



Since 1916



CEMENT UPDATE
MARCH 2024

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Port Analysis



CEMENT TRAFFIC AT INDIAN PORTS

(Qty in Metric Tonnes)

- Indian port traffic for cement in the period of Apr'23-Feb'24 saw a decrease of 0.83% at 6540240 MT as compared to the same period of the previous fiscal.
- Pipavav port saw the highest traffic of cement in the period of Apr'23-Feb'24.

| Cement Traffic At Indian Ports (Quantity in Million Metric Tonnes) | | | |
|--|----------------------|----------------------|-----------------------|
| Ports | Apr'23-Feb'24 | Apr'22-Feb'23 | Y.O.Y Variance |
| PIPAVAV | 2795500 | 2370500 | 425000 |
| JNPT | 1435801 | 1211844 | 223957 |
| COCHIN | 746475 | 1069307 | -322832 |
| BEDI | 218933 | 97305 | 121628 |
| MANGALORE | 217837 | 347822 | -129985 |
| BHAGWATI BANDAR | 186768 | 171081 | 15687 |
| MUMBAI | 173107 | 66610 | 106497 |
| DHARAMTAR | 167433 | 270628 | -103195 |
| TUTICORIN | 150000 | 3900 | 146100 |
| MULDWARKA | 128000 | 146697 | -18697 |
| Grand Total | 6540240 | 6594861 | -54620 |

- Ultratech Cement turned out to be a major cement supplier to Sri Lanka, exporting 469500 MT of cement.

