the above capital structure after 31.03.2017.



- 3.02 The authorized, issued, subscribed and paid up share capital of the Transferee Company as per its audited Balance Sheet as at 31<sup>st</sup> March, 2017 has been as under –

As at 31.03.2017

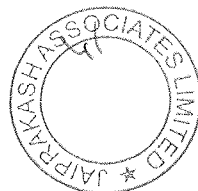
Particulars	Amount Rs.
<b>AUTHORISED CAPITAL :</b>	
10,00,00,000 Equity Shares of Rs.10/- each	100,00,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL :</b>	
50,000 Equity Shares of Rs.10/- each fully paid – up	5,00,000

There has been no change in the above capital structure after 31.03.2017.

- 3.03 The equity shares of the Transferor Company are listed on Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.
- 3.04 The entire share capital of the Transferee Company is beneficially held by the Transferor Company. The Transferee Company is a wholly-owned subsidiary of the Transferor Company. The shares of the Transferee Company are not listed on any Stock Exchange.

#### **PART – IV** **TRANSFER AND VESTING**

- 4.01 (i) Upon this Scheme coming into effect but with effect from the Appointed Date, the Demerged Undertaking [as defined and described in sub-clause (ii) below] shall stand demerged from the Transferor Company and such Demerged Undertaking, in its entirety, shall simultaneously stand transferred to and vested in the Transferee Company, as a going concern on a slump exchange basis, without any further act, instrument or deed and pursuant to the provisions of Sections 230-232 of the Act, and all the properties, estate, assets, rights, title, interest, authorities and privileges and with all liabilities and obligations, which arise out of the activities and operations and pertain to or are part of the said Undertaking, so as to become, as and from the Appointed Date, the business and properties, estate, assets, rights, title, interest, authorities and privileges and all liabilities and obligations etc. of the Transferee Company, subject to such specific provisions made in this Scheme as may be applicable.
- (ii) Subject to specific provisions made in this Scheme as may be applicable and without prejudice to the generality of the definition of expression the



**“Demerged Undertaking”** given under the definition clause of the Scheme, the Demerged Undertaking shall mean and include –

(a) all the works, offices and other establishments, including projects under implementation, and all businesses, operations and activities pertaining to SDZ Real Estate Development Undertaking of the Transferor Company;

(b) all the properties pertaining to the above Undertaking (whether movable or immovable, tangible or intangible, corporeal or incorporeal, freehold or leasehold, and wherever situated) and Land, buildings and structures, capital work in progress, project under development, furniture, fixtures, office equipments, appliances, accessories, stocks, sundry debtors, loans and advances and other receivables including bills of exchange and promissory notes and other such instruments, security deposits and other deposits, cash and bank balances, contingent rights or benefits, financial assets, licences, and other leases and leasehold rights of all and every kind, hire purchase contracts and assets, right to use trademarks, designs, copy rights, benefits and rights under all contracts and agreements including loan agreements, security arrangements, arrangements of all kind, benefits of assets or properties or other interest held in trust, reversions, allotments, approvals, permissions, permits, quotas, rights, entitlements, credits, authorizations, licenses, registrations, exemptions, concessions, remissions, benefits, privileges and rights under various laws including Trade Tax/Commercial Tax/Sales Tax/ VAT, Entry Tax, Service Tax, Goods & Services Tax Laws, Income Tax, Wealth Tax etc. and the rules and regulations framed and notifications or orders issued thereunder, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, all records, files, papers, computer programmes, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company in respect of the said SDZ Real Estate Development Undertaking;

(c) all loans and all other debts, advances, sundry creditors, liabilities and provisions, encumbrances and other obligations, including contingent liabilities, whether secured or unsecured, (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may become due at any time in future, whether provided for or not and whether known or unknown, pertaining to the said SDZ Real Estate Development Undertaking [hereinafter referred to as the **“Transferred Liabilities”**]. This clause is subject to following clarification-

(a) The liability for payment of all installments towards the premium and external development cost of the land forming part of the Demerged Undertaking and interest thereon, if any, which might have become due prior to the appointed date or which may become due after the



appointed date, shall continue to be the liability of the Transferor Company and will not form part of the Transferred Liabilities.

