CHAPTER - III

HIGHLIGHTS THE PROFILE OF THE SELECT CEMENT COMPANIES IN INDIA
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PROFILE OF SELECT CEMENT COMPANIES IN INDIA

In this study the following Cement companies in India have been selected for Working Capital Management analysis.

1. Associate Cement Companies (ACC)
2. Ambuja Cement Companies
3. Ultra Tech Cement Companies
4. Grasim Cement Companies
5. India Cement Companies
6. JK Cement Companies
7. Madras Cement Companies.

The profile of the select cement companies have been given below:

1. ACC CEMENT

ACC Ltd is India’s foremost manufacturer of cement and concrete. The company is engaged in the manufacture of cement and ready-mixed concrete. They manufacture a range of Portland cement for general construction and special applications. In addition, they also offer two products namely, Bulk Cement and Ready Mix Concrete. The company’s
operations are spread throughout the country with 16 modern cement factories, more than 40 Ready Mix concrete plants, 20 sales offices, and several zonal offices. Their subsidiaries include ACC Concrete Ltd., Bulk Cement Corporation (India) Ltd., ACC Mineral Resources Ltd., Lucky Minmat Ltd., National Limestone Co Pvt Ltd. and Encore Cements & Additives Pvt Ltd. ACC Ltd was incorporated on August 1, 1996 as the Associated Cement Company Ltd. The company was formed by the merger of ten existing cement companies. In the year 1944, they established India’s first entirely indigenous cement plant at Chaibasa in Bihar. In the year 1956, they established bulk cement depot at Okhla, Delhi. In 1965, the company established Central Research Station at Thane. In the year 1973, they acquired the Cement Marketing Company of India. In the year 1978, they introduced energy efficient precalcinator technology for the first time in India. In 1982, the company commissioned their first 1 MTPA plant in the country at Wadi, Karnataka. In the year 1982, the company incorporated Bulk Cement Corporation of India, a joint venture with the Government of India. In 1993, they started commercial manufacture of Ready Mixed Concrete at Mumbai. In 1999, they commissioned captive power plants at the Jamul and Yore plants in Madhya Pradesh. The house of TATA was intimately
associated with the company up to 1999. In the year 1999, the Tata group sold their 7.2% stake in the company to Ambuja Cement Holdings Ltd a subsidiary of Gujarat Ambuja Cements Ltd. In the year 2000, Tata group sold their remaining stake in the company to Gujarat Ambuja Cements Ltd.

In the year 2001, the company commissioned a new plant, 2.6 MTPA capacity, at Wadi, Karnataka. In the year 2003, IDCOL Cement Ltd, became subsidiary of the company, which was renamed as Bargarh Cement Ltd, during the year 2004. In the year 2004, the company was named as Ambuja Cement Consumer Super Brand by the Super Brands Council of India, becoming the only cement company to get this status.

In the year 2005, the company completed the modernization and expansion project at Chaibasa in Jharkhand, replacing old wet process technology with a new 1.2 MTPA clinkering unit, together with a captive power plant of 15 MW. In the year 2006, the subsidiary companies Damodhar Cement & Slag Ltd, Bargarh Cement Ltd and Tarmac (India) Ltd merged with the company. Also, the name of the company was changed from the Associated Cement Companies Ltd. to ACC Ltd. with effect from September 1, 2006.

The company commissioned wind energy farm in TamilNadu in 2007. In July 2007, the company sold their entire shareholding in their
wholly owned subsidiary ACC Nihon Castings Ltd. at a consideration of Rs. 30 crore to V. N. Enterprises Ltd. of Hindustan Udyog Group. In the year 2008, the ready mixed concrete business was hived off to a new subsidiary called ACC Concrete Ltd. They acquired 40% stake in Alcon Cement Company Pvt. Ltd. to strengthen their presence in Goa. Also, they acquired 12.41% equity shares of Bulk Cement Corporation (India) Ltd. from IDBI Bank Ltd; thereby increasing their shareholding in the said subsidiary company to 94.65percent.

In March 2008, the company sold their wholly owned subsidiary, ACC Machinery Company Ltd. for a consideration of Rs.45 crore. In July 7, 2008, they inaugurated ACC Cement Technology Institute at Jamul, India.

