ADITYA BIRLA

UltraTech

4th July, 2016

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"Exchange Plaza", Bandra-Kurla Complex,
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Dear Sirs,

Sub: Acquisition of identified cement plants of Jaiprakash Associates Limited (JAL) and Jaypee Cement Corporation Limited (JCCL)

We refer to our letter dated 31st March, 2016 informing you about the proposed acquisition by the Company of identified cement plants, on a slump exchange basis, in the States of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh, having a capacity of 21.20 mtpa.

The Board of Directors, at its meeting held today, has approved a Scheme of Arrangement between JAL, JCCL (wholly-owned subsidiary of JAL) and the Company and their respective shareholders and creditors for the acquisition of the identified cement plants, subject to requisite approvals.

Enclosed is the information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Also enclosed is a press release being issued in this regard.

The valuation was carried out by Bansi S. Mehta & Co., Chartered Accountants. J. M. Financial Institutional Securities Limited provided the Independent Fairness Opinion to the Company. Standard Chartered Bank assisted as the transaction advisors, Cyril Amarchand Mangaldas as the legal advisor and the financial due diligence was done by EY.

The same is for your information and records, please.

Thank you.

Yours very truly,
For UltraTech Cement Limited

S. K. Chatterjee
Company Secretary

Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/CMD/4/2015 dated 9th September, 2015.

a. **Details of the Transferors**

The transferors are Jaiprakash Associates Limited ("JAL") and Jaypee Cement Corporation Limited ("JCCL"), a wholly-owned subsidiary of JAL, which are engaged, *inter alia*, in the business of manufacture and sale of cement and clinker. JAL and JCCL are not related parties of the Company and the transaction is not a related party transaction.

b. **Details of the acquisition**

The Company proposes to acquire the business of sale and distribution of cement and clinker manufactured at certain cement plants of JAL in the States of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh and Uttarakhand ("JAL Cement Plants") and the cement plant of JCCL in State of Andhra Pradesh ("JCCL Cement Plant"). The JAL Cement Plants and JCCL Cement Plants have an aggregate capacity of 21.20 mtpa.

The turnover of the JAL Cement Plants, as on 31st March, 2016, is Rs 3,718 crores and forms 42% of the turnover of JAL. The turnover of the JCCL Cement Plant, as on 31st March, 2016, is Rs 823 crores and forms 81% of the turnover of JCCL

The enterprise value of the business to be acquired is Rs. 16,189 crores.

c. **Rationale for the acquisition of cement plants**

The Proposed Transaction is essentially a "geographic market expansion" which will lead to UltraTech's entry into growing markets of India, such as the Satna cluster [in Uttar Pradesh (East) and Madhya Pradesh (East)], Himachal Pradesh, Uttarakhand and coastal Andhra Pradesh. The operations will be strengthened by the consequent technological upgradation and enhancement in capacity utilization on a year-on-year basis, creating synergies in manufacturing, distribution and logistics leading to economies of scale and creation of efficiencies by reducing lead time to markets, enhancing competitiveness and thereby benefiting consumers; and creating value for its shareholders by acquiring ready-to-use assets.

d. **Details of approvals required, indicative time period for completion of acquisition etc.**

The acquisition is subject to the approval of shareholders and creditors, sanction of the Scheme of Arrangement by the Bombay High Court and the Allahabad High Court, approval of the Competition Commission of India and all other statutory approvals and is expected to take around 12 months to be consummated.

e. **Details of change in shareholding pattern**

There is no change in the shareholding pattern since the Company will be issuing redeemable preference shares and non-convertible debentures in exchange for the acquisition of business.

f. **Nature of consideration**

The consideration shall be discharged by issue of the following securities:

(i) 1,50,000 unlisted non-convertible cumulative redeemable preference shares of Rs. 1,00,000 (rupees one lac) each of the Company to JAL;

(ii) 13,200 unsecured non-convertible redeemable debentures having face value of Rs. 10,00,000 (rupees ten lacs) each of the Company to JAL;

(iii) 10 unlisted non-convertible cumulative redeemable preference shares of Rs. 1,00,000 (rupees one lac) each of the Company to JCCL; and

(iv) 18,049 unsecured non-convertible redeemable debentures having face value of Rs. 10,00,000 (rupees ten lacs) each of the Company to JCCL.

UltraTech Cement Ltd.

Mumbai, 4th July, 2016

Press Release

Acquisition of Cement Units of Jaiprakash Associates Limited

The Board of Directors of UltraTech Cement Limited, an Aditya Birla Group company, at its meeting held today, in continuation of its agreement signed on the 31st of March 2016, approved a Scheme of Arrangement between the Company, Jaiprakash Associates Limited, Jaypee Cement Corporation Limited and their respective shareholders and creditors ("Scheme") for acquisition of cement plants for a total capacity of 21.2 mtpa at an enterprise value of Rs 16,189 crs.

The Proposed Transaction is essentially a "geographic market expansion" which will lead to UltraTech's entry into growing markets of India, such as the Satna cluster [in Uttar Pradesh (East) and Madhya Pradesh (East)], Himachal Pradesh, Uttarakhand and coastal Andhra Pradesh. The operations will be strengthened by the consequent technological upgradation and enhancement in capacity utilization on a year-on-year basis, creating synergies in manufacturing, distribution and logistics leading to economies of scale and creation of efficiencies by reducing lead time to markets, enhancing competitiveness and thereby benefiting consumers; and creating value for its shareholders by acquiring ready-to-use assets.

The transaction is subject to the approval of shareholders and creditors, high courts and all other regulatory approvals as may be required and will be consummated within the next 12 months.

Upon consummation, the Company's cement capacity will stand augmented to 91.1 mtpa including its overseas operations.

UltraTech Cement Ltd.

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UltraTech Cement Limited
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