CHAPTER - III

Profile of the Company
CHAPTER - III

3.1. PROFILE OF CEMENT INDUSTRY

Industrialization has a vital role to play in the economic development of a country. Economic development of a nation calls for construction activity on an extensive scale. One of the most essential and established industry of the Indian corporate sector is the cement industry. Cement industry constitute a basic ingredient in the construction of small factory to a, mammoth project. Being the basic building material for a construction, cement plays a vital part in the country’s infrastructure and its development.

It is manufactured from lime stone, clay, Gypsum and latrite etc. the manufacturing process consist of grinding the mixtures of these materials and heating it at high temperature. It is manufactured in five different varieties namely,

1. Ordinary Portland cement.
3. Portland blast furnace cement.
5. Special varieties like Oil well cement, Rapid hardening cement, Water proof cement etc.

Each variety of cement has its own specific applications. There are two process of manufacture, known as wet and dry depending on what kind of conditioning prevailing during the mixing. For many years, the wet process remained popular because of the possibility of more accurate control in the mixing of raw materials. The dry process requires less fuel and the equipment used in the dry process is quite economical. The state which took the initiative to lay the
foundation for the first stable Indian cements industry in 1914 in Gujarat. During the World War II, cement was included in the essential products and was covered under price and distribution controls. These controls continued even after independence. The industry was subject to partial decontrol by the government from 1982-1989. In 1989, government fully decontrolled the industry. Spread across the length and breadth of the country, there are 67 companies with 120 cement plants with an installed capacity of 110.10 million tones. Additionally, the country has nearly 150 small cement plants with an aggregate capacity of nearly 9 million tones.

According to cement manufacturers association nearly 30 cement companies are in the red. Out of which more than 12 have been referred to BIFR (Bureau of Industry and Financial Reconstruction). Cement industry provide direct employment to more than 2 lakh workers and it accounts for an annual output valued at Rs. 110 crores. The industry pays over Rs. 65 crores per annum to the exchequer by way of direct taxes and around Rs. 28 crores to the railways towards freight charges.

India is the 7th largest cement producer in the world, the first six being Russia, Japan, USA, Italy, West Germany and France. Cement industry has a huge potential market which is evidenced by low per capita consumption of cement. It was 7.4 Kilogram in 1950, which increased to 23 Kilogram in 1968, 27 Kg in 1972 and declined to 23 kg in 1979. It gradually increased and reached the end of 85 kg as on today as against world average of 256 kg and Asian average of 200 kg. Though the annual cement production has been rising at the rate of 7 per cent, the demand is growing at the rate of 8 per cent. But the per capita consumption of cement in our country has been low. A glimpse over the following table will give an idea of cement consumption in other countries.
3.2. PER CAPITA CONSUMPTION OF CEMENT IN OTHER COUNTRIES

<table>
<thead>
<tr>
<th>Countries</th>
<th>Consumption in kilogram</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>750</td>
</tr>
<tr>
<td>West Germany</td>
<td>563</td>
</tr>
<tr>
<td>Sweden</td>
<td>481</td>
</tr>
<tr>
<td>France</td>
<td>459</td>
</tr>
<tr>
<td>Italy</td>
<td>426</td>
</tr>
<tr>
<td>Canada</td>
<td>396</td>
</tr>
<tr>
<td>Japan</td>
<td>365</td>
</tr>
<tr>
<td>USA</td>
<td>342</td>
</tr>
<tr>
<td>UK</td>
<td>305</td>
</tr>
</tbody>
</table>

TREN IN CONSUMPTION OF CEMENT:

Household sector, Government and Industrial sector are the major users of cement. India is one of those countries where cement is used everywhere in building- roof, floor, walls etc. Governments need cement mainly for infrastructure development and for constructing buildings. The end use of consumption is given below:

CONSUMPTION PATTERN IN INDIA

<table>
<thead>
<tr>
<th>End use sector</th>
<th>Consumption</th>
<th>Percentage share in Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Construction</td>
<td>59.17</td>
<td>65</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>24.65</td>
<td>20</td>
</tr>
<tr>
<td>Industry &amp; others</td>
<td>14.79</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>98.61</td>
<td>100</td>
</tr>
</tbody>
</table>
According to the Cement manufactures Association, when the cement consumption declined by 2 percent on all India level, northern region posted a negative growth of one percent, central region a negative of 6 percent and the southern region dipped by 7 percent.

