

PRESS RELEASE

New Delhi, June 29, 2017

The Committee of Directors of Jaiprakash Associates Limited (JAL) has today approved the Closing of the transaction as per the Definitive Agreement dated 31st March, 2016 with Ultratech Cement Limited (UTCL) for sale of part of its cement business comprising identified operating cement plants spread over the States of Uttar Pradesh, Madhya Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh, at an aggregate Enterprise Value of Rs. 16,189 crores, besides a Grinding Unit which is currently under implementation in Uttar Pradesh, for completion whereof an additional amount of Rs. 470 crores shall be paid by UTCL.

The proceeds of this transaction will help the Company to reduce its debt of approx. Rs 14,000 Crores including repayment of its loan to its bankers, part payment to the holders of Foreign Currency Convertible Bonds, repayment of all outstanding fixed deposits & interest thereon, and other priority payments.

Jaypee Group has demonstrated its serious intent to de-leverage its Balance Sheet in pursuit of its objective of reducing debt which is fully backed by adequate and high quality assets. This objective could have been achieved much earlier but for various time consuming Regulatory Approvals and amendments in various laws from time to time.

The Group is committed to further reduce/realign its remaining debt by de-leveraging its identified assets, for which it has already taken steps.

Commenting on this development, Shri Manoj Gaur, Executive Chairman of Jaiprakash Associates Limited observed :

“Jaypee Group has time and again shown its unflinching will to take proactive steps to help it tide over these turbulent times caused by economic slow down”. Shri Gaur reemphasized that “Jaypee Group is determined to leverage its expertise in the fields of Engineering & Construction, Real Estate and other areas of national importance.”

Shri Manoj Gaur gave his felicitations to Shri Kumar Manglam Birla and hoped that on the strength of this acquisition, they will soon grow to 100 MTPA capacity.

The successful conclusion of the deal with UltraTech Cement Limited yet again demonstrates the quality of its assets that are spread across the length and breadth of India. Post this deal, Jaypee Group shall retain a total of 10.60 MTPA capacity cement plants spread in the States of Madhya Pradesh, Uttar Pradesh, Andhra Pradesh and Karnataka.

He also thanked various State Governments where the Company had established Cement Plants, Banks and Investors for supporting the Group.

ICICI Bank with ICICI Securities Limited have been involved in steering the investment process right from September, 2015. While EY were the consulting firm, Vaish Associates assisted the Company as the Legal Advisors.

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