

**Media Release**

# **Ambuja Cements announces Amalgamation of its Subsidiaries**

## **Sanghi Industries and Penna Cement to be merged with parent company**

### **EDITOR'S SYNOPSIS**

- Aimed at enhancing shareholder value, this consolidation will help to streamline the organisation structure and simplify compliance requirements for effective governance.
- For every 100 equity shares of SIL with a face value of Rs. 10/- each, Ambuja Cements will issue 12 equity shares with a face value of Rs. 2/- each, to eligible shareholders of SIL.
- Subject to requisite approvals, transaction expected to be completed within 9-12 months.

**Ahmedabad, 17 December 2024:** Ambuja Cements, the cement and building material company of the diversified Adani Portfolio, today announced separate Schemes of Arrangement of its subsidiaries Sanghi Industries Limited (SIL) and Penna Cement Industries Limited (PCIL). The proposed Schemes inter alia provide for the Amalgamation of SIL and PCIL with Ambuja Cements.

**Mr. Ajay Kapur, CEO – Cement Business, Adani Group**, said, "This merger aims to make our company more competitive and efficient, ultimately enhancing shareholder value. Enhanced working capital management and internal funds will support the growth of our business operations. Unified cash flow management will pool resources for faster expansion and cost savings in administration and governance, thereby simplifying compliance requirements. This advancement through a larger entity will increase market competitiveness and deliver greater value to our shareholders."

SIL has a clinker capacity of 6.6 MTPA, cement capacity of 6.1 MTPA, and limestone reserves of ~1 billion tonnes. SIL's Sanghipuram plant is India's largest single-location cement and clinker unit by capacity, with a captive jetty and captive power plant.

Penna has four integrated plants in Andhra Pradesh and Telangana, along with a grinding unit in Maharashtra. It has an operational capacity of 10 MTPA. Additionally, two plants, with a capacity of 2 MTPA each, are under construction in Krishnapatnam and Jodhpur, expected to be completed within next 8-12 months. It also has five bulk cement terminals at Kolkata, Gopalpur, Karaikal, Kochi, and Colombo (Sri Lanka).

Ambuja Cements will issue 12 equity shares of the face value of Rs. 2/- each for every 100 equity shares of SIL of face value Rs. 10/- each as recommended by the valuers and accepted by the Board and thereby, the eligible shareholders of SIL will become the shareholders of Ambuja Cements.

These transactions will be effected with requisite approvals from related stakeholders and authorities, anticipated to be completed within 9-12 months' time.

### **About Ambuja Cements Limited**

Ambuja Cements Limited, is one of India's leading cement companies and a member of the diversified Adani Group – the largest and fastest growing portfolio of diversified sustainable businesses. Ambuja Cements, with

its subsidiaries has taken the Adani Group's cement capacity to 89 MTPA with 22 integrated cement manufacturing plants and 21 cement grinding units across the country. Ambuja Cements has been recognised among 'India's Most Trusted Cement Brand' by TRA Research in its Brand Trust Report, 2024 and among 'Iconic Brands of India 2024' by The Economic Times for the third consecutive year. Ambuja has provided hassle-free, home-building solutions with its unique sustainable development projects and environment-friendly practices since it started operations. The company has many firsts to its credit – a captive port with ten terminals that has facilitated timely, cost-effective and cleaner shipments of bulk cement to its customers. To further add value to customers, the Company's innovative products are now enlisted in GRIHA product catalogue. These products not only fulfil important customer needs but also help in significantly reducing their carbon footprints. Being a frontrunner in sustainable business practices, Ambuja Cements is the world's first cement manufacturer to join the Alliance for Industrial Decarbonization (AFID) – a global alliance, facilitated by IRENA to accelerate Net Zero transition. It ranks among 'India's Top 50 companies contributing to inclusive growth' by SKOCH and has been recognised for its climate change mitigation commitments with a 'Leadership Score' of A- by CDP.

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**Safe Harbour Statement**

This press release contains forward-looking statements relating to Ambuja Cements Limited and ACC Limited's future operations, performance, and financial outlook, which are based on current assumptions and expectations. These statements involve inherent risks and uncertainties that could cause actual results to differ materially from those anticipated. Factors such as changes in market conditions, economic developments, regulatory requirements, industry dynamics, and unforeseen circumstances may impact the company's performance. Ambuja Cements Limited and ACC Limited undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. For a detailed discussion of these risks, please refer to our filings with the Securities and Exchange Board of India (SEBI) and other relevant regulatory authorities.