FUTURE DEMAND IN CEMENT INDUSTRY:

The Indian cement industry is the second largest producer of quality cement, which meets global standards. The cement industry comprises 130 large cement plants and more than 300 mini cement plants. The industry's capacity at the beginning of the year 2008-09 was 198.30 million tonnes.

Cement production during April to October 2008-09 was 101.04 million tonnes as compared to 95.05 million tonnes during the same period for the year 2007-08. Despatches were 100.24 million tonnes during April to October 2008-09 whereas 94.33 million tonnes during the same period for the year 2007-08. During April-October 2008-09, cement export was 1.46 million tonnes as compared to 2.16 million tonnes during the same period for the year 2007-08.

DIVERSIFICATION

Cement is the most diversified industry of the country. It has been established in almost states of the country with very less concentration in the east. More number of factories was situated in Tamilnadu, Gujarat, Karnataka, and Andhra Pradesh and in Madhya Pradesh. Availability of superior quality lime stone proximity to the market and the liberal policy of the government of India lead to the development of cement industries in the states. Influence of major consumption like
dams, canals and large industrial establishment is the dominating factor in the dispersal of the industry. The use of industrial waste products of fertilizer and steel works has paved the way for the dispersal of cement industries.

CEMENT INDUSTRY IN FOREIGN TRADE:

As far as foreign trade is concerned, the imports were negligible or almost nil till the year 2000. In case of export, it has accounted for only 2% of the volume of the production. The trend in export is given below,

<table>
<thead>
<tr>
<th>Years</th>
<th>Export in Million Tones</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990 – 1991</td>
<td>0.32</td>
</tr>
<tr>
<td>1991 – 1992</td>
<td>0.36</td>
</tr>
<tr>
<td>1992 – 1993</td>
<td>0.83</td>
</tr>
<tr>
<td>1993 – 1994</td>
<td>1.31</td>
</tr>
<tr>
<td>1994 – 1995</td>
<td>1.63</td>
</tr>
<tr>
<td>1995 – 1996</td>
<td>1.52</td>
</tr>
<tr>
<td>1996 – 1997</td>
<td>1.71</td>
</tr>
<tr>
<td>1997 – 1998</td>
<td>2.70</td>
</tr>
<tr>
<td>1998 – 1999</td>
<td>1.80</td>
</tr>
<tr>
<td>1999 – 2000</td>
<td>1.90</td>
</tr>
</tbody>
</table>

A phenomena of centralization of ownership and control is evidenced in cement industries, which has led to the financial and administrative integration of different cement industries, thus exerting profound influence on the size of the
industrial units. In recent year's consolidation - mergers and acquisitions have been quite significant in cement industry.

PROBLEMS FACED BY CEMENT INDUSTRY

The cement industry is facing the problems of shortage of raw materials, capital, power, transport and technological obsolesce.

To produce one tone of cement 1.6 tones of lime stone and clay, 0.35 tones of gypsum and 0.5 tonnes of coal are required. Since the suppliers of high quality lime stone, coal and gypsum within easy reach of factories get exhausted, the problem of transportation has risen especially with coal, which is weight losing material. Gypsum which is cheaply available in Rajasthan has to be carried over al on distance, so as to reach the factories. To avoid transportation cost, factories tend to stock more material for longer period too.

The problem of power is another hindrance to the growth of cement industries. The cost of power is so high that those factories which have power stations of their own are able to survive, leaving others to suffer. The cement industry also faces the problem of regional imbalance in the sphere of production. Cement being a resource tied industry; the factories have to be concentrated either at points to close proximity to the regions where executive deposits of cements such as lime stone, the prime raw material used in cement production, are located or must be prepared to bear the heavy burden of transport cost.

