

October 6, 2016

To:

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

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 Nigrie 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.	<p>Target Entity: Bhilai Jaypee Cement Limited ("BJCL").</p> <p>The details as on March 31, 2016 are as under:</p> <p>Cement capacity (PSC) : 2.20 MT Clinker capacity : 1.10 MT</p> <p>Networth: Rs. 167.89 Crores. Turnover: Rs. 399.27 Crores.</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 - 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.	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>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> <tr> <td>FY 2016</td><td>FY 2015</td><td>FY 2014</td></tr> <tr> <td>399.27</td><td>610.61</td><td>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



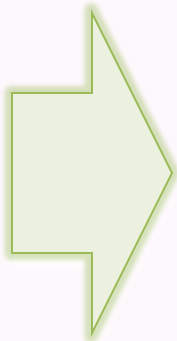
	business is outside the main line of business of the listed entity);	country.
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	1. Approval of the Competition Commission of India 2. Approval of the Government of Madhya Pradesh for transfer of land.
6.	Indicative 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>



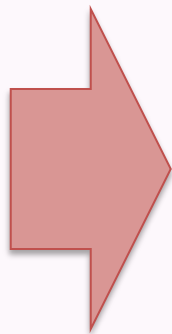
ORIENT
CEMENT

Investor Presentation

October 2016

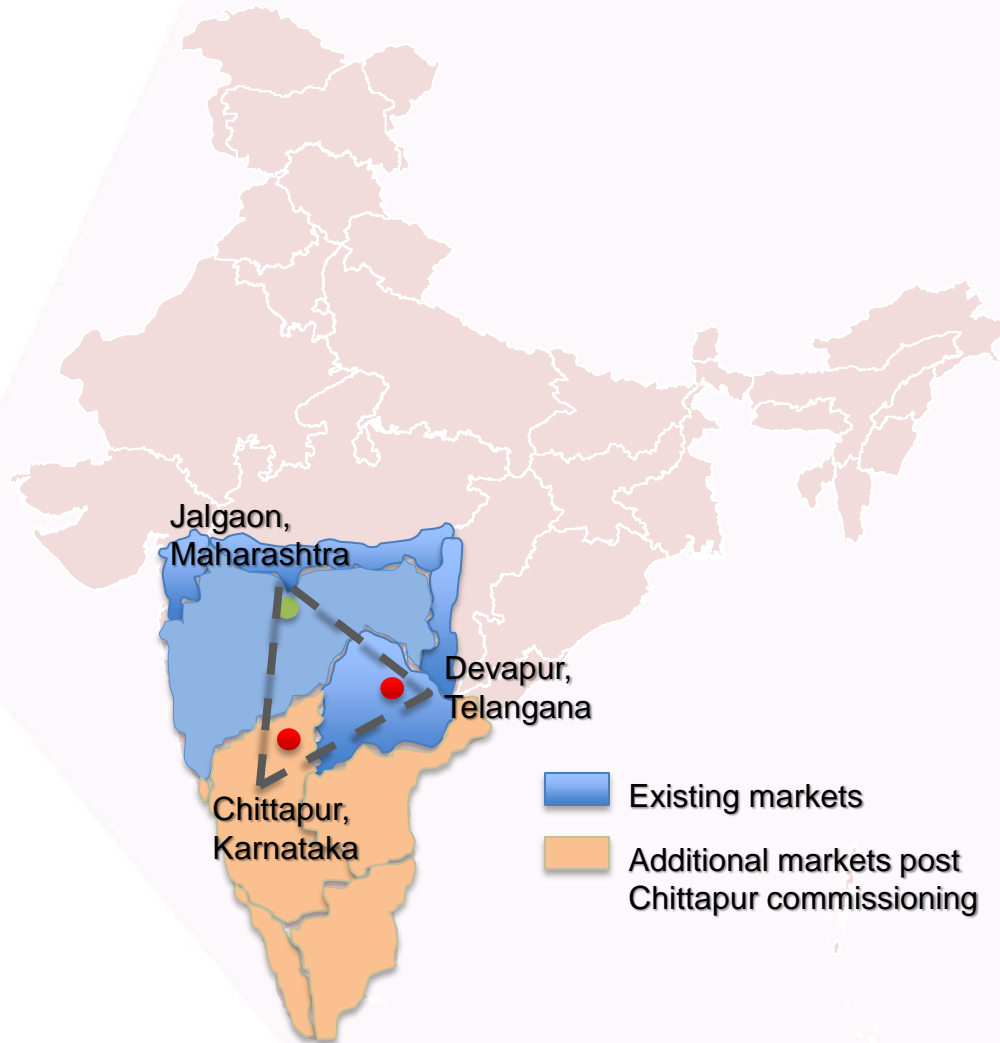


- Reputed and respected multi-industry conglomerate
- Present across three industry clusters – technology & automotive, home & building products and healthcare & education
- Businesses present across five continents with over 20,000 employees, 24 manufacturing facilities and numerous patents and awards