In the year 2009, the company commissioned one 15 MW CPP as a part of Bargarh plant expansion. The additional captive power generating capacity of 50 MW in Wadi, 15 MW in Bargarh and 25 MW in Chanda is scheduled to be commissioned and stabilized in 2010. They inaugurated a new Grinding with a plant capacity of 1.60 million tonnes at Thondebhavi in Karnataka. During the year 2010, the company acquired 100% equity stake in National Limestone Company Pvt Ltd, making it a wholly owned subsidiary of the company. Also, they acquired 100% equity stake in
Encore Cements & Additives Pvt Ltd which has a slag grinding plant in Vishakhapatnam in coastal Andhra Pradesh. Consequently, ECAPL became a wholly owned subsidiary of the company with effect from January 28, 2010. In September 2009, the company installed and commissioned a coal washery in Jamul. Also, the company is in the process of commissioning a coal washery in the Bargarh plant. In January 4, 2010, Kudithini Cement Grinding Plant was inaugurated in Karnataka with a capacity of 1.1 MTPA of Portland Slag Cement. In April 2010, the company commissioned a 2.5-MW wind energy farm near Satara, Maharashtra, at a cost of Rs.13 crore. The wind farm has two 1.5-MW turbines. The power from the wind farm will be supplied through a wheeling arrangement to the company’s Thane Complex and Bulk Cement Corporation (India) Ltd, a subsidiary company at Kalamboli, near Mumbai. The company entered into an agreement with the promoters of Asian Concrete & Cement Pvt. Ltd. to acquire a 45% equity stake in that company. This transaction would be concluded in the first quarter of 2010. The new clinkering line at Chanda in Maharashtra and a new 25 MW captive power plant, being built at a cost of around Rs.1450 crores was completed by the third quarter of 2010 and this increased the cement grinding capacity by 3 MTPA.
India Cements Limited had entered into industry 62 years before; it was incorporated in the year 1946. The first cement unit was commissioned in 1949 at Sankarnagar, Tamil Nadu. It is a company participating in the areas of Cement, Clinker, Ready mix, Sugar, Joint Sector Financial Institution, shipping and real estate development. ICL has four subsidiaries and associated companies each across the country. Industrial Chemicals & Monomers Limited, ICL Financial Services Limited, ICL Securities Limited and ICL International Limited. In associated companies, Coromandel Sugars Limited, India Cements Capital Limited, Trishul Concrete Products Private Limited and Coromandel Electric Company Limited. The companies have 7 plants in various parts of Tamil Nadu and Andhra Pradesh. In the year 1990, ICL acquired Coromandel Cement plant at Cuddapah, consequently installed capacity rose to 2.6 million tonnes per annum. During 1991-92, the company started shipping activities by time-chartering dry bulk-cargo carriers. ICL successfully floated a US$ 50 million Global Depositary Receipts issue in the year 1994. It acquired its fifth bulk carrier in 1995 and in the year 1996 ICL’s Green Field Cement plant at Dalavoi commenced commercial production with an installed capacity of 90,000 TPA. In 1997 India Cements acquired Aruna Sugars Finance Ltd. which
was later renamed as India Cements Capital & Finance Ltd. It also acquired Cement Plant of Visaka Cement Industry, at Tandur, Ranga Reddy district of Andhra Pradesh with an installed capacity of 9, 00,000 Tones. The cement division of Raasi Cement (RCL) was vested with the company from April 1998 under a scheme of arrangement. Also during the same year the company hived off its shipping division to ICL Shipping (ICLS). It also acquired Cement Corporation of India’s Yerraguntla Cement Plant at Andhra Pradesh with an installed capacity of 4, 00,000 tonnes. In October 1999, ICL Securities, the company wholly owned subsidiary, acquired 49.05% of the equity share capital in Sri Vishnu Cement (SVCL), simultaneously Raasi Cement also acquired 39.5% of the equity capital of SVCL. At present the company along with its subsidiary holds 94.16% of the share capital of SVCL and is now a subsidiary of the company.

ICL got the best Environmental Excellence award in Limestone Mines by the National Council for Cement and Building Materials for the year 2003-04 through its Dalavoi cement factory. The Sankarnagar works earned the State Safety Awards for the year 2003 and 2004. The unique Waste Heat Recovery System for generation of power from waste gas at Vishnupuram plant was commissioned with generating power of 7.7MW
during the year 2004-05. The company also received a special award from CAPEXIL (Sponsored by Ministry of Commerce and Industry, Government of India) in recognition of outstanding export performance in respect of cement and clinker for the year 2004-05. The company’s in-house magazine “Compass” was awarded a merit certificate in the 11th All India in-house magazine contest, 2006.

