

Temasek funding drives M&M EV arm valuation to ₹80,000 cr

Singapore investment firm to pump in ₹1,200 cr, hold 1.49-2.97% stake

SOHINI DAS
Mumbai, 3 August

Mahindra & Mahindra (M&M) announced on Thursday that Singapore-based investment firm Temasek Holdings will invest ₹1,200 crore in M&M's four-wheeler passenger electric vehicle (EV) subsidiary, Mahindra Electric Automobile (MEAL), at a valuation of up to ₹80,580 crore (\$9.8 billion). This is 15 per cent more than the ₹70,070 valuation MEAL fetched last year when British International Investment (BII) had invested.

At a valuation of around \$9.8 billion, this is one of the highest valuations fetched by any EV company in recent times. It assumes significance as M&M's electric portfolio is yet to launch apart from the XUV400 electric, said an analyst. "In contrast, Tata Motors already has the highest market share in the electric passenger vehicle space. M&M has differentiated its play by choosing to focus only on electric SUVs," the analyst added.

M&M and Temasek have executed the binding agreement for Temasek to invest ₹1,200 crore in the form of compulsorily convertible preference shares, valuing MEAL at ₹80,580 crore, resulting in Temasek's ownership of a 1.49-2.97 per cent stake in MEAL.

Temasek will join BII as an investor in MEAL. BII had invested ₹1,925 crore mid-last year at a valuation of ₹70,070 crore. BII had invested through compulsorily convertible instruments that gave it 2.75 per cent to 4.76 per cent ownership of MEAL.

M&M said that the amount invested is consistent with the Mahindra Group's plan to minimise dilution. Anish Shah, managing director and chief executive officer (CEO), M&M, said that having Temasek as a partner, known for its strong governance globally, is a step forward in executing its strategy towards future leadership in electric sport utility vehicles (SUVs).

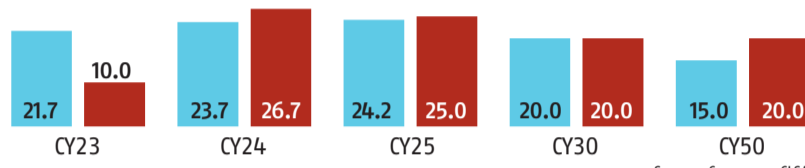
Rajesh Jejurikar, executive director and CEO (auto and farm Sector) at M&M, commented, "We demonstrated Mahindra's ambition to build a desirable global brand with the reveal of our Born EV portfolio based on the INGLO (IN for India and GLO for Global) platform in August 2022 in the



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	CY23	CY24	CY25	CY30	CY50
Total volume	368,552	442,307	488,672	740,677	4,948,693
IC engine	362,552	418,307	452,672	518,474	781,373
Electric vehicle	6,000	24,000	36,000	222,203	4,167,320

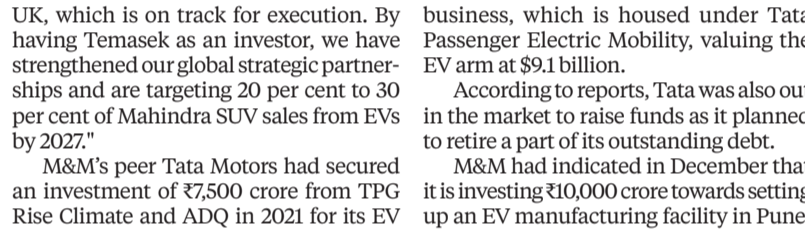
SUV market share (%)



Major EV deals in recent times

Amount invested (in ₹ cr)

Note: *According to reports



UK, which is on track for execution. By having Temasek as an investor, we have strengthened our global strategic partnerships and are targeting 20 per cent to 30 per cent of Mahindra SUV sales from EVs by 2027."

M&M's peer Tata Motors had secured an investment of ₹7,500 crore from TPG Rise Climate and ADQ in 2021 for its EV

business, which is housed under Tata Passenger Electric Mobility, valuing the EV arm at \$9.1 billion.

According to reports, Tata was also out in the market to raise funds as it planned to retire a part of its outstanding debt.

M&M had indicated in December that it is investing ₹10,000 crore towards setting up an EV manufacturing facility in Pune.

S&P cuts outlook on Vedanta Resources

S&P Global Ratings on Thursday cut its outlook on Vedanta Resources, parent of metals-to-oil conglomerate Vedanta, to "negative" from "stable", citing increased funding risks.