- Spun off from Orient Paper and Industries Limited and listed in 2013 to create pure play cement company with a view to grow quickly in cement space
- Vision: Grow to be a relevant national player, driven by execution excellence and be the 'employer of choice' and 'neighbour of choice'
- Current mission: Capacity growth from 8 to 15 million tons by 2020 along with geographic diversification to mitigate market risks
- Production capacity – 8 million tonnes per annum currently (after Chittapur plant commissioning)
- New greenfield capacity at Chittapur commissioned at a very competitive capital cost of c.\$100/ton, inclusive of captive power and other infrastructure.
- Present serviced markets are Maharashtra, AP/Telangana and Karnataka
- Execution Excellence: Amongst the most efficient producer and seller of cement in India today

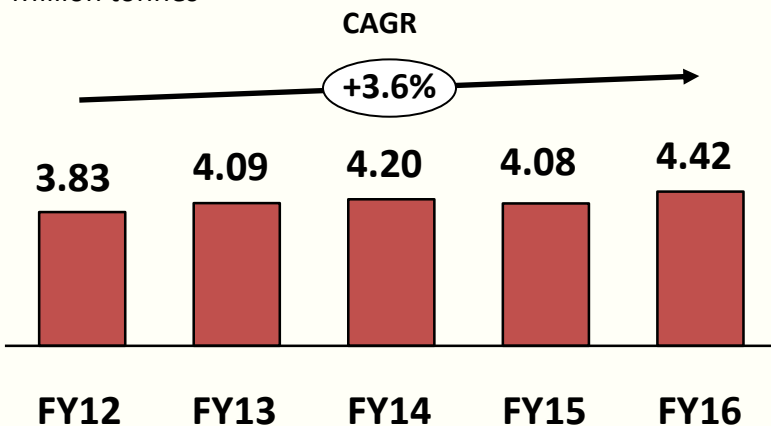
Current installed capacity of 8 million tonnes per annum and primarily sold to the markets of Southern and Western India



- Total current capacity: 8mtpa
- 3 mtpa integrated cement plant located at Devapur in Adilabad district of Telangana
- 2 mtpa grinding unit located at Jalgaon district of Maharashtra
- Greenfield 3 mtpa integrated unit commissioned in Karnataka in Sep 2015
- With a network of > 2700 dealers, our product is sold in Telangana & Maharashtra, which are our primary markets; we also sell in parts of AP, Gujarat, Madhya Pradesh, Chattisgarh & Karnataka
- With the commissioning of the Chittapur plant, we have been able to expand our reach to entire Karnataka, AP, Kerala and parts of Tamil Nadu

