

August 03, 2023

BSE Limited

P J Towers,
Dalal Street,
Mumbai – 400001.

Scrip Code: 500425

Dear Sir/ Madam,

Sub: Clarification on recent news item appearing in the website www.livemint.com dated August 02, 2023 titled "Adani-owned Ambuja cements to buy majority stake in Sanghi Industries, says report".

Ref: Your email dated August 02, 2023.

In response to the clarification sought with reference to the subject-mentioned news item, we wish to submit as under:

1. Please refer to the disclosure made by the Company today, uploaded on the BSE website and the NSE website with respect to (a) the execution of a Share Purchase Agreement for the acquisition of up to 14,65,78,491 equity shares ("**Sale Shares**") of Sanghi Industries Limited ("**Target Company**"), representing up to 56.74% of the Voting Share Capital (as defined therein), from the promoters of the Target Company ("**SPA**") and (b) making of an open offer for up to 6,71,64,760 equity shares, constituting 26% of the Voting Share Capital (as defined therein) from the public shareholders of the Target Company ("**Open Offer**") under the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SAST Regulations**") as well as the press release dated August 3, 2023 titled "*Ambuja Cements acquires Sanghi Industries at an Enterprise Value of Rs 5,000 Cr*" issued by the Company. A copy of the said disclosure along with press release ("**Disclosures**") is enclosed as **Annexure 1**.
2. There is no information which has not been announced to the stock exchanges, and which should have been announced by the Company, in terms

Ambuja Cements Ltd

Registered office:

Adani Corporate House

Shantigram, S.G. Highway

Khodiyar, Ahmedabad – 382 421

Gujarat, India

Ph +91 79-2555 5555

www.ambujacement.com

CIN: L26942GJ1981PLC004717

of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. We have made and will continue to make disclosures in compliance with our obligations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and our agreements with the stock exchanges.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,
For **Ambuja Cements Limited**

Vinod Bahety
Chief Financial Officer

Annexure 1

August 3, 2023

**BSE Limited
P J Towers,
Dalal Street,
Mumbai - 400001
Scrip code:500425**

**National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051
Symbol: AMBUJACEM**

Dear Sir/ Madam,

Sub.: Intimation for:

- a) Share Purchase Agreement for acquisition of up to 14,65,78,491 equity shares constituting 56.74% of the Voting Share Capital of Sanghi Industries Limited**
- b) Open offer for up to 6,71,64,760 equity shares, constituting 26% of the Voting Share Capital, at a price of INR 114.22 per equity share from the public shareholders of the Target Company**

Ref: 1. Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 ("SEBI Circulars")

Dear Sir/ Madam,

Pursuant to the above referred, kindly note that the Board of Directors of the Company at its meeting held today have *inter-alia* considered and approved the following matters:

- a) Acquisition of up to 14,65,78,491 equity shares ("**Sale Shares**") of Sanghi Industries Limited ("**Target Company**"), representing 56.74% of the Voting Share Capital as defined in the Public Announcement ("**PA**") from the promoters of the Target Company, subject to statutory and regulatory**

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approvals for a consideration of up to INR 114.22 per share, and for this purpose, has executed a Share Purchase Agreement with Mr. Ravi Sanghi, Ms. Anita Sanghi, Ms. Ekta Sanghi, Mr. Aditya Sanghi, Mr. Alok Sanghi, Sanghi Polymers Private Limited, Samruddhi Investors Services Private Limited, Flarezeal Solutions LLP and Thinkfar Tradelink Private Limited . (collectively, “**Sellers**”) and the Target Company as on the date hereof (“**SPA**”).

- b) Making an open offer for up to 6,71,64,760 equity shares, constituting 26% of the Voting Share Capital, at a price of INR 114.22 per equity share from the public shareholders of the Target Company (“**Open Offer**”) under the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**SAST Regulations**”).

Acquisition by the Company of (i) Sale Shares under the SPA; and (ii) equity shares of the Target Company pursuant to the Open Offer, is collectively referred to as “**Acquisition**”.

The details as required under the SEBI (LODR) Regulations, 2015 read with the SEBI Circular are given as under:

Sr.No.	Particulars	Details
a)	Name of the target entity, details in brief such as size, turnover etc.	<p><u>Name of the Target Company:</u> Sanghi Industries Limited</p> <p><u>Turnover as on March 31, 2023:</u> INR 928.36 crores*</p>
b)	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

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Sr.No.	Particulars	Details
c)	Industry to which the entity being acquired belongs	Target Company is in the cement manufacturing industry.
d)	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)	The investment is in line with the Company's strategy to increase its footprint in the cement manufacturing market.
e)	Brief details of any governmental or regulatory approvals required for the acquisition.	The acquisition is subject to approval of the Competition Commission of India.
f)	Indicative time period for completion of the acquisition	Within 3-4 months The Open Offer shall be completed in accordance with the provisions of the SAST Regulations.
g)	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash
h)	Cost of acquisition or the price at which the shares are acquired;	At a consideration of up to INR 114.22 per Sale Share. The Open Offer is being made at INR 114.22 per equity share, which has been determined in accordance with SAST Regulations.
i)	Percentage of shareholding / control acquired and / or number of shares acquired;	a) Up to 56.74% of the Voting Share Capital, upon completion under the SPA; and b) 26% of the Voting Share Capital pursuant to the Open Offer, assuming full acceptance in the Open Offer.