Research & Development unit at Dalavoi of the company has been recognized as an In-House R&D centre by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Govt of India. The waste heat recovery project at Vishnupuram plant has been registered as a Clean Development Mechanism project by UNFCCC, as worth of this company enable to receive Carbon Credits from January 2007 for generation of power through waste heat recovery. ICL took up the replicating of the production capacity at Malkapur plant through one more line of a capacity of 1.2 million tonnes and setting up grinding plant in Chennai (Tamil Nadu) and in Parli (Maharashtra). The company looks out for the plant to emerge in Rajasthan and Madhya Pradesh.

2. AMBUJA CEMENT

The joint venture between the public sector Gujarat Industrial Investment Corporation (GIIC) and Narottam Sekhsaria & Associates
was the reason for confinement of the company. The company was incorporated in the year 1981 as Ambuja Cements Pvt Ltd and it was rehabilitated into a public limited company on 19th March 1983, as Gujarat Ambuja Cements Ltd. Cement production is the role of the company and it is a cost efficient cement manufacturer in the country. It is a National Quality ISO 9002 certified company, the only cement company to have this. It also has ISO 14000 Certification for environmental systems. The total cement capacity of the company is 18.5 million tonnes (MT), having five cement plants at Ambuja Nagar Gujarat (5 MT), Daylight Himachal Pradesh (6 MT), Upperwahi Maharashtra (2.5 MT), Rabriyawas Rajasthan (2 MT) and in Chhattisgarh West Bengal (3 MT). It also has three Bulk Cement Terminals at Surat with a storage capacity of 15,000, tonnes and has bulk cement unloading facility, Page with a storage capacity of 17,500 tonnes, and in Galle 120 kms from Colombo, Sri Lanka, handles million tonnes of cement annually. The port terminal of the company Muldwarka Gujarat, all weather port, 8 kms from Ambuja Nagar plant which handles ships with 40,000 DWT, is also equipped to export clinker and cement and import coal and furnace oil. A fleet of seven ships with a capacity of 20500 DWT ferry bulk cement to the packaging units.
The company’s cement plant was commissioned in 1985, and had set up in technical collaboration with Krupp Polybius, Germany, Bakau Wolf and Fuller KCP. The 12.6 MW diesel-generating sets were commissioned, and were imported in the year 1988-89. The company got necessary approval for setting up another Cement Plant with one million tonnes capacity per annum at Himachal Pradesh in the year 1991. The Company undertook bulk cement transportation by sea, to the major markets of Mumbai, Surat and other deficit zones on the West Coast. Transportation was to be carried out by three specially designed ships during the year 1992. During the year 1994, the company’s Muller location 1.5 million tonnes cement project with clinkeriation facility at site in H.P and grinding facility both at Suli & Ropar in Punjab was bespoken. In 1997, Kodinar plant of the company was commissioned for commercial production with an enhanced capacity. Ambuja Cements had set up a $20 million clinker grinding unit in Sri Lanka in the year 1998. In the year 2000, cement giants Larsen & Toubro (L&T) and Gujarat Ambuja Cements entered a unique agreement to reduce transportation costs in dispatching bulk cement in Gujarat and also in the same year the company has entered into an annual contract with a Sinhalese firm, Mahaveli Marine Cement, to supply around 2.5 lakh tonnes of cement.
The company has kick started its operations in Sri Lanka with the help of a cement terminal in the port of Galle, in the south of the island country, which was started by the company. The commercial production of Maratha Cement Works plant of the company was started in the year 2002. A new 2-million tonnes Greenfield cement plant at Chandrapur, Maharashtra started its commercial production in June of the same year and the merger of Ambuja Cement Rajasthan with the company happened in the same year. Again in the year 2004, the company merged with Ambuja Cement Rajasthan.

During 2004-05 the company has installed a cement plant with a capacity of 80 TPH at Darlaghat and commenced its commercial production in February 2005. The company has commissioned a captive thermal power plant with two 12 MW Steam Turbo Generators (STG), with two boilers of 45 TPH capacity each at a cost of Rs.94 crore. The first STG was commissioned in February 2005 and the second in May 2005. The company has amalgamated its subsidiary company Indo-Nippon Special Cements Ltd, in July of the year 2005. ACL has entered into a partnership with Holcim Ltd of Switzerland through Ambuja Cement India Ltd (ACIL) during 2004-05. The company is setting up new clinker capacity at Bhatapara in Chhattisgarh and Rauri in Himachal
Pradesh, each having a capacity of 2.2 million tonnes per annum at a cost of 1600 cores, the enchantment in the year 2007 around the amount of about Rs.3500 crore in different areas of the company.