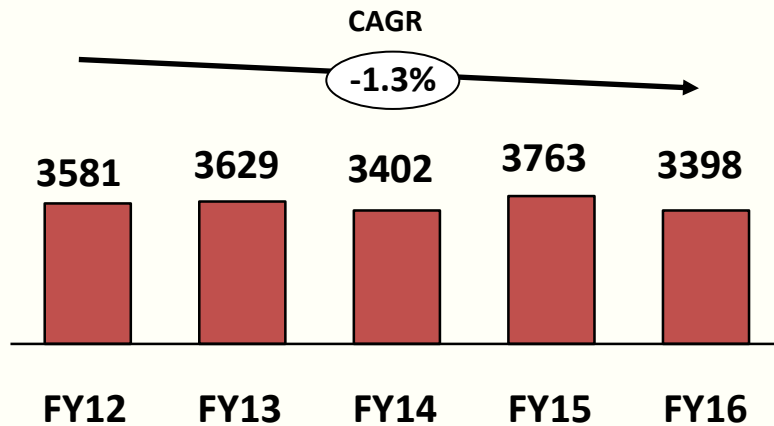
Last 5 year's volumes

Million tonnes



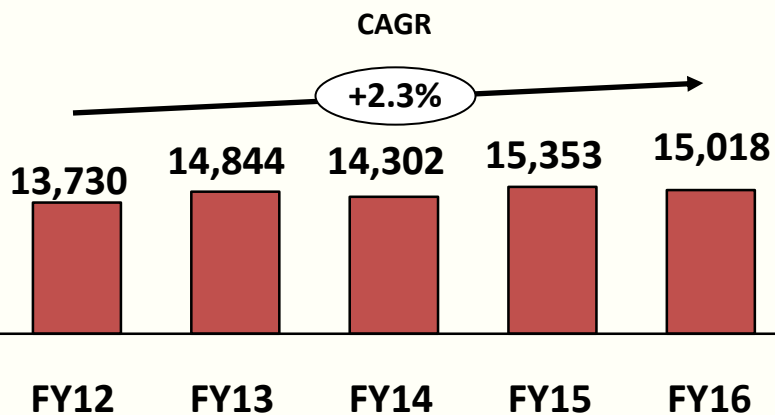
Last 5 year's net sales / ton

Rs. Per tonne



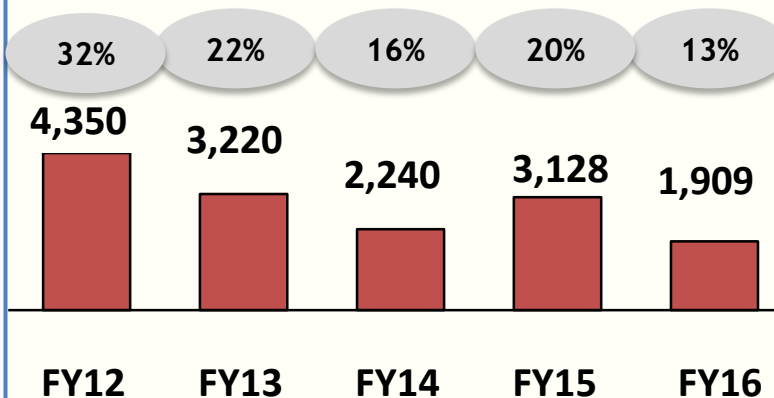
Last 5 year's revenue

Rs. million



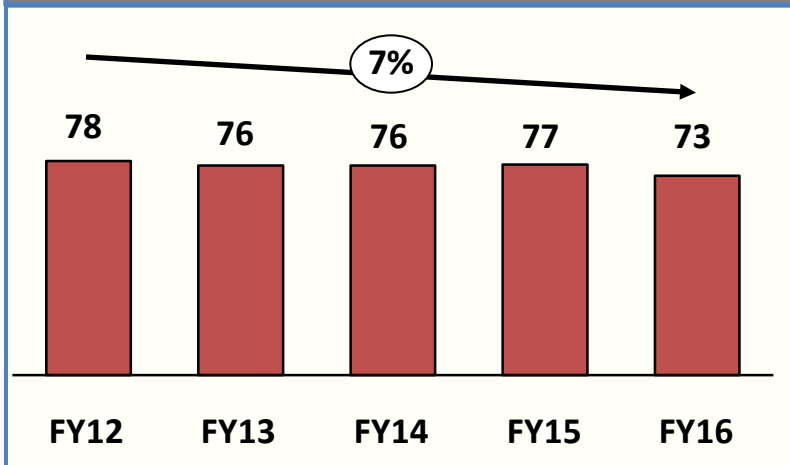