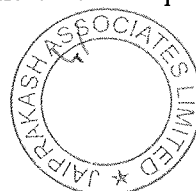
It is hereby clarified that in case of contingent liability (whether contested or not) including but not limited to liability relating to acquisition, compensation and/or development or otherwise, of the land which is known as on the Effective Date, the crystallised liability arising out of such contingent liability, whether due to the contest of the same or otherwise, shall be borne by the Transferor Company. However, any liability (including contingent liability) which is known after the Effective Date, it shall be borne/contested by the Transferee Company.

- (b) The lease rent, taxes and other dues payable in respect of above land which pertain to the period prior to the appointed date will be the liability of the Transferor Company and shall not form part of the Transferred Liabilities. All such dues pertaining to the period after the appointed date shall also be payable by the Transferor Company upto the period the land or any part of the land or right therein, is retained in the Transferee Company or the Transferor Company divests its control / majority shareholding from the Transferee Company, whichever is earlier.

4.02 Without prejudice to the generality of Clause 4.01(i), upon the Scheme becoming effective but with effect from the Appointed Date:

(i) All assets and properties of the Demerged Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement or acknowledgement of possession and/or delivery, the same may be so transferred by the Transferor Company, and shall, upon such transfer, become the assets and properties of the Transferee Company and title to the property will be deemed to have been transferred accordingly without any further act, instrument or deed and pursuant to the provisions of sections 230-232 of the Act;

(ii) All movable properties of the Demerged Undertaking, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances and receivables, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi Government, local and other authorities and bodies, customers and other persons, will become the properties of the Transferee Company without any further act, instrument or deed and pursuant to the provisions of sections 230-232 of the Act. The Transferor Company and the Transferee Company shall accordingly, jointly or severally as may be decided by them, intimate the concerned parties that pursuant to the NCLT having sanctioned this Scheme the said debts, loans, advances or deposits pertaining to the Demerged Undertaking stand transferred to the Transferee Company and be paid and/or



made good to or be held on account of the Transferee Company as the person entitled thereto;

(iii) All immovable properties (including land and all the buildings and structures, if any) of the Demerged Undertaking, whether freehold or leasehold and all documents of title, rights and easements in relation thereto, will stand transferred to and be vested in the Transferee Company, without any further act, instrument or deed and pursuant to the provisions of sections 230-232 of the Act. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to fulfill all obligations, in relation to or applicable to such immovable properties;

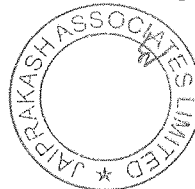
(iv) All the Transferred Liabilities will become the liabilities and obligations of the Transferee Company without any further act, instrument or deed and pursuant to the provisions of sections 230-232 of the Act, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

#### 4.03 Upon the Scheme becoming effective -

(i) All the assets and properties (whether movable or immovable, tangible or intangible, corporeal or incorporeal), acquired by the Transferor Company after the Appointed Date and up to the Effective Date, in the normal course of conducting the business of the Demerged Undertaking, shall also stand transferred to and vested in the Transferee Company as part of the Demerged Undertaking without any act, instrument or deed and pursuant to the provisions of sections 230-232 of the Act.

(ii) All loans, debts, liabilities, duties and obligations incurred by the Transferor Company in the normal course of conduct of the business of the Demerged Undertaking after the Appointed Date and up to the Effective Date, shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent the same are outstanding on the Effective Date, shall also, without any further act, instrument or deed and pursuant to sections 230-232 of the Act, stand transferred to the Transferee Company as part of the Demerged Undertaking and will become the loans, debts, liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same. Such loans, debts, liabilities, duties and obligations shall also form part of the Transferred Liabilities as referred to in Clause 4.02 (iv) above.