The problems of cost escalation and rigid prices have affected the cement industry adversely. As in the case of other industries, there was a rise in the cost of production, of cement. The short fall in coal received in cement industry as against
the quota sanctioned in recent years. The shortage of the wagons for the movement of cement was always a serious problem. On an average, the cement industry was getting 1 lakh wagon less than the indicated quota. Though the government has considered a scheme of "own Your Wagon" to cement industries, this problem has resulted in cost escalation. The cement industry has also been a victim of power shortages in varying degrees in different states.

Though the dual pricing policy envisaged ostensible benefits, the price regulation was based on the assumption of 85 per capita utilization which did not sustain throughout, due to the factors controlled by the government agencies, such as shortage of coal, land shedding and transport bottlenecks. It resulted in unnecessary loss about Rs. 15 per tones. The price control policy has not changed by the government for a long time as it was the single biggest consumer of cement in the industry and the greatest beneficiary of price control of cement. The cement industry is still not out of the adverse impact.

3.3. OVERVIEW OF CEMENT INDUSTRY

Cement Industry

Cement is one of the key infrastructure industries. Price and distribution controls were lifted on 1st March 1989 and licensing was dispensed with since 25th July 1991. However, the performance of the industry and prices of cement are monitored on a regular basis. The industry is subject to quality control order issued on 17.2.2003 to ensure quality standards.
Capacity, Production and Exports

The cement industry comprises 128 large cement plants with an installed capacity of 151.69 million tonnes and more than 300 mini cement plants with an estimated capacity of 11.10 million tonnes per annum resulting in total installed capacity of 163 million tonnes. Actual cement production in 2003-04 was 123.50 million tonnes as against a production of 116.35 million tonnes in 2002-03, which is an increase of 6.15% over 2002-03. Cement production during the year 2004-05 (April-January, 2004-05) was 108.06 million tonnes (provisional), registering a growth of 7.10%.

The Cement Corporation of India, which is a central public sector undertaking, has 10 units. Besides, there are 10 large cement plants owned by various state governments. In 2001-2002, 3.38 million tons of cement was exported from India. That figure stood at 3.47 million tons in 2002-03, and 3.36 million tons in 2003-04. In 2001-2002, 1.76 million tons of clinker was exported from India. In 2002-2003 clinker exports amounted to 3.45 million tons, and in 2003-2004 the figure stood at 5.64 million tons. This shows that the export of Indian cement has been increasing at a steady pace over the years. Export of India cement has been mostly to the West Asian countries.

Export of Cement (in million tonnes)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cement</th>
<th>Clinker</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>3.38</td>
<td>1.76</td>
<td>5.14</td>
</tr>
<tr>
<td>2002-03</td>
<td>3.47</td>
<td>3.45</td>
<td>6.92</td>
</tr>
<tr>
<td>2003-04</td>
<td>3.36</td>
<td>5.64</td>
<td>9.00</td>
</tr>
<tr>
<td>2004-05</td>
<td>3.31</td>
<td>4.82</td>
<td>8.13</td>
</tr>
<tr>
<td>(Apr-Jan)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Overview of the performance of the Cement Sector

The Indian cement Industry not only ranks second in the production of cement in the world but also produces quality cement, which meets global standards. However, the industry faces a number of constraints in terms of high cost of power, high railway tariff; high incidence of state and central levies and duties; lack of private and public investment in infrastructure projects; poor quality coal and inadequate growth of related infrastructure like sea and rail transport, ports and bulk terminals. In order to utilize excess capacity available with the cement industry, the government has identified the following thrust areas for increasing demand for cement:

(i) Housing development programmes;
(ii) Promotion of concrete highways and roads;
(iii) Use of ready-mix concrete in large infrastructure projects; and
(iv) Construction of concrete roads in rural areas under Prime Ministers Gram Sadak Yojana.

