

October 6, 2016

To:

Mr. Sachin Shinde/ Jeevan Noronha
Surveillance
BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P.J.Tower,
Dalal Street, Fort,
Mumbai – 400001

corp.relations@bseindia.com

Dear Sir(s),

This is with reference to your letter ref. No. L/SURV/ONL/RV/ZS/2016-17/177 with regard to recent new item which appeared in The Economic Times dated October 06, 2016 captioned "Orient in talks to acquire Jaypee's 74% stake in Bhilai Cement for Rupees 750 crore".

In this regard we wish to inform you that the Board of Directors of the Company met today and approved the binding offer to Jaiprakash Associated Limited and Jaiprakash Power Ventures Limited and accordingly the parties signed the binding offer letter subsequent to the board meeting. Pursuant to the Board meeting and in compliance with Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we intimated the stock exchange providing all relevant information of the transaction. Copy of letter sent to stock exchange is attached for your reference.

Trust you will find the same in order. This is for your information and record.

Yours faithfully,
For Orient Cement Limited



Deepanjali Gulati
(Company Secretary)

October 6, 2016

To:

<p>The Secretary (022)22723121/22723557 BSE Limited (022)2721557/22721278 Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Building, P.J.Tower, Dalal Street, Fort, Mumbai – 400001</p> <p>corp.relations@bseindia.com</p>	<p>The Manager (022)66418125/26 Listing Department (022)26598237/38 National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, 5th Floor, Bandra-Kurla Complex Bandra (E), Mumbai – 400051</p> <p>cmli@nse.co.in</p>
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Dear Sir(s),

Sub: Outcome of the Board Meeting held on October 6, 2016

In accordance with the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we hereby inform you that a meeting of the Board of Directors of Orient Cement Limited (the “Company”) was held today, October 6, 2016 and concluded at 2:30 P.M. The Board of Directors considered/approved *inter alia* the following matters:

1. Considered and accorded its consent to acquire 28,09,66,000 (Twenty Eight Crore Nine Lakh and Sixty Six Thousand) equity shares of Bhilai Jaypee Cement Limited (“BJCL”) (constituting 74% of the total equity share capital of BJCL) from Jaiprakash Associates Limited (“JAL”) and 752 (Seven Hundred and Fifty Two) equity shares of BJCL from the nominee of JAL, for a total enterprise value of Rs. 1450,00,00,000 (Rupees One Thousand Four Hundred and Fifty Crores Only) subject to adjustment on account of working capital and net debt of BJCL (“Share Purchase”), which shall then be pro-rated to the shareholding of JAL in BJCL (i.e. 74%). The Share Purchase has been approved by the Board of Directors, subject to the requisite approvals of the shareholders of the Company in accordance with the Section 186 of the Companies Act 2013. The Share Purchase is also subject to satisfactory negotiation and execution of the definitive agreements, compliance with applicable laws and receipt of relevant regulatory/third party consents, as may be required. The Board has approved the execution of a binding offer letter for the Share Purchase to be entered into between the parties.
2. Considered and accorded its consent to acquire the Nigric Cement Grinding Unit of Jaiprakash Power Ventures Limited (“JPVL”) situated at Nigrie, District Singrauli, Madhya Pradesh (“Business Undertaking”) as a going concern, for a total consideration of Rs. 500,00,00,000 (Rupees Five Hundred Crores Only) subject to adjustment on account of working capital and net debt of the Business Undertaking (“Business Transfer”). The Business Transfer is also subject to satisfactory negotiation and execution of the definitive agreements, compliance with applicable laws and receipt of relevant regulatory/third party consents, as may be required. The Board has



approved the execution of a binding offer letter for the Business Transfer, to be entered into between the parties.

The disclosure of events specified under Part A of Schedule III of the Listing Regulations is attached as Annexure.

This is for your information and record.