(iii) Where any of the loans, debts, liabilities, duties and obligations of the Demerged Undertaking as on the Appointed Date, which are deemed to have been transferred to the Transferee Company, have been discharged by the Transferor Company after the Appointed Date and up to the Effective Date,



such discharge shall be deemed to have taken place for and on account of the Transferee Company.

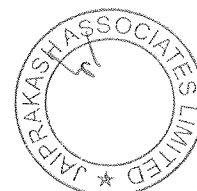
4.04 Subject to provisions contained in Clause 4.05, the existing security or charge in favour of the secured creditors, if any, shall remain unaffected and shall continue to remain valid and in full force even after the demerger of the Demerged Undertaking from the Transferor Company and their transfer to and vesting in the Transferee Company. Restructuring of all such security or charge and reallocation of existing credit facilities granted by the secured creditors becoming necessary after the Appointed Date or the Effective Date, as the case may be, and subject to provisions made in this Scheme, shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of the Transferor and the Transferee Companies.

4.05 Notwithstanding anything contained in Clause 4.04 above, it is provided that –

(a) In so far as the existing encumbrances in respect to the Demerged Undertaking are concerned, such encumbrances shall without any further act, instrument or deed, be modified and shall be extended to and shall operate over the assets comprised in the Demerged Undertaking which has been encumbered in respect of the Transferred Liabilities as transferred to the Transferee Company pursuant to this Scheme. If any of the assets, comprised in the Demerged Undertaking, which are being transferred to the Transferee Company pursuant to this Scheme, have not been encumbered in respect of the Transferred Liabilities, such assets shall remain unencumbered.

(b) In so far as the assets comprising only of the remaining business of the Transferor Company is concerned, the encumbrances over such assets, shall, as and from the Effective Date, without any further act, instrument or deed, be released and discharged only to the extent the same have been created in relation to the Transferred Liabilities. All other encumbrances over such assets comprising the remaining business of the Transferor Company (other than in relation to the Transferred Liabilities) shall continue in full force and effect.

(c) In so far as the assets comprised in the Demerged Undertaking is concerned, the encumbrances over such assets relating to any loans, borrowings or other debts and other securities which are not being transferred to the Transferee Company pursuant to this Scheme (and shall continue with the Transferor Company), shall without any further act or deed, be released from such encumbrances and shall no longer be available as security in relation to such loans, borrowings or other debts not being transferred to the Transferee Company.



(d) The guarantors who have given personal guarantees in respect of any of the transferred liabilities shall stand released and discharged from their personal guarantees and shall not be liable for any claims, whether arising in the past or in present or in future in respect of such transferred liabilities or any part thereof.

(e) The secured creditors and the Transferor Company and the Transferee Company shall execute necessary documents, as may be required by the secured creditors and to their satisfaction, and shall file the required forms/returns/ intimations/reports etc. with the Registrar of Companies and other authorities concerned as per applicable laws and the cost and expense of all such actions including stamp duty, will be borne by the party which in law and/or as per applicable laws is required to bear such cost and expense.”

4.06 Upon the Scheme becoming effective, the Transferee Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities, and the Transferor Company will not have any obligations in respect of the Transferred Liabilities. The Transferee Company undertakes to indemnify the Transferor Company if it is made to discharge any such liability after the effective date. It is, however, made clear that this undertaking on the part of the Transferee Company is only towards the Transferor Company and shall not affect the right of the Transferee Company to question the existence, genuineness or the quantum of such liability or obligation to the claimant.

4.07 Upon the Scheme becoming effective -

(i) All contracts, deeds, bonds, agreements and other instruments including memoranda of understandings, arrangements, undertakings, schemes, agreements, leases and tenancies, leave and licence agreements and all other agreements of whatsoever nature, pertaining to the Demerged Undertaking and/or pertaining to business activities and operations of the Demerged Undertaking and to which the Transferor Company is a party, which are subsisting or having effect immediately before the Effective Date, shall remain in full force and effect, in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee.

