

Ref: JAL:SEC:2020

29th February, 2020

BSE Limited

25th Floor, New Trading Ring,
Rotunda Building,
P J Towers, Dalal Street, Fort,
MUMBAI 400 001

SCRIP CODE: 532532

The Manager

Listing Department

National Stock Exchange of India Ltd

“Exchange Plaza”, C-1, Block G,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051

NAME OF SCRIP: JPASSOCIAT

Sub: Disclosures by listed entities of defaults on payment of interest/payment principal amount on loans from banks/financial institutions and unlisted debt securities

Ref: SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated 21st November, 2019

Dear Sirs,

Please refer to above mentioned circular of Securities and Exchange Board of India.

In case of Jaiprakash Associates Ltd (JAL), we will like to apprise you as under:-

Disclosures made in regard of company's debt position including default and the steps taken.

I. Status of related aspect of the case

As per the extant guidelines of Reserve Bank of India (RBI) in 2016-2017, the entire debt of JAL from its consortium banks was restructured under a **Comprehensive Re-organization and Restructuring Plan (CRRP)**, which was duly approved by all 30 lenders in JLF on 22nd June, 2017, based on the recommendations of **Independent Evaluation Committee (IEC)**, appointed by RBI, which had bifurcated the entire debt of the company in three buckets for provision with a view to settle the outstanding debt as per the prevailing guidelines of that time.

- [i] Bucket 1 Debt of Rs.11,689 Crores which is part of the 'other debt' was to be discharged against the sale of identified Cement Plants of the Company and its Wholly owned Subsidiary to UltraTech Cement Limited. The transaction of the said sale stands consummated and Bucket 1 Debt stands settled in July, 2017.

- [ii] Bucket 2a Debt of Rs.6,367 Crores, being 'sustainable debt' will continue as debt of the Company for which Master Restructuring Agreement (MRA) dated 31st October, 2017 has been executed by the concerned 32 Lenders. The terms of the MRA are being complied including creation of security in favour of Lenders.
- [iii] Bucket 2b Debt of Rs.11,833.55 Crores (Rs.13,590 Crores original amount as reduced by Rs.2543.55 Crores settled through direct Debt Assets Swap), which is part of 'Other Debt' is to be transferred to a Special Purpose Vehicle (SPV) namely **Jaypee Infrastructure Development Limited [JIDL] (wholly owned subsidiary of the company)** alongwith identified land of the Company. The Scheme of Arrangement (Scheme) for the said hive off duly approved by the Stock Exchanges, Shareholders, Creditors, other Regulators is pending sanction by National Company Law Tribunal (NCLT), which Scheme, on sanction, shall be effective from 1st July, 2017, being the Appointed Date.

II. In terms of our disclosure to Stock Exchanges vide letter No.JAL:SEC:SE/2017 dated 29th June, 2017, the Exchanges have been informed about the consummation of the transaction and about Resolution of Bucket 1 Debt.

III. The debt approved by Bucket 2(b) with a underlying cover of land was approved by lenders to be transferred together with land into a SPV under **Section 230 – 232 of the Companies Act 2013**. It is to reiterate and reconfirm that all necessary steps pertaining to formation of SPV under **Section 230 – 232 of the Companies Act 2013**, were undertaken in November, 2017 onwards, which inter-alia **included consent of lenders - secured & unsecured creditors and shareholders.**

After following due procedure and process, the said scheme was filed and first motion petition was approved. Due to intervention of Hon'ble Supreme Court on an application filed by home buyers of **Jaypee Infratech Ltd. (JIL) [a subsidiary of JAL]**, the legal matter took centre stage and second motion petition on the scheme is **awaited from NCLT Allahabad.**



IV. It is pertinent to mention that under direction of Hon'ble Supreme Court, JAL had deposited Rs.750 Cr, which is now available at NCLT Allahabad. Bankers of JAL have vide their intervention in NCLT, Allahabad has sought that funds deposited by JAL Rs.750 crore and interest accrued thereon to be refunded to JAL to enable JAL meet its obligations with its lenders.

This matter is awaiting finality at NCLT Principal Bench, New Delhi.

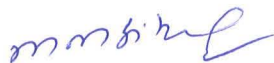
V. The default position of the company vis-à-vis its debt shall cease to exist once second motion petition is approved at NCLT Allahabad.

In this context, we are dutifully responding to the provisions of the Circular while submitting the important aspects of the steps which have been taken, which have been partially implemented and balance are in different stage of implementation but awaiting judicial clearance.

Please take the above information on records.

Thanking you,

Yours faithfully,
For JAIPRAKASH ASSOCIATES LIMITED



(M.M. SIBBAL)
Joint President & Company Secretary