The company has been awarded the National Award for commitment to quality by the Prime Minister of India, National Award for outstanding pollution control by the Prime Minister of India, Best Award for highest exports by CAPEXIL and Economic Times, Harvard Business School Association Award for corporate excellence in different years. The company was adjudged as the top Indian company in the cement sector for the Dun and Bradstreet - American Express Corporate Awards 2007, the Company developed a unique homespun channel management model called Channel Excellence Programme (CEP) for marketing their product. Over 7000 dealerships and 20,000 retailers across India are covered under this model. The company name was changed from Gujarat Ambuja Cements Limited to Ambuja Cements Limited on April, 2007, the word Gujarat was dropped to reflect the true geographical presence of the company.

In the last decade, the company has grown ten -fold. It is the first company in India to introduce the concept of bulk cement movement by the sea transport. The company’s most distinctive attribute, however, is
its approach to the business. Ambuja follows a unique home-grown philosophy for successful survival. Ambuja is the most profitable cement company in India, and one of the lowest cost producers of cement in the world

3. ULTRA TECH CEMENT

Ultra Tech Cement is India’s biggest cement company and India’s largest exporter of cement clinker based in Mumbai, India. It has an annual capacity of 52 million tones.

Products

The company manufactures and markets ordinary Portland cement, Portland Blast Furnace Slag Cement, White Cement and Portland Pozzolana Cement. It also manufactures Ready-Mix Concrete (RMC) and Autoclaved Aerated Concrete Blocks (AAC Blocks) with brand name UltraTech Xtralite. The export markets span countries around the Indian Ocean, Africa, Europe and the Middle East.

Ultra Tech is India’s largest exporter of cement clinker. The company’s production facilities are spread across eleven integrated plants, one White Cement plant, one clinkerisation plant in UAE, fifteen grinding units, and five terminals – four in India and one in Sri Lanka. Most of the plants have ISO 9001, ISO 14001 and OHSAS 18001
certification. In addition, two plants have received ISO 27001 certification and four have received SA 8000 certification. The process is currently underway for the remaining plants. The company exports over 2.5 million tonnes per annum, which is about 30 percent of the country’s total exports. The export market consists of countries around the Indian Ocean, Africa, Europe and the Middle East. Export is a thrust area in the company’s strategy for growth.

Ultra Tech’s products include Ordinary Portland cement, Portland Pozzolana cement and Portland Blast Furnace Slag Cement. Ordinary Portland cement, Ordinary Portland blast furnace slag cement, Portland pozzolana cement are according to European and Sri Lankan norms.

Ordinary Portland cement is the most commonly used cement for a wide range of applications. These applications cover dry-lean mixes, general-purpose ready-mixes, and even high strength, pre-cast and pre-stressed concrete. Portland blast furnace slag cement contains up to 70 per cent of finely ground, granulated blast-furnace slag, a nonmetallic product consisting essentially of silicates and alumino-silicates of calcium. Slag brings with it advantage of the energy invested in the slag making. Grinding slag for cement replacement takes only 25 percent of the energy needed to manufacture Portland cement. Using slag cement to replace a portion of Portland cement in a concrete mixture is a useful
method to make concrete better and more consistent. Portland blast furnace slag cement has a lighter colour better concrete workability, easier finish, higher compressive and flexural strength, lower permeability, improved resistance to aggressive chemicals and more consistent plastic and hardened consistency. Portland Pozzolana cement is ordinary Portland cement blended with pozzolanic materials (power-station fly ash, burnt clays, ash from burnt plant material or silicious earths), either together or separately. Portland clinker is ground with gypsum and pozzolanic materials which though they do not have cementing properties in themselves, combine chemically with Portland cement in the presence of water to form extra strong cementing material which resists wet cracking, thermal cracking and has a high degree of cohesion and workability in concrete and mortar.

**Plants**

Ultra Tech Cement Limited is the seventh biggest cement manufacturer in the world. It has 12 integrated plants, one white cement plant, 11 grinding units in India and 1 clinkerization plant in UAE, 15 grinding units (11 in India, 2 in UAE, 1 each in Bahrain and Bangladesh) and 6 bulk terminals (5 in India and 1 in Sri Lanka). These facilities gradually came up over the years.
Brands

a) Ultra Tech cement
b) Birla White
c) Ultra Tech Ready Mix Concrete
d) Ultra Tech Extradite

Milestones


2001 - Grasim acquires 10 percent stake in L&T. Subsequently increases stake to 15.3 percent by October 2002-Durgapur grinding unit. 2002 - Grasim increases its stake in L&T to 14.15 percent –Arakkonam grinding unit- The Grasim Board approves an open offer for purchase of up to 20 percent of the equity shares of Larsen & Toubro Ltd (L&T), in accordance with the provisions and guidelines issued by the Securities & Exchange Board of India (SEBI) Regulations, 1997.
2003 - The board of Larsen & Toubro Ltd (L&T) decides to demerge its cement business into a separate cement company. Grasim Cement Company decides to acquire an 8.5 percent equity stake from L&T and then make an open offer for 30 percent of the equity of Cement Company, to acquire management control of the company.