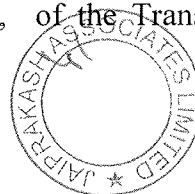
(ii) The transfer and vesting of the Demerged Undertaking in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.

4.08 Upon the Scheme becoming effective, all licences, no-objection certificates, permissions, approvals, sanctions, consents, authorizations, registrations,



quotas, rights, entitlements, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto [including those under the laws pertaining to Trade Tax/ Commercial Tax/ Sales Tax/ VAT, Entry Tax, Service Tax, Shops and Commercial Establishments, Goods & Services Tax Laws, Income Tax, and other laws and rules and regulations framed and notifications and orders issued thereunder], pertaining to the Demerged Undertaking or the business activities and operations thereof, which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company and shall be deemed to constitute separate licence etc. in the name and for the benefit of the Transferee Company with effect from the Effective Date, pursuant to the provisions of sections 230-232 of the Act and without any further act or deed by the Transferor Company and/or the Transferee Company and such licences etc. shall be appropriately mutated/ transferred/ changed/ modified/ endorsed/ split up by the competent authorities concerned in the name and for the benefit of the Transferee Company as soon as the Scheme becomes effective without any hindrance so as to enable the Transferee Company to continue to carry on the operations of the Demerged Undertaking without any interruption, difficulty or disadvantage and in the same manner and with same privileges and benefits as was being carried on by the Transferor Company before the Effective Date. However, if any such licenses etc. as referred to above, are for the benefit of or applicable to or govern the operations of the Demerged Undertaking as well as the remaining business of the Transferor Company, then upon the Scheme coming into effect, the same shall be deemed to have been automatically split up without any further act, instrument or deed by the Transferor Company or the Transferee Company so as to appropriately apply to or govern the operations of the Demerged Undertaking and the remaining business of the Transferor Company, separately without putting either of them to any disadvantage of whatsoever nature. The competent authorities concerned shall take appropriate action to split up/ change/ modify/ endorse the said licenses etc. to give effect to these provisions and to ensure the continuation of operations of the Demerged Undertaking as well as the remaining business of the Transferor Company without any interruption, difficulty or disadvantage. The Transferee Company and/or the Transferor Company shall file appropriate intimations, where ever required, for the record of the competent authorities concerned who shall take the same on record and make the necessary changes and modifications in the relevant records pursuant to the sanction of the Scheme.

- 4.09 Upon the Scheme becoming effective, all taxes, duties, cess, etc payable by the Transferor Company relating to the Demerged Undertaking and all or any refunds/credits/claims under various laws including laws pertaining to Trade Tax/ Commercial Tax/ Sales Tax/VAT, Entry Tax, Service Tax, Goods & Services Tax Laws, Income Tax, Wealth Tax, etc., and the rules and regulations framed and notifications and orders passed thereunder, pertaining to the Demerged Undertaking shall be treated as the liability or refunds/ credits/ claims, as the case may be, of the Transferee Company. The





Transferor Company and the Transferee Company shall be entitled, wherever necessary, to revise their returns filed under various laws, as may be applicable, including returns filed under the Income Tax, Wealth Tax, Commercial Tax/ Trade Tax/ Sales Tax/ VAT, Entry Tax, Goods & Services Tax Laws, and also, without limitation, the TDS/TCS certificates. It is clarified that the taxes paid by the Transferor Company relating to the period on or after the Appointed Date whether by way of deduction at source or advance tax, which pertain to the Demerged Undertaking, will be deemed to be the taxes paid by the Transferee Company and the Transferee Company shall be entitled to claim credit for such taxes deducted/paid against its tax liabilities notwithstanding that the certificates/challans or other documents for payment of such taxes are in the name of the Transferor Company.