Last 5 year's EBITDA

Rs. million

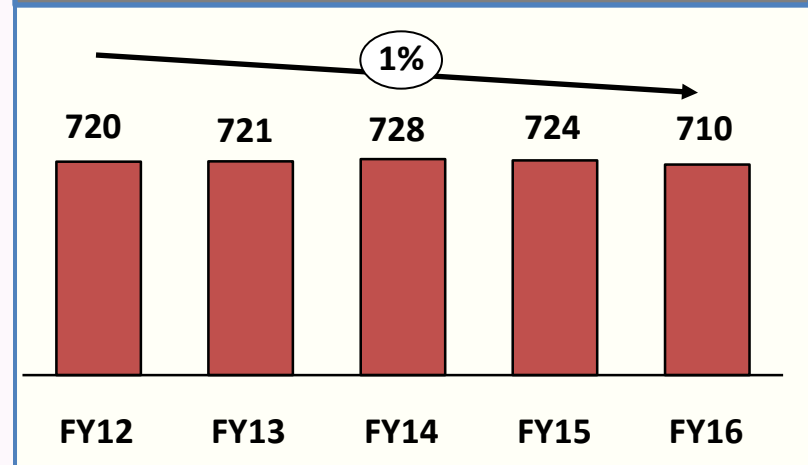


Consistently improving energy consumption, high capacity utilisation despite markets and favourable product mix

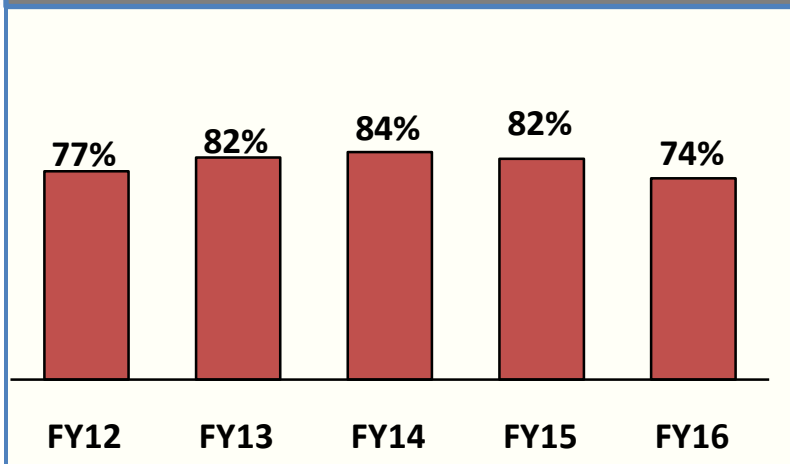
Power consumption (kwh/t)



Fuel consumption (kcal/kg clinker)

