



Press release
Hyderabad

December 18, 2014

IVRCL Limited entered into a binding agreement to sell its equity stake in Chennai Water Desalination Limited with a total Project Cost of INR 550 Crores to Utico FZC

As a part of its Strategic Business Plan to monetize its BOT and BOOT assets, IVRCL Limited ("IVRCL") has entered into a binding agreement on December 17, 2014 with Dubai based Utico FZC ("Utico") to sell its equity stake in Chennai Water Desalination Limited ("CWDL") which is a subsidiary of IVRCL. The transaction is expected to complete in 3 months subject to the approvals of Chennai Metropolitan Water Supply and Sewerage Board ("CMWSSB"), lenders and other applicable authorities and satisfaction of certain agreement related conditions. The 100% equity valuation of CWDL arrived for this transaction is around **INR 150 Crores**.

CWDL is a 100 million litres per day (MLD) seawater desalination project located at Minjur in Tamil Nadu, developed based on reverse osmosis technology. The project is operational since July 2010, with a 25 years concession period under a Bulk Water Purchase Agreement (BWPA) signed with CMWSSB.

Utico, is a company incorporated under the UAE laws, having its registered office in UAE. It is in the business of providing utility services in the middle east and its is the largest private utility in UAE specialized in Water and Power utilities, sewage and industrial effluent treatment plants and district cooling systems.

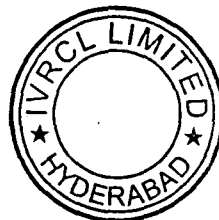
Utico does not belong to any of the Promoter / Promoter Group / Group Companies of IVRCL nor is its related party.

CWDL recorded a turnover / income of INR 185 Crores during the FYE 2013-14 which is 3.71% of consolidated turnover of IVRCL for FYE 2013-14. The network of CWDL as on 31st March 2014 is INR 24 Crores which is 1.17% of consolidated network of IVRCL as on 31st March 2014.

EY acted as the exclusive M&A advisor to IVRCL for this deal.

For IVRCL Limited

B Subrahmanyam
Company Secretary



Copy to:

1. National Stock Exchange of India Limited
2. Bombay Stock Exchange Limited

IVRCL LIMITED

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Authorised Share Capital : ₹ 3,300 Million. Issued Subscribed and Paid up Share Capital : ₹ 613.77 Million