- 4.10 Upon the Scheme becoming effective, all tax holiday benefits, exemptions, concessions, incentives and other benefits enjoyed by or available in respect of works and business activities and operations of the Demerged Undertaking as on the Effective Date, under any law including Income Tax Act and Laws relating to Commercial Tax/ Trade Tax/ Sales Tax/VAT, Entry Tax, Service Tax, Goods & Services Tax Laws, etc. and rules and regulations framed and notifications and orders issued thereunder, shall continue to remain available to and enjoyed by the Transferee Company in respect of such works and business activities etc. of the Demerged Undertaking after the Effective Date in the same manner and to the same extent as were being availed and enjoyed by the Transferor Company before the Effective Date. The right of the Transferee Company to avail and enjoy such tax holiday benefits, exemptions, concessions, incentives and other benefits etc. under such laws shall not be prejudiced or otherwise adversely affected in any manner whatsoever, merely on the ground of transfer of the Demerged Undertaking from the Transferor Company to the Transferee Company in terms of this Scheme. All such benefits shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all such benefits under the applicable laws. The Transferor Company and/or the Transferee Company may file appropriate intimations, where ever required, for the record of the competent authorities concerned who shall take the same on record and make the necessary changes and modifications in the relevant records pursuant to the sanction of the Scheme.
- 4.11 If on the Effective Date, any suit, appeal or other proceedings of whatsoever nature [whether civil or criminal and whether pending in any court or before any statutory or judicial or quasi-judicial authority or tribunal] including proceedings under various tax laws pertaining to the Demerged Undertaking, by or against the Transferor Company are pending, the same shall not abate, or discontinued or in any way be prejudicially affected by reason of this Scheme coming into effect and all such proceedings may be continued, prosecuted and enforced, by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, if this Scheme had not come



into effect. The Transferee Company shall get itself substituted in all such legal or other proceedings in place of the Transferor Company and take all steps as may be necessary to have the proceedings continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company. All subsequent legal and other proceedings pertaining to any matters concerning the Demerged Undertaking, after the Effective Date, shall be initiated by or against the Transferee Company to the exclusion of the Transferor Company. The Transferee Company shall bear all costs, charges and consequences arising out of such legal and other proceedings and shall keep the Transferor Company indemnified and harmless, if the Transferor Company is made to bear any such costs, expenses and consequences.

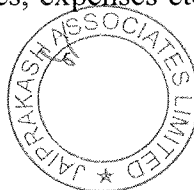
4.12 Upon the Scheme becoming effective,

(i) All the employees engaged in or in relation to the business activities and operations of the Demerged Undertaking who are in service of the Transferor Company on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting as on the Effective Date. The Transferee Company shall also accept and abide by any change in terms and conditions that may be agreed / effected by the Transferor Company with all or any of such employees between the Appointed Date and the Effective Date.

(ii) The Transferee Company shall continue to abide by any agreements / settlements entered into by the Transferor Company in respect of Demerged Undertaking with any Union/ representatives of the employees.

(iii) The existing provident fund, gratuity fund, ESI, pension/ superannuation fund/ scheme or any other special scheme, fund or trust created by the Transferor Company or existing for the benefit of the employees of the Undertaking shall, at an appropriate stage, be transferred to the Transferee Company and till such time, shall be maintained separately.

4.13 With effect from the Appointed Date and up to the Effective Date, the Transferor Company shall stand possessed of all the assets and properties of the Demerged Undertaking and shall carry on and be deemed to have carried on the business and activities in relation to the said Undertaking in trust for and for the benefit of the Transferee Company. The Transferor Company shall carry on the business of the Demerged Undertaking with reasonable diligence and in the same manner as it had been doing hitherto and shall not, without the concurrence of the Transferee Company, alienate, charge or encumber any of the properties of the Demerged Undertaking except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the Appointed Date. All profits/incomes earned or accruing, or losses arising or incurred by the Transferor Company in relation to the Demerged Undertaking and all receipts, payments, costs, charges, expenses etc. in relation to the said



Undertaking shall for all purposes be treated as the profits/incomes, losses, receipts, payments, costs, charges, expenses etc., as the case may be, of the Transferee Company.