Yours faithfully,
For Orient Cement Limited


Deepanjali Gulati
(Company Secretary)



ANNEXURE
Acquisition – through Share Purchase

Sr. No.	Particulars	
1.	Name of the target entity, details in brief such as size, turnover etc.	Target Entity: Bhilai Jaypee Cement Limited ("BJCL"). The details as on March 31, 2016 are as under: Cement capacity (PSC) : 2.20 MT Clinker capacity : 1.10 MT Networth: Rs. 167.89 Crores. Turnover: Rs. 399.27 Crores.
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length";	No
3.	Industry to which the entity being acquired belongs	Cement Industry - Manufacture of clinker and cement.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	BJCL is in the same line of business as that of the Company and the purpose of acquisition is to expand the business of the Company to other parts of the country.
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	Approval of the Competition Commission of India.
6.	Indicative time period for completion of the acquisition	March 31, 2017
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration
8.	Cost of acquisition or the price at which the shares are acquired;	Rs. 1450,00,00,000 (Rupees One Thousand Four Hundred and Fifty Crores Only) subject to adjustment on account of working capital and net debt of BJCL, which shall then be pro-rated to the shareholding of Jaiprakash Associates Limited in BJCL (i.e. 74%).
9.	Percentage of shareholding / control acquired and / or number of shares acquired;	28,09,66,752 (Twenty Eight Crore Nine Lakh Sixty Six Thousand Seven Hundred and Fifty Two) shares constituting 74% of the total share capital in BJCL.



10.	<p>Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);</p>	<p>BJCL is a public unlisted company incorporated under the laws of India with its registered office at Bhilai Jaypee Grinding Plant, Bhilai Steel Plant Premises, Slag Road, Bhilai, Chhattisgarh. BJCL is a 74:26 joint venture between Jaiprakash Associates Limited and Steel Authority of India Limited.</p> <p>Date of Incorporation: April 11, 2007 Last 3 years turnover: Amount in Rs. Crores</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">FY 2016</td> <td style="width: 33%; text-align: center;">FY 2015</td> <td style="width: 33%; text-align: center;">FY 2014</td> </tr> <tr> <td style="text-align: center;">399.27</td> <td style="text-align: center;">610.61</td> <td style="text-align: center;">694.81</td> </tr> </table> <p>Products: Manufacture of clinker and cement.</p>	FY 2016	FY 2015	FY 2014	399.27	610.61	694.81
FY 2016	FY 2015	FY 2014						
399.27	610.61	694.81						

Acquisition – through Business Transfer

Sr. No.	Particulars	
1.	Name of the target entity, details in brief such as size, turnover etc.	<p>Target Entity: Jaiprakash Power Ventures Limited ("JPVL")</p> <p>Target Business: Nigrie Cement Grinding Unit of JPVL situated at Nigrie, District Singrauli, Madhya Pradesh ("Business Undertaking")</p> <p>Commencement of Operation of Business Undertaking: June 3, 2015</p> <p>Total Production Capacity of the Business Undertaking: 2.0 MTPA</p> <p>Turnover of Business Undertaking: Rs. 90.70 Crores (from June 3, 2015 till March 31, 2016)</p>
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length";	No
3.	Industry to which the entity being acquired belongs	Cement Industry – cement grinding unit
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its	Acquisition of the Business Undertaking will enable the Company to expand the business of the Company to other parts of the



	business is outside the main line of business of the listed entity);	country.
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	<ol style="list-style-type: none"> 1. Approval of the Competition Commission of India 2. Approval of the Government of Madhya Pradesh for transfer of land.
6.	Indicative time period for completion of the acquisition	March 31, 2017
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration
8.	Cost of acquisition or the price at which the shares are acquired;	Rs. 500,00,00,000 (Rupees Five Hundred Crores Only) subject to adjustment on account of working capital and net debt of the Business Undertaking.
9.	Percentage of shareholding / control acquired and / or number of shares acquired;	Nil (as the acquisition of the Business Undertaking does not involve a share acquisition)
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>The transaction is for the acquisition of the Nigrie Cement Grinding Unit of Jaiprakash Power Ventures Limited situated at Nigrie, District Singrauli, Madhya Pradesh as a going concern with adjustments on account of working capital and net debt.</p> <p>Jaiprakash Power Ventures Limited is a power generation company with a capacity of 2220 MW comprising of one Hydro Power Plant and two Thermal Power Plants.</p> <p>The Business Undertaking started commercial operation with effect from June 3, 2015 and achieved a turnover of Rs. 90.70 crores as on March 31, 2016.</p>