2004- Completion of the implementation process to demerge the cement business of L&T and completion of open offer by Grasim, with the latter acquiring controlling stake in the newly formed company UltraTech. 2006-Narmade Cement Company Limited amalgamated with Ultra Ttech Pursuant to a Scheme of Amalgamation being approved by the Board for Industrial Companies Act (special provision )-formerly known as Ultra Tech Cement Company Limited the group’s principal activities are to manufacture and market clinker and cement in India.

INDIAN PREMIER LEAGUE - “RAJASTHAN ROYALS”

During the year 2007 the company successfully bid for the Rajasthan franchises, the DLF – IPL 20 / 20 Cricket Tournament “Rajasthan Royals”, as their franchises is known, was taken primarily with a view to promote their brand and to promote the corporate image considering the plant to become a pan Ultra Cement player. IPL would be an ideal platform for them to launch the brand on an All India basis. The
revenue stream for this franchise will consist of a share of central revenue and 100% of the total franchise earnings. The company has also tied up with leading brands for team sponsorship and appeared sponsorship and judging by the current trend, it will achieve huge brand promotion at minimum cost.

4. GRASIM CEMENT COMPANIES

The company was incorporated on 25th August 1947 at Gwalior. The Company manufactures viscose staple fibre, carbon- di - sulphide, sulphuric acid, sodium sulphate, rayon and cotton fabrics, rayon grade pulp, paper, etc. The company also owns an engineering workshop.

MILESTONE

1963 - The company purchased a cotton textile mill at Bhiwani (Punjab) with an installed capacity of 18,000 spindles and 286 looms and named it as Bhiwani Textile Mills.

1967 - The company applied to Government for permission to establish a polynosic fibre unit in Harihar (Karnataka) with a production capacity of 100 tons per day.

1979 - The company participated in a joint venture project in Bihar for the manufacture of 33,000 tones of caustic soda per annum. For this purpose, a new company under the name and style Bihar Caustic & Chemicals, Ltd. was formed.
1980 - The company joined as a co-promoter with Tamil Nadu Industrial Development Corporation, Ltd. for setting up an aluminum fluoride manufacturing plant in Ramnad, a backward district in Tamil Nadu. For this purpose, a new company under the name Tamil Nadu Fluorine & Allied Chemicals Ltd. was incorporated.

1985 - A collaboration agreement was entered into with LVD Company N.V., Belgium for the manufacture of sophisticated balers for the man-made fiber industry. The company was one of the co-promoters in Indo-Gulf fertilizers and chemicals corporation, Ltd. (INDOGULF), which set up a project for the manufacture of 1,350 tons per day of ammonia and 2,200 tonnes per day of urea at Jagdishpur, Uttar Pradesh.

1986 - The company entered into collaboration agreement with Nevmag of W.Germany for the manufacture of a wide range of equipment from spinning down to cutter for polyester, polyamide, and Polypropylene and acrylic fibre machinery. The company also explored the possibilities for entering into collaboration for the manufacture of specialized equipment for petrochemical and other chemical industries. Stable Bleaching Power (SBP) was marketed under the brand name Vikram SBP and a beginning was also made in the export market.

1991 - The engineering division undertook to manufacture equipment for dairy and sponge iron plants. It also manufactured and
supplied the state of the art technology lift-box design baling press with autorotation and auto-bale weighing device. It also explored the possibility of supplying know-how and consultancy services along with plant and machinery to existing and potential manufacturers of rayon—both fiber and filament, in China.

1997 - In order to establish its own viscose fiber spinning facilities the company entered into a leave and license agreement with Eastern Spinning unit for a period of 3 years from 27th July, 1984. This spinning unit had an installed capacity of about 25,000 Spindles. A new division, Vikram Premium RMC was formed for production of Ready Mixed Concrete. The company applied for an industrial license to set up a gas-based fertilizer plant for the manufacture of 4.5 lakh tonnes of ammonia and 7.5 lakh tonnes of urea per annum in U.P.