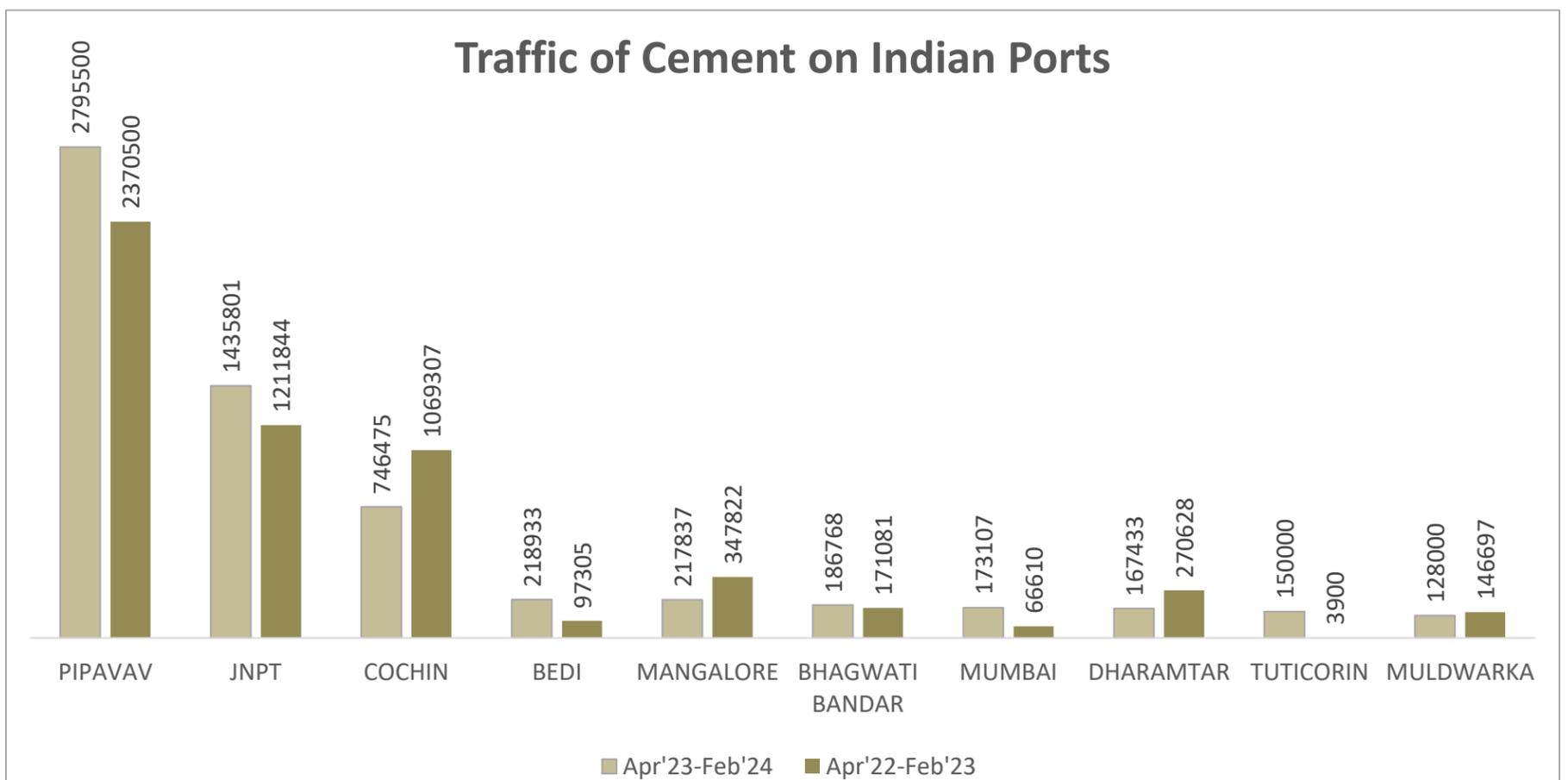
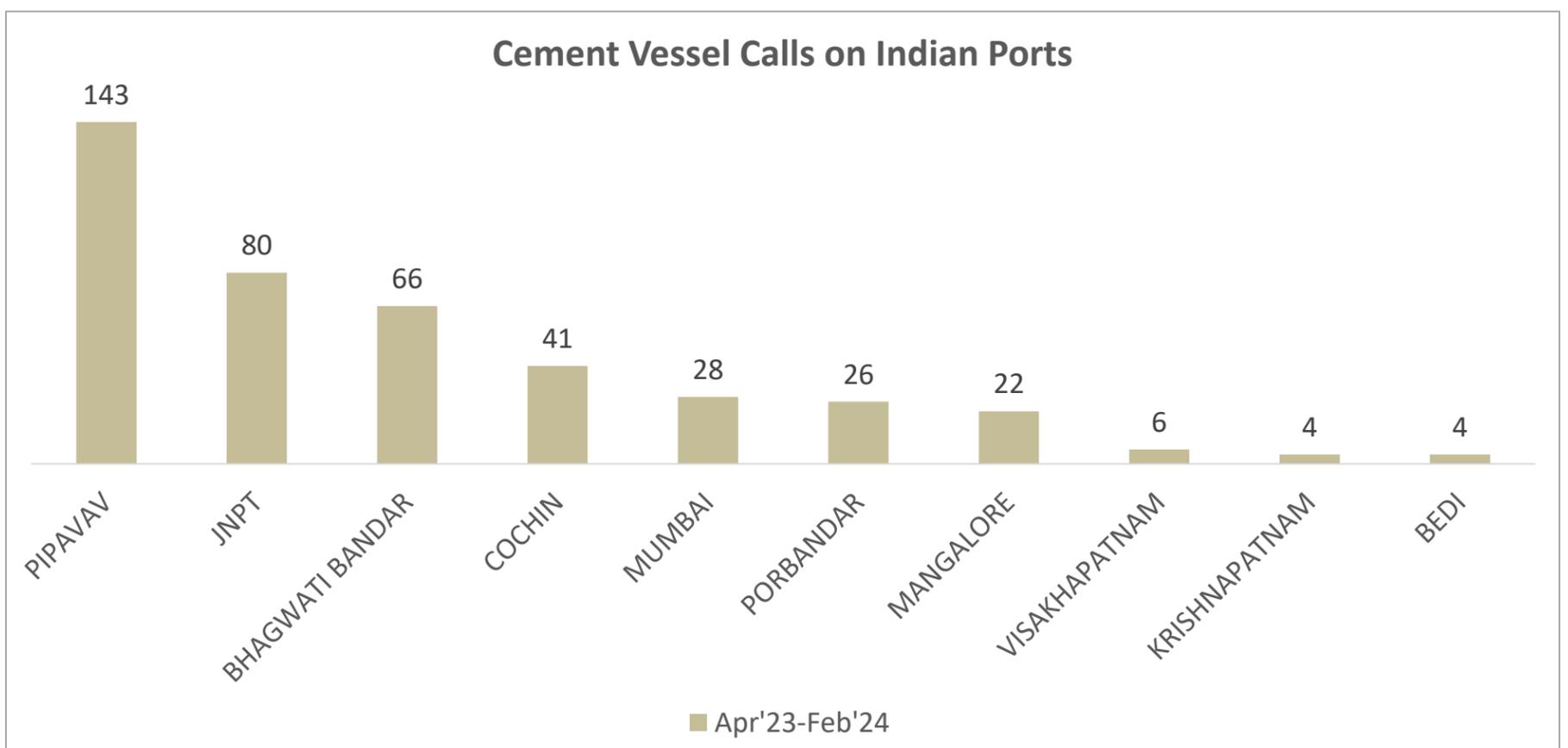
| Cement Exports: Apr'23-Feb'24 | | |
|--------------------------------------|----------------|------------------|
| Exporters | Coastal | Sri Lanka |
| ULTRATECH CEMENT LTD. | 2326000 | 469500 |
| AMBUJA CEMENT LTD. | 18000 | |
| HARI & CO. | 800 | |
| PENNA CEMENT INDUS. LTD. | 75000 | |
| RAJ IMPORT AND EXPORT | 27200 | |
| ROCK SAND MINERALS PVT. LTD. | 32300 | |
| SAURASHTRA CEMENT LTD. | 51930 | |
| SS ROCK LTD. | 42100 | |
| Grand Total | 2573330 | 469500 |