Sr.No.	Particulars	Details
j)	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);	Target Company was incorporated on June 14, 1985 under the Companies Act, 1956 and is in the business of cement manufacturing. The Target Company has operations in India. The turnover for the Target Company for last three years is provided below*: a) March 31, 2023: ₹ 928.36 crores b) March 31, 2022: ₹ 1129.42 crores c) March 31, 2021: ₹ 939.23 crores

**Based on publicly available information.*

A copy of the press release dated August 3rd, 2023 issued by the Company is also attached.

Further details are available in the Public Announcement dated August 3rd, 2023 issued by the Manager to the open offer i.e., SBI Capital Markets Limited on behalf of the Company .

You are requested to take the same on your record.

Thanking you,

Yours faithfully,

For Ambuja Cements Limited

Vinod Bahety
Chief Financial Officer

Encl: As above

Media Release**Ambuja Cements acquires Sanghi Industries
at an Enterprise Value of Rs 5,000 Cr****EDITOR'S SYNOPSIS**

- The acquisition will be fully funded through internal accruals.
- Sanghi Industries Ltd (SIL) has clinker capacity of 6.6 MTPA (million tonnes per annum), cement capacity of 6.1 MTPA and limestone reserves of 1 billion tonnes.
- SIL's Sanghipuram unit is India's largest single-location cement and clinker unit by capacity, with a captive jetty and captive power plant.
- With this acquisition, Ambuja Cements' capacity will increase to 73.6 MTPA.
- Ambuja's goal of 140 MTPA capacity by 2028 will be achieved ahead of time.
- Our aim is to make SIL lowest cost producer of Clinker in the country.
- Ambuja will increase cement capacity at Sanghipuram to 15 MTPA in the next two years.

Ahmedabad, 3 August 2023: Ambuja Cements Ltd (ACL), the cement and building material company of Adani Cement and part of the diversified Adani Group, today announced the acquisition of Sanghi Industries Ltd (SIL) at an enterprise value of Rs 5,000 crore. ACL will acquire 56.74% shares of SIL from its existing promoter group, Mr Ravi Sanghi & family. The acquisition will be fully funded through internal accruals.

"This landmark acquisition is a significant step forward in Ambuja Cements' accelerating growth journey," said **Mr Gautam Adani, Chairman of the Adani Group**. "By joining hands with SIL, Ambuja is poised to expand its market presence, strengthen its product portfolio, and reinforce its position as a leader in the construction materials sector. With this acquisition, the Adani Group is well on course to achieve its target of 140 MTPA of cement manufacturing capacity by 2028 ahead of time. With SIL's limestone reserves of a billion tonnes, ACL will increase cement capacity at Sanghipuram to 15 MTPA in the next two years. ACL will also invest in expanding the captive port at Sanghipuram to handle larger vessels. Our aim is to make SIL lowest cost producer of Clinker in the country."

SIL's integrated manufacturing unit at Sanghipuram in Gujarat's Kutch district is India's largest single-location cement and clinker unit by capacity. With 2,700 hectares of land, the integrated unit has two kilns with a clinker production capacity of 6.6 MTPA and a cement grinding unit with a capacity of 6.1 MTPA. It has a captive power plant of 130 MW and a Waste Heat Recovery System of 13 MW. The unit is also connected with a captive jetty at Sanghipuram.

The acquisition of SIL will help ACL to strengthen its market leadership and increase its cement capacity to 73.6 MTPA from the current 67.5 MTPA. With the ongoing capex of 14 MTPA and with commissioning of 5.5 MTPA capacity at Dahej and Ametha by Q2 of FY24, the Adani Group's capacity will be 101 MTPA by 2025.

Given the Adani Group's strength in building and operating marine infrastructure, the port at Sanghipuram will be expanded to handle vessel sizes of 8,000 DWT (deadweight tonnage). Bulk terminals and grinding units will be created along the western coast to enable movement of clinker and cement through the sea route at the lowest possible cost.

SIL also has a bulk cement terminal each at Navlakhi Port in Gujarat and Dharamtar Port in Maharashtra. Most of the cement is transported through the sea route, which is environment-friendly and cost competitive. SIL has a network of 850 dealers, with market presence in Gujarat, Madhya Pradesh, Rajasthan, Maharashtra and Kerala.

About Ambuja Cements Limited (ACL)

Ambuja Cements Ltd (ACL), a part of the Adani Group, is among India's leading cement companies. ACL, with its subsidiary ACC Ltd, has a capacity of 67.5 MTPA with 14 integrated manufacturing plants and 16 cement grinding units across the country. ACL has been recognized as India's Most Trusted Cement Brand by TRA Research in its Brand Trust Report, 2023. It provides hassle-free home-building solutions with its unique sustainable development projects and environment-friendly practices. ACL has many firsts to its credit, including a captive port with four terminals that facilitate timely, cost-effective and cleaner shipments of cement to customers. To add value to customers, it has launched innovative products like Ambuja Plus, Ambuja Cool Walls, Ambuja Compozem and Ambuja Kawach under the umbrella of Ambuja Certified Technology.

For further information on this release, please contact: roy.paul@adani.com