1998 - Vikram, a unit of Grasim Company and a part of the Aditya Birla group, has bagged Maharashtra government’s export award for highest export of hot briquetted iron (HBI) which is an integral ingredient of the steel sector.

1999 - Grasim Company Ltd. has suspended production at its pulp and staple fibre units located at Mavoor, Kerala for want of raw material.

2000 - Grasim Industries Ltd & Aditya Birla Group Company has launched market-seeding for its new micro grade viscose staple fibre-
Grasim soft. Grasim Industries Ltd. proposes to merge its wholly owned subsidiary Dharani Cement Ltd. with the company. The company has hived off the software Division, called Birla Consultancy and software services into a separate subsidiary.

2001 - Dharani Cements Limited, a wholly owned subsidiary of the company, has been amalgamated with the company under the scheme of Arrangement in terms of section 391/394 of the companies Act 1956 effective from 1st November, 2000.

2002 - Birla technologies ceases to be subsidiary of Grasim Company, pantaloons in technical tie up to manufacture Viscose Staple Fibre (VSF) Grasim, L&T set up joint task force for logistics, promotion and procurement of raw materials

2004 - Acquires majority stake in Ultra Tech Cement Companies Ltd. Ultra Tech, the demerged cement business of L&T. AV Group flagship Industries ‘textile and apparel unit launched ‘Venetia’ range of fabric, with the promise of delivering international class suite-length at an ‘affordable’ Rs.5000.

5. THE INDIA CEMENT COMPANY LIMITED.

The India Cement Ltd. was established at Sankarnagar in Tamilnadu in 1949, since then it has grown into seven plants spread over
Tamilnadu and Andrapradesh. The capacity as at March 2002 increased multifold to 9 million tonnes per annum. The company is the largest producer of cement in south India. The company’s plants are well spread with three in Tamilnadu and Andhra Pradesh which later covered all major markets in south India and Maharashtra. The company is the market leader with a market share of 28% in the South. It aims to achieve a 35% market share in the near future. The company has access to huge limestone resources and plans to expand capacity by de-bottlenecking and optimization of existing plants as well as by acquisitions. The company has a strong distribution network with over 10,000 stockists of whom 25% are dedicated. The company has well established brand Sankar Super Power, Coromandel Super Power and Raasi Super Power,

**Products**

a) Ready Mix Concrete  
b) Ordinary Portland Cement (OPC - 53,OPC-43,OPC- 33)  
c) Portland Pozzoloana Cement (PPC)  
d) Sulphate Resistance Cement (SRC)

**Milestones**

1946 – Incorporation of India Cement Limited.  
1949 – Commissioning of first cement plant at Sankarnagar –  installed Capacity 1 lakh tonnes per annum.
1968 – Commissioning of second cement plant at Sankaridruy – Installed Capacity 2 lacks tonnes per annum.


1990 – Acquisition of Coromandel Cements Plant, The India Cement Ltd becomes the largest producer of cement in South India.

1991 – India Cement ventures with shipping by setting up a Shipping Division.


1994 – Floats successfully around US $ 50 million share.

1995 – Announces issue of 1:1 Bonus share.

1997 – India Cement acquire Aruna Sugar Finance renamed a India Cement Capital & finance.


1998 – India Cement acquires Raasi Cement Ltd at Nalgonda.

1999 – India Cement acquires cement plant of Shri Vishnu Cement Ltd. at Nalgonda.

1999 – Turnover sails over Rs1000 crore mark.

2001 – India Cements acquired its stake in Sri Vishnu Cement Ltd.
2001 – Group’s overall capacity reaches 9 million tonnes.

2004 – The company, through its special purpose vehicle M/s. Coromandel Electric Co Ltd., has commissioned a (gas based) captive power plant at Ramanathpuram at a capacity of 17.4 MV and the same has started supplying power from the month of November 2004.

2007 – Sanctioned the scheme of amalgamation of Visaka Cement Industry with India Cement.

**Outlook 2009-2010**

Fiscal 2009-2010 began with industrial growth to 7% on April 2008, compared to 11.3% in the same month in the last fiscal year reflecting the impact of higher interest rates and escalating input cost. The performance in April 2009 was however, much better than the 3% growth registered in March 2009 testifying to the fact that economic slowdown is not severe as was being envisaged. Economists now predict that the average Industrial growth during 2009-2010. It will be necessary for individual output growth by 10% and food grain products to risk to 240 million tonnes. Given the present conditions, this would be extremely difficult even taking into account the resilience of the Indian economy. The World Bank in its report on global development finance released
recently has projected GDP growth to slow further to 7% in 2009-10, on account of monetary heightening leading to softening in domestic demand. The estimated GDP growth in 2009-10 is also closely interest with the vagaries of the international economic situations. If recessionary trend engulf the development of industrial nation, India will definitely be adversely impacted. However if the winds of recession being mild, and there is an ease of the fight monetary policy, the country is likely to be on course to clock a GDP growth exceeding 7percent.