- 4.14 All the residual business of the Transferor Company and all the assets and liabilities and obligations, etc. pertaining to such residual business, shall continue to belong to and vested in the Transferor Company and will not be affected in any way by this Scheme. The Transferor Company will carry on and shall be deemed to have been carrying on the residual business, for and on its own behalf and all profits and losses arising (including the effect of taxes, inclusive of advance tax paid if any) in respect of such business shall for all purposes be treated as the profits or losses, as the case may be, of the Transferor Company alone.
- 4.15 (i) In case any proceedings are taken against the Transferee Company in respect of any matters pertaining to residual business of the Transferor Company, then the Transferee Company shall defend the same at the cost, expense and risk of the Transferor Company and the latter shall reimburse and indemnify the Transferee Company against all costs, expenses, liabilities and obligations incurred in respect thereof.
- (ii) In case any proceedings are taken against the Transferor Company in respect of any matters pertaining to the Demerged Undertaking after the effective date, then the Transferor Company shall defend the same at the cost, expense and risk of the Transferee Company and the latter shall reimburse and indemnify the Transferor Company against all costs, expenses, liabilities and obligations incurred in respect thereof.
- 4.16 Since the transfer of the Demerged Undertaking will take effect in the State of U.P. pursuant to the order of Hon'ble NCLT under sections 230-232 of the Act, the Transferor Company and the Transferee Company, [which is a wholly-owned subsidiary of the Transferor Company as its entire issued share capital is beneficially held by the Transferor Company], the Transferor Company and the Transferee Company shall avail the stamp duty exemption/remission under the Notification No. 599/X-501 dated 25-03-1942.
- 4.17 (i) If at any time after the Scheme becomes effective, any documents, instruments or deeds are required to be executed by the Transferor Company to meet the requirement of any law or to give effect to any provisions of this Scheme or desired by the Transferee Company so as to perfect its title to any of the assets and properties transferred to and vested in it in terms of this Scheme, then the Transferor Company shall cooperate in the execution of the same at the cost and expense of the Transferee Company.
- (ii) The Transferee Company may, at any time after the Scheme coming into effect, if so required under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other

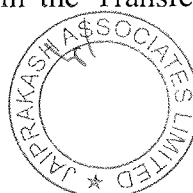


documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances as referred to above on part of the Transferor Company to be carried out or performed but at its own cost and expense.

- 4.18 Upon the Scheme becoming effective, the Transferee Company and/or the Transferor Company, at the cost and expense of the Transferee Company, shall secure the change in record of rights and any other records relevant for mutating the legal ownership of any immovable property or other properties of whatsoever nature, which shall stand transferred to and vested in the Transferee Company in terms of this Scheme.
- 4.19 It is clarified that if for any reason whatsoever, any of the assets or rights of whatever nature, including contracts, deeds, bonds, agreements and other instruments, pertaining to the business activities and operations of the Demerged Undertaking, which are required to be transferred to and vested in the Transferee Company in terms of this Scheme, cannot be so transferred to and vested in the Transferee Company as and when the Scheme becomes effective, then the Transferor Company shall continue to hold such assets or rights in trust and for the benefit of the Transferee Company, until the same are transferred to and vested in the Transferee Company but the cost and expenses incurred by the Transferor Company in holding such assets or rights shall be borne by the Transferee Company.
- 4.20 After the Effective Date and as soon as possible, the Transferor Company shall handover to the Transferee Company all the relevant records, title deeds, contracts, agreements, licences, instruments, and all other documents and information pertaining to the assets, properties, rights, privileges, liabilities and obligations etc. of the Demerged Undertaking which shall stand transferred to and vested in the Transferee Company in terms of this Scheme.
- 4.21 The Scheme provides for the demerger of the Demerged Undertaking as a going concern on a slump exchange basis with effect from the Appointed Date and nothing contained in any of the clauses of this Scheme shall be construed to imply transfer i) of individual assets and liabilities or any combination thereof not constituting a business activity, or ii) with effect from a date other than the Appointed Date.