NOTE: Above Statistics is drawn from data received from Port and Custom Authorities, while all information is believed to be correct, the editors of this compilation or JM Baxi do not guarantee the authenticity of data.

Cement Imports between Apr'23-Feb'24 (Qty in Metric Tonnes)

| IMPORTERS | COASTAL | EXIM |
|--|----------------|---------------|
| ADANI CEMENT INDUS. | 3908 | |
| AMBUJA CEMENT LTD. | 5855 | |
| ARCELOR MITTAL NIPPON STEEL INDIA LTD. | 2201 | |
| FAIRMACS TRADING CO. PVT. LTD. | 5794 | |
| HATHI CEMENT LTD. | 4650 | |
| PENNA CEMENT INDUS. LTD. | 50000 | |
| ULTRATECH CEMENT LTD. | 2521549 | |
| ZUARI CEMENTS LTD. | 5787 | |
| VASUKI MINING & MINERALS PVT. LTD. | | 173633 |
| OCEANIC TRADE MINERALS PVT. LTD. | | 94200 |
| RM TRADEX | | 90998 |
| COCHIN CEMENTS CO. | | 43000 |
| JSW STEEL LTD. | | 167433 |
| KALEESUWARI REFNERY CO. | | 55800 |
| Grand Total | 2599744 | 625064 |

- India's imports decreased by 11.02% in the period of Apr'23-Feb'24 at 3930445 MT as compared to the same period of the previous fiscal.



MARKET ANALYSIS



CEMENT MARKET ANALYSIS FOR MARCH 2024



THEME OF CONSOLIDATION- INDIAN CEMENT SECTOR

- Consolidation played a vital role in Indian cement industry in 2023, Highest was the 67.5 mill tons of Holicim's cement assets by the Adani Group. In November 2023 Ultratech acquired 10.8 mill tons of capacity of kesoram industries. In past seven years there have been 13 significant mergers and acquisitions in india's cement sector.
- With this consolidation in the cement sector Large cement firms are becoming larger by acquiring more cement assets than just opting for greenfield expansion.
- India's largest cement manufacturer, Ultratech has completed four prominent cement deals in the past seven years. These include Jaypee Cement, Century Cement, Binani Cement and Kesoram Industries. with this Ultratech plans to achieve a cement capacity of 200 MT. In all, the company has added more than 53 MT capacity through acquisitions. These acquisitions have further strengthened the company's dominant position in India's cement industry. At present, the company has a cement capacity of 143.3MT
- India's cement sector has a total capacity of around 596 MT. Cement makers are expected to add close to 34 MT capacity in the next two-three years through organic route (companies expanding their capacity on their own) add 30-40 MT through inorganic route (either acquisitions or mergers) during the period. Expanding through an inorganic route saves the hassle of searching for a right location, acquiring land, and delays in regulatory approvals.

More consolidation ahead...