**INDIAN PREMIER LEAGUE - “CHENNAI SUPER KINGS”**

During the year 2007 the company successfully bid for the Chennai franchises of the DLF – IPL 20 / 20 Cricket Tournament “Chennai Super Kings”, as their franchises is known was taken primarily with a view to promote their brand and to promote the corporate image considering the plant to become a pan India Cement player. IPL would be an ideal platform for them to launch brand on an all India basis. The revenue stream for this franchise I consists of a share of central revenue and 100% of the total franchise earnings. The company has also tied up with leading brands for team sponsorship and appeared sponsorship and judging by the current trend, it will achieve huge brand promotion at minimum cost.
CARRIERS IN INDIA CEMENT

The India Cement Ltd Limited is one of the leading cement companies since its inception, making a humble beginning as multi-divisional company with seven plants, of overall capacity of 9 million tonnes per annum with a turnover of Rs.2000 crores. It is the largest manufacturer of cement in south India. The India Cement family consists of 5500 dedicated members out of which 1200 executives are committed to the growth of the company and the industry at large. The task comprises of function in production, Quality Assurance, Engineering Marketing Materials, Finance, Secretarial personal, HRD, Administration, Legal affairs Safety, Public Relations, project R&D, Information System etc, headed by MBA’s, Engineers, Cost Accountants, Chartered Accountants, IT specialists and HR/IR professionals.

The Vision

The new millennium will bring with it new challenges and greater opportunities. The 21st Century will most certainly see the unfolding of a period of extraordinary possibilities and incredible development bringing about more fundamental challenges in the global economy. The successful corporate will be those who equip themselves to meet the challenges and convert opportunities. To keep pace, it is imperative that one should learn to successfully tread the global pathway.
In this journey, clarity of vision, a readiness to cultivate a global mindset, effectiveness, harnessing of human resources to enhance job and knowledge skills of employee, a strong accent on R&D and innovation and a more away from selling to innovative marketing in recognition of the fact that the customer is truly the king are some of the strategies that will help corporate to survive and succeed.

6. J K CEMENT COMPANY

J K Cement Limited (JK Cement) is one of the largest cement manufacturers in Northern India and also the second largest White Cement manufacturer in India by production capacity. It is an affiliate of the J.K. Organization, which was founded by Lala Kamlapat Singhania in the year 1994. The Company produces 53-grade, 43-grade and 33-grade Ordinary Portland Cement, (OPC) Grey Cement, Portland Pozzolana Cement ('PPC') under grey and white cement. JK Water proof is another product from JK Cements used for flooring, wall application and other specialized applications. The products are marketed under the brand names JK. Cement and Sarvashaktiman for OPC products, J.K. Super for PPC products and J.K. White and Camel for White Cement products. From the year 1998 to 2004, modifications in kilns and cement mills etc. were implemented, which increased the aggregate installed capacity of
the company’s Nimbahera facility to 2.8 MTPA. The operations of second grey cement plant at the existing Mangrol were commenced with a five stage pre-heater and an in-line calciner kiln plant in 2001, with an installed capacity of 0.75 MTPA. During the year 2005-06, the company had commissioned 10 MW turbines to meet the necessity under the grey cement segment. Also in the same year of 2005-06, J K Cement had sanctioned working capital facilities for Rs.50 crore (Fund based) and Rs.15 crores (Non Fund based). Jaykaycement Limited became a wholly owned subsidiary of the company in the year 2006 and acquired land to set up a Greenfield Grey Cement plant at Mudhol, Karnataka.