## **PART – V** **CONSIDERATION**

- 5.01 The Transferee Company shall issue and allot 1,00,000 equity shares of the face value of Rs. 10 each fully paid up in the Transferee Company to the



Transferor Company in consideration of transfer of the demerged undertaking to the Transferee Company as recommended by the Valuer. The shares so issued and allotted shall rank pari passu with the existing shares in all respects and shall be subject to provisions contained in the Memorandum and Articles of Association of the Transferee Company.

## PART – VI ACCOUNTING TREATMENT

### 6.01 Accounting Treatment by the Transferor Company:

The Transferor Company shall record the transfer of all assets and liabilities of the Demerged Undertaking contemplated to be transferred under this Scheme to the Transferee Company at their respective carrying values.

The Transferor Company shall record the consideration by way of equity shares of the Transferee Company at their nominal value. The excess of the aggregate of the liabilities and the consideration so recorded over the assets so recorded shall be credited to Capital Reserve.

### 6.02 Accounting Treatment in the books of the Transferee Company:

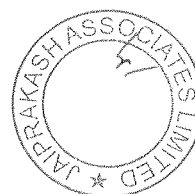
(i) All the assets (tangible or intangible) and liabilities forming part of the Demerged Undertaking, which are transferred to and vested in the Transferee Company pursuant to this Scheme, shall be recorded in the books of the Transferee Company at the values appearing in the books of the Transferor Company immediately before the demerger.

(ii) The shares issued to the Transferor Company shall be recorded at their nominal value.

(iii) The excess of the aggregate of the liabilities and the nominal value of the equity shares issued over the assets shall be debited to Goodwill.

6.03 The Transferor Company and the Transferee Company shall abide by the applicable accounting standards, if any, and be guided by the generally accepted accounting principles and practices and the advice of the statutory auditors, if necessary, for giving effect to the transfer and vesting of the Demerged Undertaking as contemplated in this Scheme.

6.04 The Transferor Company shall provide all information, records, documents, contracts, deeds etc. to the Transferee Company as may be required by it to properly incorporate, account for and take on record, the assets, liabilities, income, expenses, profits, losses, transactions etc. pertaining to the Demerged Undertaking and to take all consequential actions as may be required.



**PART – VII**  
**GENERAL TERMS AND CONDITIONS**

7.01 The effectiveness of the Scheme is conditional upon and subject to –

(i) Requisite approval of the Scheme by the shareholders and/or creditors of the Transferee Company and the Transferor Company, by postal ballot/e-voting and/or at the meetings, if convened by the Hon'ble NCLT, in accordance with relevant provisions of the Act, being obtained. However, if any or all such meetings are dispensed with by the Hon'ble NCLT in view of consent affidavits or letters of no objections of shareholders and/or the creditors concerned or for any other reasons, then no further approval of such shareholders or creditors will be necessary for the above purpose. Transferor Company shall comply with the provisions of SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017, to the extent applicable.

As per Para 9 of the said SEBI circular dated 10<sup>th</sup> March 2017, the Scheme provides for voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement to be sent to the shareholders for approval of the Scheme.

The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by them against the Scheme.

(ii) Sanction of the Scheme by the Hon'ble NCLT in terms of sections 230-232 and other relevant provisions of the Act, being obtained.;

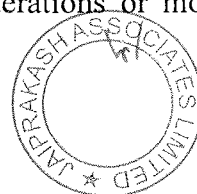
Subject to above approvals/ sanctions, the Scheme shall become effective with effect from the date on which the certified copy of the order of Hon'ble NCLT sanctioning the Scheme is filed with the Registrar of Companies, Uttar Pradesh.

7.02 Until coming into effect of the Scheme:

(i) The right of the Transferor Company and the Transferee Company to declare and pay dividends, whether interim or final, or to issue and allot bonus shares or further shares by way of rights or otherwise shall remain unaffected.

