

CK Birla Group sells Orient Cement to Adani Group to focus on core businesses

New Delhi, 22 Oct 2024: The CK Birla Group, today signed definitive agreements with Ambuja Cements, part of the Adani Group, to transfer its entire shareholding in Orient Cement Limited, valuing the company at an equity value of INR 8100 crores (USD 964 million) at an equity value of INR 395.4 per share.

The Adani Group is a leading and highly recognised group with a portfolio of worldclass businesses ranging from infrastructure to energy.

The CK Birla Group, an Indian multinational conglomerate with over 150 years of business and philanthropic contributions, operates in diverse sectors including technology, automotive, home and building and healthcare where it continues to invest.

CK Birla, Chairman of Orient Cement and the CK Birla Group, said, “The CK Birla Group is continuously reallocating capital to sharpen its focus on consumer centric, technology driven and service based businesses. I take pride in Orient Cement’s impressive track record of building premium brands and maintaining a leading market share in the geographies it operates in. We are confident that the Adani Group, with its strong focus on cement and infrastructure, is the ideal new owner to drive continued growth at Orient Cement for our people and stakeholders”.

Amita Birla, Co-Chairman, CK Birla Group, added, “Orient Cement has a strong market presence, with sustainability initiatives, particularly in renewable energy, being a significant part of its DNA. I am convinced that Ambuja Cements is the right home for all our colleagues at Orient Cement, as well as our customers.”

“This timed acquisition marks another significant step forward in Ambuja Cements’ accelerated growth journey, increasing cement capacity by ~30 MTPA within two years of the acquisition,” said Mr Karan Adani, Whole time Director of Ambuja Cements. “By acquiring Orient Cement, Ambuja is poised to reach 100n MTPA cement capacity in FY 25. The acquisition will help to expand Adani Cement’s presence in core markets and improve its pan India market share by 2%. Orient Cements assets are highly efficient, equipped with railway sidings and well supported by captive power plants, renewable energy, WHRS and AFR facilities. Their strategic locations, high quality limestone reserves and requisite statutory approvals present an opportunity to increase cement capacity in the near term to 16.6 MTPA.”

The transaction is subject to regulatory approvals, including approval by Competition Commission of India and mandatory open offer under the relevant SEBI regulations.

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About the CK Birla Group

The CK Birla Group, with a revenue of over US \$3 billion, is an Indian multinational conglomerate. With over 35,000 employees, the group operates 52 manufacturing facilities across India and the world, with a presence in diverse sectors including technology, automotive, home and building, and healthcare.

The CK Birla Group continuously adapts to stay ahead in a changing world. By harnessing technology and investing in people and digital transformation, the Group consistently remains agile and delivers profitable growth. Viewing value creation through a global lens, our companies operate without borders.

The CK Birla Group companies include Birlasoft Limited, GMMCO Limited, National Engineering Industries Limited (manufacturer of NBC Bearings), Orient Cement Limited, HIL Limited, Orient Electric Limited, CK Birla Healthcare Private Limited (CK Birla Hospitals and Birla Fertility & IVF), Orient Paper & Industries Limited, AVTEC Limited and Neosym Industry Limited.

Our companies share a common purpose of serving customers, partners and communities to create long term value through trust based relationships.