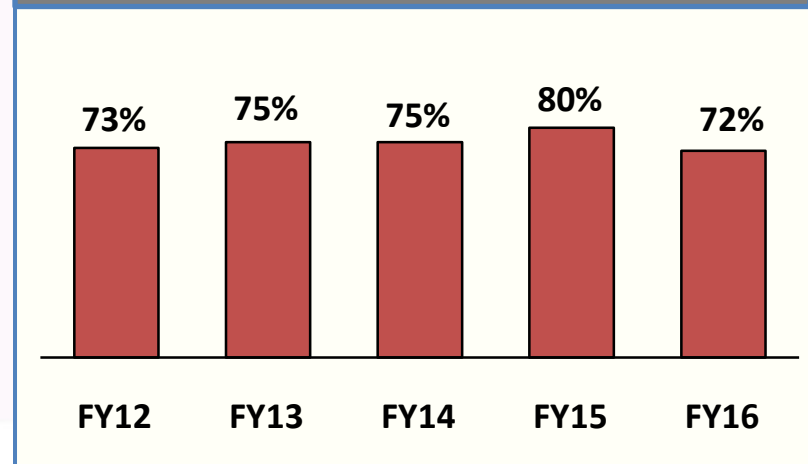


Capacity Utilization



Values for FY16 include Chittapur

Product mix - % sales of PPC cement

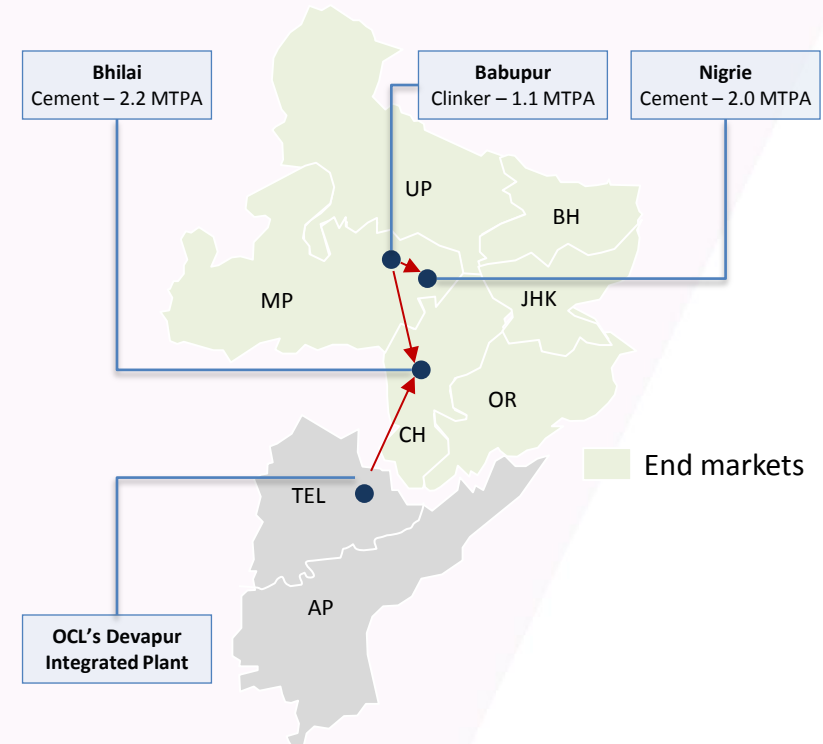


Values for FY16 include Chittapur

- On 6th October 2016, Orient Cement agreed to acquire select assets from the Jaypee Group
- The transaction includes –
 - Acquisition of 74% stake in Bhilai Jaypee Cement Limited (“BJCL”)
 - BJCL is a Joint Venture between Jaiprakash Associates Limited (“JAL”) and Steel Authority of India Limited (“SAIL”) and has a PSC cement capacity of 2.2mtpa consisting of a clinkerisation unit in Satna area in Madhya Pradesh and a grinding unit in Bhilai, Chhattisgarh
 - Acquisition of Nigrie Cement Grinding unit (“Nigrie unit”) from Jaiprakash Power Ventures Limited (“JPVL”)
 - Nigrie unit in Singrauli area, Madhya Pradesh, housed within JPVL, is a cement grinding unit with a capacity of 2.0mtpa
- The acquisition of BJCL and Nigrie unit provides Orient Cement with a high quality asset at a strategically well located region with ready to market capacity. The assets also provide a strong complementarity to Orient Cement’s asset portfolio
- The acquisition is subject to satisfactory negotiation and execution of definitive agreements, requisite approvals from SAIL (in case of BJCL), the Competition Commission of India and other relevant regulatory and third party approvals
- Transaction is likely to close in the first half of 2017

Plants Overview

	BJCL	Nigrie
Location	Clinker – Babupur, MP Grinding – Bhilai, Chhattisgarh	Nigrie, MP
Shareholding	JAL – 74% SAIL – 26%	Housed within JPVL
Commissioning	Clinker – Dec'09 Grinding – Aug'10	Jun'15
Clinker Capacity	1.1 mtpa	-
Cement Capacity	2.2 mtpa	2.0 mtpa
Key Products	PSC (100%)	PPC (100%)