(ii) The shareholders of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

7.03 The respective Board of Directors of the Transferor Company and the Transferee Company may assent to any alterations or modifications in the



Scheme which the Hon'ble NCLT and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary. No further approval of the shareholders or the creditors shall be necessary for giving effect to the provisions contained in this clause.

- 7.04 The Board of Directors of the Transferor Company as well as the Board of Directors of the Transferee Company shall be at liberty to withdraw from the Scheme at any time before the Scheme is sanctioned by the Hon'ble NCLT. They shall also be entitled to withdraw from this Scheme in case any condition or alteration imposed by the Hon'ble NCLT or any other authority is not acceptable to either of them or if any material change in the circumstances necessitates such withdrawal before the Scheme becomes effective. No further approval of the shareholders or the creditors shall be necessary for giving effect to the provisions contained in this clause.
- 7.05 The Board of Directors of the Transferee Company, in consultation with the Board of Directors of the Transferor Company, may give such directions, as they may consider necessary, to settle any question, difficulty, doubt or dispute arising in regard to the implementation of the Scheme or interpretation of provisions of any clause of the Scheme or any matter connected therewith and the decision so taken by them with mutual agreement, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 7.06 If at any time any doubt or dispute arises as to whether any particular asset/liability/ employee or any other item or issue does or does not pertain to the Demerged Undertaking, then such doubt or dispute will be resolved with the mutual agreement of the Board of Directors of the Transferor Company and of the Transferee Company and if necessary, the opinion of the Statutory Auditors of the Transferor Company may be sought and accepted by the parties.
- 7.07 The respective Board of Directors of the Transferor Company and the Transferee Company may empower any committee of directors or officer(s) to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under this Scheme and may empower such committee or officer(s) to sub-delegate the authority so delegated.
- 7.08 The approval of the Scheme by the shareholders and the creditors of the Transferor and the Transferee Companies, whether at their respective meetings convened by the Hon'ble NCLT under sections 230-232 of the Act or by their consent/ no objection letters/ affidavits, shall be deemed to be their approval of the Scheme as a whole under all the applicable provisions of the Act and under the respective Memorandum and Articles of Association of the Companies and under all other contracts, arrangements and understandings, as may be applicable, as well as under all other applicable laws, rules and



regulations and it will not be necessary to specify or obtain separate or specific approval under each applicable provision.

- 7.09 If any part of this Scheme is found invalid, ruled illegal by any court or authority of competent jurisdiction or found unenforceable under the present or future laws, then it is the intention of the Transferee Company and the Transferor Company that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any of them, in which case the Board of Directors of the Transferee Company and the Transferor Company shall attempt to bring about a modification in the Scheme, as will best preserve for the them, the benefits and obligations of this Scheme, including but not limited to such part or provision. It is made clear that no further approval of the shareholders or the creditors of the Transferee Company or the Transferor Company shall be necessary for giving effect to the provisions contained in this clause.
- 7.10 In the event of the Scheme failing to take effect by 31.05.2018 or by such later date as may be mutually agreed by the Board of Directors of the Transferor and the Transferee Companies, or if either of them withdraw from the Scheme in accordance with the provisions made hereinabove, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed. No further approval of the shareholders or the creditors shall be necessary for giving effect to the provisions contained in this clause.
- 7.11 No party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Companies or any of their directors or officers, if the Scheme does not take effect for any reason whatsoever, or is withdrawn, amended or modified.
- 7.12 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make all applications/petitions under sections 230-232 and other applicable provisions of the Act to the Hon'ble NCLT for directions to convene and/or dispense with all or any of the meetings and for the sanctioning of the Scheme and to other authorities and bodies for obtaining their approvals, no objections, consents etc., as may be required, under any law, agreement or otherwise.
- 7.13 All costs, charges and expenses up to the stage of sanction of the Scheme by the Hon'ble NCLT shall be borne by the Transferor Company. All subsequent costs, charges and expenses incurred, including stamp duty, if payable, after the Scheme becomes effective shall be borne by the Transferee Company.

