

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.

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