Benefits to Orient Cement

- BJCL offers Orient Cement the opportunity to move into Eastern and Central India markets, with slag availability ensured through the JV with SAIL
- OCL sees potential in improving the viability of BJCL operations by optimising it with its existing assets and operations.
- Clinker from Babupur (Satna) unit can be potentially supplied to the Nigrie facility also being acquired from JPVL
- There is further scope to enhance clinker capacity through brownfield expansion and expand through another grinding unit in due course

1 Good quality assets

- Sizeable and quality assets with all critical infrastructure in place
- Access to limestone and raw material security through availability of slag and fly-ash
- Strategically located with close proximity to railways/ roads network
- Expansion potential with sufficient land available for capacity expansion

2 Strategically located assets

- Access to the supply deficit markets of East India and Uttar Pradesh and a presence in Central India as well
- East India is the most attractive cement market in India - demand expected to grow at a CAGR of ~9.0% over the medium term and enjoys attractive pricing over all India market
- Cement demand in the East has historically been more than the local supply, the region imports ~10-15% from Central and Southern regions
- Per capita consumption in the UP has been high historically and expected to show a healthy rate of growth going forward

3 Highly complementary to the current portfolio

- Currently, OCL primarily caters to Maharashtra, AP/Telangana & Karnataka with more than ~80% of sales coming from these markets
- This acquisition will help OCL expand its footprint by catering to the markets of Chhattisgarh, Madhya Pradesh, Odisha, Bihar, Jharkhand and Uttar Pradesh, thereby reducing market specific risk
- Also optimizes clinker utilisation at existing assets and operations with BJCL's operations

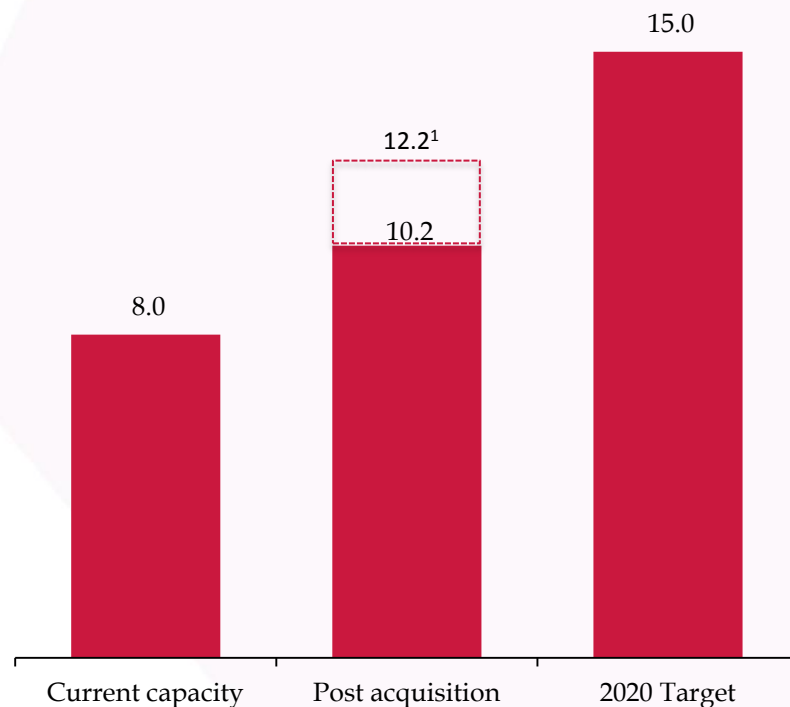
4 Opportunity to leverage strong macro trends and the expected recovery cycle

- Sector poised for growth; positive signs for recovery cycle
 - India's GDP is expected to grow at 7-8% in the medium term,
 - Average GDP multiplier for cement demand growth is higher during upcycles, hence cement demand is expected to grow at a higher rate than GDP growth
- Opportunities to gain market share with strong operating margins

Overall cement grinding capacity increased

- Reiterates the Group's commitment to the cement business
- Helps diversify the Group's presence of operational capacity in the states of Chhattisgarh and Madhya Pradesh
- Provides an opportunity of geographic diversification of sales volume

