

had sanctioned the refinance assistance aggregating to Rs. 6,600 Crores (Rs. 4800 Crores sanctioned/ underwritten by IDBI and Rs.1,800 Crores to be syndicated by IDBI) on terms & conditions as contained in their letter of sanction No. HO. PAD/JIL/563 dated 21.12.2012.

As per the terms and conditions contained in the sanction letter of aforesaid lender of JIL, JAL is required to provide, in favour of the lenders, undertakings and pledge equity shares of JIL held by it, as detailed below :

1. An undertaking to meet any shortfall in the resources of the Company for completing the Expressway Project due to any circumstances, in such forms and such terms acceptable to Lenders and without recourse to Project Lenders.
2. An undertaking to maintain, during the currency of Rupee Term Loan (RTL), management control over the Borrower (JIL), including the ability to appoint majority of the Directors on its Board and to direct the management/policy decisions.
3. An undertaking not to reduce its equity stake in JIL below 51% during the tenure of the Facility without prior written approval of Lenders.
4. An undertaking to ensure that the Borrower (JIL) does not enter into any contract, agreement, commitment or arrangement with an Affiliate, which is not on an "arm's length" basis.
5. An undertaking to bring in additional funds in a form & manner satisfactory to Lenders, for cases of any further cost overrun and/or gap in means of financing of the Expressway Project, if any.
6. An undertaking to cover the shortfall in the repayment of Facility in the event of termination of the Concession Agreement or occurrence of any Force Majeure Event during the concession period.
7. An undertaking for the timely servicing of the Facility in the event of any shortfall during the currency of the Facility; arrange for additional equity / interest free sub-ordinated debt into the company (JIL) to make good the shortfall in operational cash flow to meet the debt service obligation.
8. An undertaking to ensure infusion of fund in TRA in a form & manner acceptable to Lenders at the end of each financial year if the DSCR for the facility for the preceding 12 month period is less than 1.20 to restore it to 1.20.
9. An undertaking to ensure infusion of fund in a form & manner acceptable to Lenders in case of shortfall in the cash flows required to be routed by the Borrower (JIL) through TRA, equivalent to minimum of 1.5 times of the debt servicing obligations of the next three months, plus the cash flow required for the operations, maintenance,

tax and statutory pay outs and other expenditure, if any in the normal course of business, during the currency of the Facility in operation period.

10. Pledge of 51% shares of the total issued share capital of the Jaypee Infratech Limited (in compliance with Section 19(2) of the Banking Regulation Act).

Further, JIL had also approached Axis Bank Limited for financial assistance by way of subscription to its Secured Redeemable Non-Convertible Debentures amounting to Rs.400 Crores to meet its normal capex and/ or long term working capital requirements. The Bank had agreed to subscribe to the debentures vide its sanction letter no. AXIB/DCM & ET/023/2013-14 dated 15.04.2013, subject to JIL securing the same inter-alia by way of exclusive charge by mortgage of its land near Tappal, District Aligarh, U.P. and second pari-passu charge by mortgage of land and building of its Corporate office at Noida and further by providing Letter of Comfort from JAL, to be subsequently replaced with Corporate Guarantee of JAL.

JAL holds 115,50,00,000 Equity shares of Rs.10 each aggregating to Rs.1,155 Crores representing 83.16% of the Paid up Capital of JIL.

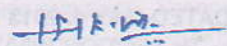
In terms of the provisions of the Section 372A of the Companies Act, 1956, provision of security/guarantee by the Company for the financial assistance provided by the Lenders to other bodies corporate beyond prescribed limits requires prior approval of shareholders by way of Special Resolution.

In the circumstances, Members' approval is sought for providing of the security by way of pledge of equity shares of JIL held by the Company in JIL / Undertakings/Guarantee in favour of Lenders of JIL as described above.

None of the Directors except S/Shri Manoj Gaur, Sunil Kumar Sharma, B. K. Goswami, Dr. B. Samal, R. N. Bhardwaj and S.C. Gupta being common Directors of JAL & JIL; Shri Sunny Gaur (Director of JAL) being brother of Shri Sameer Gaur & Smt. Rekha Dixit (both Directors of JIL); Shri Pankaj Gaur (Director of JAL) being the brother of Shri Sachin Gaur (Director of JIL) and Shri Viney Kumar (Nominee of IDBI on the Board of JAL) may be deemed to be concerned or interested in the proposed Resolution.

Your Directors commend the resolution for your approval as a Special Resolution.

By Order of the Board
For Jaiprakash Associates Limited



(HARISH K. VAID)
Sr. President (Corporate Affairs) &
Company Secretary

NOIDA
May 4, 2013