The rating agency said the Anil Agarwal-owned company's "weakened access" to cash flow from its operating units amid challenging external financing conditions raised its refinancing risk. The negative outlook reflects the company's tight liquidity due to large debt maturities

until March 2025, S&P said. **Vedanta promoter entity trim stake by 4.14%**

Twin Star Holdings sold 4.14 per cent stake in Vedanta on Thursday. The promoter entity sold 154.1 million shares at ₹258.6 apiece to mop up ₹3,983 crore. Cophall Mauritius Investment and Societe Generale picked up shares worth ₹2,194 crore and ₹761 crore, respectively, data provided by stock exchanges showed. **REUTERS & BS REPORTER**

Ambuja acquires Sanghi Industries in ₹5K cr deal

Marks Adani group's first major deal since the Hindenburg Research report

AMRITHA PILLAY
Mumbai, 3 August

Gautam Adani-owned Ambuja Cements on Thursday announced its acquisition of Sanghi Industries at an enterprise value of ₹5,000 crore.

This is the Adani Group's first major deal since the damning Hindenburg Research report in January.

Analysts term it a bet on sea-logistics.

The acquisition, expected to close in the next three to four months, will entail purchase of 56.74 per cent shares from Sanghi Industries' promoter group comprising Ravi Sanghi and family and another 26 per cent of the voting share capital pursuant to the open offer.

With multiple other suitors for the cement asset, what could have worked in Adani's favour, according to analysts, is the port-related synergies at the group level.

"Our channel checks suggest

some other bidders balked at the asking price for assets, especially considering the shallow depth (of the captive port) (draft of 4.5 metres), which allows only relatively smaller vessels," analysts with Ambit Capital noted in a report on Thursday, prepared prior to the deal announcement.

Aware of the limitations, part of the announcement, Ambuja Cements said it will invest to increase Sanghi's cement capacity to 15 MTPA in the next two years and invest in expanding Sanghi's captive port capacity to handle larger vessels of 8,000 DWT (dead-weight tonnage).

"It is a good deal for Ambuja given the group synergies. No other cement company (with no port experience) would have been able to address the draft

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related logistics issue," said a cement analyst, who did not wish to be identified.

Not everyone is convinced. "Adani Ports had already done some dredging historically for Sanghi Cement on a commercial basis, but if that's the case, why couldn't Sanghi

Cement do it, or why didn't other bidders such as JSW consider that possibility," analysts with Ambit noted in the report, pointing Sanghi's historically low utilisation levels.

Expanding along the west coast

The captive port infrastructure is crucial from the access to Mumbai and other markets perspective.

"Surat and Mumbai, are currently the two best markets for cement in India," said the

cement analyst quoted earlier in the story.

Karan Adani, non-executive and non-independent director of Ambuja Cements is aware of the potential.

He said, the vision is to produce lowest-cost clinker in the country at Sanghipuram (Sanghi's location) and then transport clinker as well as bulk cement through coastal route to the market of Saurashtra, South Gujarat, Mumbai and Mumbai Metropolitan region, Karnataka and Kerala.

"Synergy with the assets of Adani ports will help us accelerate the implementation of this strategy," Adani said.

100+ mtpa mark

The acquisition will take Adani Group's cement capacity — ACC Ltd included — to 73.6 million tonnes per annum (mtpa).

The group plans to hit the mark of more than 100 mtpa by 2025, aided by the Sanghi acquisition.

OPPORTUNITY TO ACQUIRE 100% SHAREHOLDING in Entertainment City Limited (Company)

A Prime Real Estate, Commercial cum Entertainment Space in the heart of Noida (Delhi NCR)

About the Company:
The Company owns a prominent Commercial cum Entertainment project, spread over 147 acres in Noida. Being in close proximity to prime residential areas of Noida and South Delhi, the project is well connected to Delhi by DND Flyover and two metro stations at a walking distance.
The project land was allotted to the Company by Noida Authority on a 90-year lease in the year 2003.
Company has a total sanctioned FSI of ~3.6 million sqft. comprising of following assets:

- Two operational Malls:**
 - The Great India Place** - Houses number of Anchor Stores, a large Food Court, Multiplex and a large number of Non-Anchor stores.
 - Gardens Galleria** - The Mall has become a social hub of Delhi NCR with a good number of Restaurants, Lounge Bars. It also houses a big retail chain of construction hardware products and good number of Non-Anchor stores.
- Two Operational Theme Parks:**
 - "Worlds of Wonder" Water Park** - Commissioned operations in the year 2013, featuring 21 rides/slides sourced from reputed international and national ride manufacturers.
 - "Worlds of Wonder" Amusement Park** - Commissioned operations in the year 2007 across 3 zones (Teen, Family and Children), featuring 21 rides sourced from reputed international ride manufacturers, 2 video game parlours, boating and rain dance arena.
- "Arrival Village"** - Houses prominent brands in kids entertainment, Go Karting, Restaurants and Lounge Bars.
- Further development potential of ~1.7 million sqft.