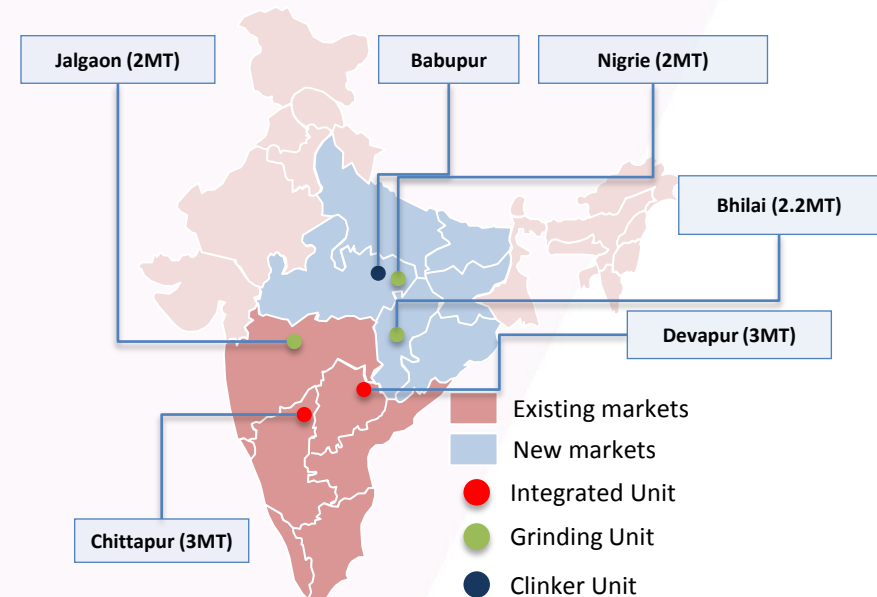
Orient Cement grinding capacity (mtpa)



Note: 1. Additional grinding capacity of 2.0mtpa at Nigrie

Provides entry into new markets

- Widens the end market to include Chhattisgarh, Madhya Pradesh, Odisha, Bihar, Jharkhand and Uttar Pradesh



1 Revival of the Acquired Portfolio of Assets

- Given the current state of operations due to working capital constraints, the near term focus will be to ensure revival of operations to steady state

2 Optimization of the assets with the existing Orient Cement asset portfolio

- Optimize the current clinker supply arrangement by i) leveraging the available capacity at Devapur and ii) re-directing the clinker production at Babupur

3 Leverage Orient Cement's legacy of execution excellence

- Rationalize the operational costs through economies of scale and implementation of best practices

4 Optimized utilization

- Leverage Orient Cement's Birla A1 brand and expand the distribution network to achieve optimum utilization levels for the plants over the next few quarters

5 Potential Capacity Expansion

- Opportunistically assess brownfield expansion at the acquired asset locations and/or expand through another grinding unit in due course

OVERVIEW	<ul style="list-style-type: none"> Acquisition of JAL's 74% stake in BJCL and Nigrie Grinding Unit from JPVL
STRUCTURE	<ul style="list-style-type: none"> OCIL will acquire shares of BJCL held by JAL through execution of a Share Purchase Agreement (SPA) Will acquire Nigrie Grinding Unit from JPVL through a Business Transfer Agreement
VALUATION	<ul style="list-style-type: none"> Enterprise Value of BJCL – INR 1,450cr (\$219mn – EV/t of \$99) Enterprise Value of Nigrie – INR 500cr (\$75mn – EV/t of \$38) Sale consideration to be adjusted for net debt and working capital at closing
TRANSACTION FUNDING	<ul style="list-style-type: none"> The transaction will be funded through a mix of internal accruals, debt and equity funding in order to target a prudent Debt/Equity ratio level
NEXT STEPS	<ul style="list-style-type: none"> Negotiation and execution of definitive agreements Requisite approvals from SAIL (in case of BJCL), CCI and other relevant approvals Expected closing in first half of 2017

- Advisors to the transaction
 - Moelis & Company is the financial advisor, while Cyril Amarchand Mangaldas is the legal counsel to Orient Cement for this transaction. KPMG and Holtec conducted the financial and technical due diligence respectively

ORIENT
CEMENT

Thank you!