- It is estimated that there is close to 165 MT of cement capacity with small and mid-sized companies. A few prominent names in this list are Nuvoco Vistas, The Ramco Cement, Birla Corporation, J K Cement, J K Lakshmi Cement and Sagar Cement. This shows that there is enough potential for more acquisitions and mergers in the industry.



MARKET HIGHLIGHTS

- **JSW Group to set up new steel plant, cement plant in Odisha**
- **JK Cement completes acquisition of Odisha's Toshali Cement**
- **Ambuja Cements to invest Rs 1,000 cr to set up grinding unit in Jharkhand**



JSW Group to set up new steel plant, cement plant in Odisha

- JSW Group plans to establish an integrated steel plant, power plant, port facility, and cement plant in Jagatsinghpur, Odisha, with an investment of Rs 65,000 crore. The steel plant will produce 13.2 million tons of steel annually and generate 30,000 jobs. The port and jetty project will handle 52 million tons of cargo annually.
- The steel plant will have the capacity to make 13.2 million tons of steel per annum and is expected to generate 30,000 jobs.
- The port and jetty project will handle 52 million tons of cargo per annum. The cement plant will be able to produce 10 million tons while an iron ore slurry transportation system will have the capacity to transport 30 million tons per annum.
- The land for the project was earlier earmarked for Korean Steel Major Posco in 2005, which had plans to set up a 12 MTPA steel plant with an investment of Rs 52,000 crore. However, the project failed to take off following stiff opposition from the local people forcing Posco to withdraw in 2017.

JK Cement completes acquisition of Odisha's Toshali Cement

- JK Cement has 20 million tonnes per annum of capacity and ranks amongst the top 8 cement manufacturers in the country. With the acquisition of Odisha-based Toshali Cement the company will add a further 0.6 million tonnes per annum of cement capacity.
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- With the acquisition of Odisha-based Toshali Cement the company will add a further 0.6 million tonnes per annum of cement capacity. The total acquisition cost is Rs. 90 crore not including the cost of a limestone mining license that is also part of the deal.
- The first one located in Odisha's Koraput district has integrated units with 0.33 million tonne per annum of clinker capacity and 0.2 million tonne per annum of grinding capacity. The second unit located in Odisha's Cuttak district is a grinding unit with 0.44 million tonne per annum of cement production capacity.

Ambuja Cements to invest Rs 1,000 cr to set up grinding unit in Jharkhand

- Ambuja Cements, a part of Adani Group, plans Rs 1,000 crore investment in a 4 MTPA cement grinding unit in Godda, Jharkhand. The unit will safely dispose of fly ash, contribute to the circular economy, and generate employment for 2,500 people.
- Ambuja Cements operates two cement plants in Jharkhand with a combined capacity of 6 MTPA.
- We believe that Jharkhand holds immense potential in terms of resources, infrastructure, and skilled manpower, making it an ideal location for this project. We look forward to working closely with the state to ensure the successful implementation of this project.
- Ambuja, with its subsidiary ACC Ltd, recently acquired Sanghi Industries Ltd which has a capacity of 74.6 MTPA with 18 integrated cement manufacturing plants and 14 cement grinding units across the country.

Source: Economic Times

REPORTS FOR MARCH 2024

J. M. BAXI. & CO. Monthly Agri Products Update

J. M. BAXI. & CO. Monthly Automotive Industry Update

J. M. BAXI. & CO. Monthly Cement Update

J. M. BAXI. & CO. Monthly Chemical Update

J. M. BAXI. & CO. Monthly Coal and Coke Update

J. M. BAXI. & CO. Monthly Container Update

J. M. BAXI. & CO. Monthly Cruise Shipping Update

J. M. BAXI. & CO. Monthly Veg Oil Update

J. M. BAXI. & CO. Monthly Fertilizer Update

J. M. BAXI. & CO. Monthly LNG & LPG Update

J. M. BAXI. & CO. Monthly Mineral and Metal Update

J. M. BAXI. & CO. Monthly Oil and Petroleum Update

J. M. BAXI. & CO. Monthly Port Update

J. M. BAXI. & CO. Monthly Project Cargo Update

J. M. BAXI. & CO. Monthly Seafarer Insight Update

J. M. BAXI. & CO. Monthly Steel Update

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