

## M&A Lab

September 14, 2022

### ADANI-HOLCIM: CEMENTING THE FUTURE!

Riding on the wave of exponential success, Asia's richest and world's fourth richest person, Gautam Adani announced the signing of a binding agreement for the Adani group to acquire Holcim's business in India. The sheer scale of this deal will establish Adani Group as the second largest player in the Indian cement industry and expand Adani Group's portfolio of world class businesses ranging from infrastructure to energy to cement.

India is the second largest cement producer in the world and it comes as no surprise that Adani wants a slice of this mammoth pie by setting its sights upon Holcim's Indian portfolio. Holcim holds a (i) 63.11% stake in Ambuja Cements, which in turn owns a 50.05% stake in ACC; and (ii) 4.48% direct stake in ACC.<sup>1</sup>

The deal has triggered the open offer obligations for Adani Group under the Takeover Code for Ambuja Cements and ACC respectively, resulting in a total deal size of approximately USD 10.5 billion (assuming 100% acceptance ratio in the Open Offers). Upon successful completion of the Open Offers, Adani's stake in Ambuja Cements and ACC will increase to an astronomic 89% and 81%<sup>2</sup> respectively.

While traditionally oligopolistic in nature, the cement industry in India has been dominated by formidable players such as Ultratech and Dalmia Cement for nearly a decade in addition to Ambuja and ACC. Given this backdrop, the deal is a 'win' not only for Adani but the market at a holistic level as it will inevitably shake up the cement industry and stimulate unprecedented growth with the stellar entry of Adani Group.

In this M&A Lab, we probe deeper into the multibillion-dollar deal that is bound to revamp the Indian cement industry. We will analyse the legal, regulatory, tax, financing and other commercial dimensions of this intricate Deal.

**For a detailed analysis of the commercial, legal, regulatory and tax considerations and to access the M&A Lab, please [click here](#).**

– Parina Muchhala, Aarathi Das, Harman Khorana, Khyati Dalal, Afaan Arshad & Nishchal Joshipura

You can direct your queries or comments to the author

<sup>1</sup> <https://economictimes.indiatimes.com/markets/stocks/news/adani-group-holcim-10-bn-mega-deal-key-takeaways-analysts-take/articleshow/91586435.cms>

<sup>2</sup> <https://www.financialexpress.com/industry/adani-family-makes-open-offer-for-ambuja-cements-acc-stakes/2526937/>.

### DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

## Research Papers

### Handbook on New Labour Codes

April 29, 2024

### Compendium of Research Papers

April 11, 2024

### Third-Party Funding for Dispute Resolution in India

April 02, 2024

## Research Articles

### Private Client Insights - Sustainable Success: How Family Constitutions can Shape Corporate Governance, Business Succession and Familial Legacy

January 25, 2024

### Private Equity and M&A in India: What to Expect in 2024?

January 23, 2024

### Emerging Legal Issues with use of Generative AI

October 27, 2023

## Audio

### Third-Party Funding: India & the World

April 27, 2024

### IBC allows automatic release of ED attachments: Bombay HC reaffirms

April 15, 2024

### The Midnight Clause

February 29, 2024

## NDA Connect

Connect with us at events, conferences and seminars.

## NDA Hotline

[Click here to view Hotline archives.](#)

## Video

### Q&A 2024 Protocol to the Mauritius India Tax Treaty

April 22, 2024

### Boost to India's Space Potential: India Liberalizes Foreign Direct