Press Release
6th October 2016

Orient Cement to acquire 74% stake in Bhilai Jaypee Cement Limited from Jaiprakash Associates Limited

Orient Cement Limited ('Orient Cement') today agreed to acquire Jaiprakash Associates Limited's ("JAL") 74% stake in Bhilai Jaypee Cement Limited ("BJCL") for an Enterprise Value of INR 1,450 crores. The Enterprise Value is on a cash-free, debt-free basis and is subject to adjustments on account of working capital, if any.

BJCL is a Joint Venture between JAL and Steel Authority of India Limited ('SAIL') and has an integrated PSC cement capacity of 2.2mtpa consisting of a clinkerisation unit in Satna area in Madhya Pradesh and a grinding unit in Bhilai, Chhattisgarh.

The acquisition is subject to satisfactory negotiation and execution of definitive agreements, requisite approvals from SAIL, the Competition Commission of India and other relevant regulatory and third party approvals. The transaction will be funded by Orient Cement through a mix of internal accruals, debt and equity funding.

The acquisition will provide Orient Cement with high quality assets taking its total capacity from 8.0mtpa to 10.2mtpa, and provide entry into the high growth central and eastern regions. Orient Cement will also benefit from BJCL's access to limestone reserves and other raw materials including slag.

Orient Cement, is a part of the CK Birla Group with presence across technology, automotive, home and building, healthcare and education sectors. Orient Cement currently has 8.0mtpa of cement manufacturing capacity across 3 units in the states of Telangana, Maharashtra and Karnataka.

CK Birla, Chairman of the CK Birla Group, said: "The demerger of Orient Cement from Orient Paper and Industries Limited was envisioned to create a pure-play cement company which could grow fast. After establishing Orient Cement as one of the most operationally efficient companies, we proudly commissioned our greenfield plant at Gulbarga last year, increasing our capacity by 60% to 8.0mtpa.

The current proposal to acquire BJCL from JAL is a significant step towards accomplishing our current mission of reaching a capacity of 15.0mtpa by 2020. The assets proposed to be acquired will also add a new and strong dimension towards diversifying our market reach and helping Orient Cement to further sweat its existing assets."

Moelis & Company is the financial advisor, while Cyril Amarchand Mangaldas is the legal counsel to Orient Cement for this transaction.

Press Release
6th October 2016

Orient Cement to acquire cement asset from Jaiprakash Power Ventures Limited

Orient Cement Limited ('Orient Cement') today agreed to acquire Nigrie Cement Grinding unit ("Nigrie unit") from Jaiprakash Power Ventures Limited ("JPVL") for an Enterprise Value of INR 500 crores. The Enterprise Value is on a cash-free, debt-free basis and is subject to adjustments on account of working capital, if any.

Nigrie unit in Singrauli area, Madhya Pradesh, housed within JPVL, is a cement grinding unit with a capacity of 2.0mtpa. This grinding unit is located very close to the end markets in Bihar, Jharkhand and Eastern UP.

The acquisition is subject to satisfactory negotiation and execution of definitive agreements, approval of the Competition Commission of India and other relevant regulatory and third party approvals, and will be funded by Orient Cement through a mix of internal accruals, debt and equity funding.

The acquisition of the Nigrie unit provides Orient Cement with a high quality asset at a strategically well located region. The operational asset provides a ready to market capacity for Orient Cement and also complements its asset portfolio, post the transaction.

Orient Cement, is a part of the CK Birla Group with presence across technology, automotive, home and building, healthcare and education sectors. Orient Cement currently has 8.0mtpa of cement manufacturing capacity across 3 units in the states of Telangana, Maharashtra and Karnataka.

Deepak Khetrpal, MD & CEO of Orient Cement, said: "Nigrie grinding unit is a very good fit for our expansion and market-diversification strategy. Its close proximity to the growing markets, and the availability of power, fly-ash and the infrastructure of the adjoining super thermal power plant of JPVL provides us an opportunity to reach these markets very efficiently."

Moelis & Company is the financial advisor, while Cyril Amarchand Mangaldas is the legal counsel to Orient Cement for this transaction.