In the year of 2006-07, the company had sanctioned enhancement in working capital facility (both funded and non-funded) to Rs. 105 crores from Rs.65 crores to all the captive power projects i.e. 10MW turbine, 20MW Pet coke based Captive Power Plant & Waste Heat Recovery power plant. The Company had acquired from IDBI the assets of Nihon Nirmaan Ltd at Gotan during the year 2007, for Rs. 42 crores and decided to utilize this facility to produce Government. From enhancing the domestic footprint, the company had taken steps to go beyond national boundaries. The company had, entered into a Memorandum of Understanding (MoU) with Fujairah Municipality during November of
the year 2007 in the United Arab Emirates, through the subsidiary J. K Cement Works (Fujairah) FZC, to set up a 2.25 MTPA Grey Cement plant to service the steadily increasing demand in the GCC region. During the year 2007-08, the company formed a wholly owned subsidiary under the name and style of J.K.Cement (Fujairah) FZ to undertake the business of cement and investment in the state of UAE. This Company has formed another subsidiary company under the name and style of J.K.Cement Works (Fujairah) FZC under which it is proposed to set up a Green Field Cement plant at Fujairah, UAE. The 10 MW of the Waste Heat Recovery Power Plant of the company was commissioned at Nimbahera in March.

7. MADRAS CEMENT COMPANY

Madras Cements (MCL), a flagship company of the Ramco group, is a major player in the blended cement category in south India. The company was incorporated in the year 1957. MCL is the sixth largest cement producer in the country and the second largest in South India.

The Company undertook to replace the 4 cement mills at its Ramasamyraja Nagar Works, which were 20 years old, by a single new ‘Combidan Cement Mill’. The mill was commissioned at the end of the year 1985. A 132 KVA sub-station and the limestone crushing plant were installed during the same year. The project was commissioned during
December of the year 1986. Two D.G. sets were installed in the middle of the year 1988 to meet 60 percent of the unit’s power requirement at Jayanthyipuram. The Company had set up the 4 MW windmill farm in the year 1992 at Muppandal, Kanyakumari district, Tamil Nadu. All the 16 wind turbines of the company were commissioned in March 1993. In the same year, an additional capacity was created by adding 8 wind turbines of 250 KW each at Muppandal wind mill farm taking the generation capacity to 6 MW. During the year 1994, MCL had upgraded the capacity of its Jayanthipuram Unit to 1.1 million tonnes and also upgraded the cement mills capacity in R. R. Nagar. The Company substantially increased the capacity of windmills by the installation of 70 more windmills. In the year 1995, the company enhanced power generation capacity at Jayanthipuram unit to 15.3 MW by commissioning an additional diesel generator set to maintain normal production in view of frequent power-cut and power tripping. During the year 1997, MCL had commissioned its third cement plant in Alathiyur; it was the second in Tamil Nadu. The clinker plant of the Alathiyur unit was commissioned in March while the grinding unit was commissioned in May of the same year 1997.
The Company had embarked on Ready Mix Concrete business in the year 1998. Also in the same year, MCL made tie-up with Visakhapatnam Steel Plant (VSP) for procuring slag, a blast furnace residue and a crucial input for slag cement. MCL tied up with Gas Authority of India Ltd. (GAIL) for supply of gas and the fuel supply agreement was inked on 15th April of the year 1999. It had also tied up with Oil and Natural Gas Corporation (ONGC) for supply of 25,000 cu meters of gas per day from its Nellore well, near Mannargudi in Tamil Nadu. In the same year, another one tie-up was made with Vizag Steel Plant for supply of slag. During the year 1999-2000, the company's slag grinding project at Jayanthipuram for manufacture of blended Cement was commissioned and also the capacity of the Alathiyur unit was expanded by 0.2 million TPA. During the year 2000, the company had launched the Ramco Super Steel Cement in Tamil Nadu. The Company’s second unit at Alathiyur with a capacity of 15 lackh tonnes was commissioned in January 2001. The second kiln at R.R Nagar was upgraded in May 2001 with the installation of fixed inlet segment to the cooler, new calciner and modifying pre heater cyclone, thereby increasing the capacity of the unit to 11 lacks TPA of blended cement. With the help of M.Tec, Germany, the company started a new project, Dry Motor Plant for the manufacture
of high technology construction products such as render, skim coat and dry concrete and its production commenced from January 2003 at Sriperumbudur. During 2004-05, the Company commissioned a 36 MW Thermal Power Plant at Alathiyur.

The company, for the first time in India, commissioned a surface mine to modernize the mine operations at Ramasamyraja Nagar factory. The Company decided to establish grinding units in the states of Tamil Nadu, Andhra Pradesh and West Bengal in May of the year 2007. During October of the year 2007, MCL earmarked Rs.1.05 billion investments for setting up a grinding mill at Kolaghat in Midnapore, West Bengal. With an eye on diversification, MCL is planning to enter into industries such as Sugar, Pharmaceuticals, Power & Power equipments and Textiles. As of March2008, Madras Cements lines up Rs.15 billion expansion. It will invest Rs.15.24 billion to increase its capacity.
END NOTES

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