The remaining FSI of ~1.7 million sqft. can be utilised for entertainment purposes as per Noida Master Plan 2031, which may include various recreational purposes like Sports City, Golf Course, Indoor Stadium, Drive-in Cinema, Exhibition Centre, Theme Park, Auditorium, Film City/Studios and Clubs etc.

Proposed Transaction:
The Shareholders of the Company have decided on 100% disinvestment of equity stake in the Company (Transaction) on as is where is basis and have appointed E&Y as the Transaction Advisor.
The Shareholders invite offers/ expression of interests (EOI) for the Transaction from the interested investors/buyers.

Transaction Process:
Step 1: Interested investors/ buyers to submit EOI via email to the following email id's before closure of business hours on 16th August 2023.
disinvestment@eclindia.com with CC to arun.narasimhan@in.ey.com
Step 2: Further details of the Transaction process shall be notified to the prospective investors/ buyers in response to the EOIs received.

refex

Refex Industries Limited

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CIN NO: L45200TN2002PLC049601

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Extract of Unaudited Financial Results for the Quarter ended 30th June, 2023 (₹ in lakhs)

S No.	Particulars	Standalone				Consolidated		
		Quarter Ended		Year Ended		Quarter Ended		Year Ended
		June 30, 2023	Mar 31, 2023	June 30, 2022	Mar 31, 2023	June 30, 2023	Mar 31, 2023	Mar 31, 2023
1	Total Income from Operations	38,136.63	63,012.59	26,519.09	1,62,914.96	38,232.73	63,012.59	1,62,914.96
2	Profit/(Loss) before exceptional and extraordinary items and taxes	3,010.51	6,763.41	1,896.24	15,663.63	2,938.67	6,763.13	15,663.35
3	Profit/(Loss) before taxes (after exceptional and extraordinary items)	2,993.22	6,789.93	1,876.60	15,638.90	2,921.38	6,789.65	15,638.62
4	Profit/(Loss) after taxes (after exceptional and extraordinary items)	2,201.36	5,067.26	1,378.54	11,606.36	2,127.18	5,066.98	11,606.08
5	Total Comprehensive Profit/(Loss) for the period	2,201.36	5,042.87	1,378.54	11,581.97	2,127.18	5,042.59	11,581.69
6	Paid-up Equity Share Capital (face value of Rs.10/- each)	2,210.70	2,210.70	2,100.20	2,210.70	2,210.70	2,210.70	2,210.70
7	Reserve (excluding revaluation reserve)	NA	NA	NA	29,228.95	NA	NA	29,228.68
8	Basic Earnings per share	9.96	22.92	6.56	53.90	9.62	22.92	53.89
9	Diluted Earning per share	9.92	22.88	6.56	53.84	9.59	22.88	53.84

Notes:
1. The above is an extract of the detailed format of the quarterly ended financial results as on 30th June, 2023 filed with the Stock Exchange under Regulation 33 of the SEBI (LODR) Regulations, 2015. The full format of the Financial Results are available on the Stock Exchange website (www.bseindia.com & www.nseindia.com) and on Company website (www.refex.co.in).
2. The Financial results of the company have been prepared in accordance with the Indian Accounting Standards (INDAS) Notified under Sec.133 of The Companies Act, 2013.
3. Figures have been re-grouped/re-classified to make them comparable to the figures wherever necessary.
4. The above unaudited results were reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 03rd August, 2023.

Key Performance Indicators:
A Revenue growth ~44% ↑ from Q1 FY23 to Q1 FY24
B EBITDA growth ~67% ↑ from Q1 FY23 to Q1 FY24
C Great Place To Work Certified as a "Great Place To Work" - by GPTW
D ESG Launched 'Trees for Life' program to plant 1,00,000 trees

For Refex Industries Limited
Anil Jain
Managing Director
DIN: 00181960

Place: Mumbai
Date: 03rd August, 2023

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