

JKCL/CS/SE/2 of 2024/Intimation to BSE/NSE

21st February, 2024

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| BSE Exchange Ltd. Corporate Relationship Department, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001 Scrip Code:532644 (ISIN.INE 823G01014) Through BSE Listing Centre | National Stock Exchange of India Ltd., Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051 Scrip Code: JKCEMENT (ISIN.INE 823G01014) Through : NEAPS |
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Dear Sir(s),

This intimation is made pursuant to Regulations 30 read with Para A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in continuation to the intimation letter dated 5.6.2023 w.r.t acquisition of Toshali Cements Pvt. Ltd ('Toshali') including transfer of Mining Lease.

This is to inform that today the parties to the transaction have agreed to modify the terms of the transaction. As per the modified terms, the payment shall be made in the following manner:

(I) The total cost of acquisition is Rs. 90 Cr. to acquire (a) 100% equity of Toshali; and (b) making over payment towards discharge of unsecured/ secured loans (including interest due thereon) of promoter and promoter group companies of Toshali (c) assumption of undischarged liabilities of Toshali, whereupon to acquire the Company viz. all that (i) **Integrated Unit at Ampavalli, Koraput having Clinker capacity of 0.33 MTPA & Grinding capacity of 0.20 MTPA;** and (ii) **Grinding Unit at Choudwar, Cuttack having grinding capacity of 0.44 MTPA**

(II) Balance of Rs. 67 Crores (less limestone mines transfer expenses) to be paid afterwards consequent upon the Mining Lease being transferred in the name of the Company.

Pursuant to the aforesaid modified terms, JK Cement Ltd ("**Company**") has completed the acquisition of 100% stake of Toshali from its shareholders and promoters. Upon this acquisition, Toshali has become a wholly owned subsidiary of the Company with immediate effect.

The transfer of the Mining Lease is subject to necessary statutory and regulatory approvals, which is likely to be completed within 18 months hereof.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 is annexed hereto marked as Annexure A

Kindly take a note of the same.

Yours faithfully,
For J.K. Cement Ltd.

(Shambhu Singh)
Vice President & Company Secretary.
FCS 5836

Encl: As above

**Corporate Office**

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Manufacturing Units at :

Nimbahera, Mangrol, Gotan (Rajasthan) | Muddapur (Karnataka)
Jharli (Haryana) | Ujjain, Katni (M.P.) | Aligarh (U.P.) | Batasinor (Gujarat)



Annexure-A

| Sr. No. | Details Required | Information of such event |
|---------|---|--|
| 1 | Name of the target entity, details in brief such as size, turnover etc. | Toshali Cements Pvt. Ltd (TCPL / Toshali) at present has two manufacturing units: A. Integrated Units with Clinker Capacity of 0.33 MTPA; Grinding Capacity of 0.20 MTPA. The plant is operational and located at Ampavalli, District-Koraput, Odisha. Grinding Unit of 0.44 MTPA annual cement production capacity. The unit is located at Choudwar, District-Cuttak, Odisha. |
| | Whether the acquisition would fall within related party transactions(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 “arm’s length” | No, J. K. Cement Limited and its associates are not related parties of Toshali and hence the proposed transaction is not a Related Party Transaction. |
| 3 | Industry to which the entity being acquired belongs | TCPL is engaged, inter alia, in business of manufacture and sale of cement and clinker. |
| 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) | The acquisition will help the Company expand its footprint into the Eastern Region. |
| 5 | Brief details of any governmental or regulatory approvals required for the acquisition | The transfer of the Mining Lease is subject to necessary statutory and regulatory approvals. |
| 6 | Indicative time period for completion of the acquisition | Immediate |
| 7 | Nature of consideration- whether cash consideration or share swap and details of the same | The consideration shall be in the form of Cash. |


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| 8 | Cost of acquisition or the price at which shares are acquired | The investment of Rs. 10.75 Crs would be paid to the existing promoters of Toshali cement for acquisition of 100 per cent equity, Rs. 70.85 Crores to be invested in form of Compulsorily Convertible Debentures (CCDs) of Toshali to discharge the debt and dues of Promoters and Promoters group companies and Rs 8.40 Crores to be infused to Toshali to payout the outstanding liabilities. |
| 9 | Percentage of shareholding/ control acquired and/ or number of shares acquired | The Company will acquire management control and hold 100% of the paid-up capital of Toshali |
| 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) | Toshali was incorporated in 2002 and at present has two manufacturing Units: 1. Integrated Units with Clinker Capacity of 0.33 MTPA; Grinding Capacity of 0.20 MTPA. The plant is operational and located at Ampavalli, District-Koraput, Odisha. 2. Grinding Unit of 0.44 MTPA annual cement production capacity. The plant is operational and located at Choudwar, District- Cuttak, Odisha. |


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