Technological advancements

Indian cement industry is modern and uses latest technology. Only a small segment of industry is using old technology based on wet and semi-dry process. Efforts are being made to recover waste heat and success in this area has been significant. India is also producing different varieties of cement like Ordinary Portland Cement (OPC), Portland Pozzolana Cement (PPC), Portland Blast Furnace Slag Cement (PBFS), Oil Well Cement, Rapid Hardening Portland Cement, Sulphate Resisting Portland Cement, White Cement, etc. Production of these
varieties of cement conforms to the BIS Specifications. It is worth mentioning that some cement plants have set up dedicated jetties for promoting bulk transportation and export.

**Tamilnadu**

During 2005-06, Indian economy registered an excellent growth rate of 8.4% at constant prices and 12.9% at current prices. The economy is expected to register a growth rate of around 7.5-8% at constant prices during 2006-07. In 2005-06, Indian economy’s major growth driver, industry sector achieved an excellent growth rate of 13.3 (at current prices) against the previous year, while manufacturing sector registered a growth rate of 9.5% (at current prices), which has fuelled the overall economic growth, contributing over 26% to the country’s GDP. Service sector has witnessed an overwhelming growth rate of 13.87% (at current prices), the sector at constant prices contributed over 54% to the country’s total GDP. Agriculture, the backbone of Indian economy, registered a growth rate of 9.4% at current prices in 2005-06 against the previous year.

The sector has contributed 19.9% of country’s GDP. The economy of Southern region plays a significant role in achieving high GDP growth rate. The South Indian states—Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and the Union Territory of Pondicherry - contribute over 22% to India’s total GDP. They are emerging as the major destinations for industrialization.

From August 1991 to May 2006, a total of 6,270 Industrial Entrepreneurs Memorandums (IEMs) were implemented with an investment of Rs228,906 crores, generating an employment for over 1 m people in the country. During this period,
Andhra Pradesh attracted 491 IEMs with total investment of Rs14,470 crores, which accounts for over 6.3% of the total investment in country, and the state also generated total employment for 55,286 people (5.5%). Karnataka drew 179 IEMs with an investment of Rs8,891 crores (3.88%), generating employment of 25,906 (2.57%). Tamil Nadu attracted 436 IEMs with an investment of Rs9,574 crores (4.18%), which generated employment for 58,540 people (5.82%). Kerala drew 79 IEMs with an investment of Rs1,017 crores (0.44%), creating employment for 11,689 people (1.16%). Lastly, the Union Territory of Pondicherry attracted 43 IEMs with an investment of Rs314 crores (0.13%) and generated an employment of 4,551 (0.45%). From January 2000 to June 2006, Foreign Direct Investment (FDI) inflows in India accounted for Rs101,713.17 crore, out of which Andhra Pradesh attracted Rs3,633.60 crores (3.57%), Karnataka Rs7,575.71 (7.45%), Tamil Nadu and Pondicherry together drew Rs7,070.79 (6.95%), Kerala and Lakshadweep together attracted Rs334.02 crores (0.32%).

According to the contribution to the state’s economy, the key sectors identified are automotive and auto components, IT, textiles, cement, and chemical and fertilizers. During 2005-06, the state’s gross domestic product stood at an estimated Rs194,550.45 crores at current prices, registering a growth rate of 8.5% over the previous year. The objective of this industry monitor is to review the performance of the five major sectors in the state for the half year ended April 06-September 06 and to give an outlook for the forthcoming half year October 06-March 07. This industry monitor will also identify the sectoral bottlenecks and make appropriate recommendations, which will assist in higher growth.
The cement industry has grown at 10.22% in terms of despatches (including export) for the period April-Sep 2006-07 against the same period previous year. The cement production in India has recorded a growth rate of 10.5% to 74.08m tonnes in Apr-Sep 2006-07 against 67.04m tonnes during the same period previous year, while the consumption of cement has witnessed a growth rate of 8% during Apr-Aug 2006-07 as compared to the same period previous year. The huge demand was led by the huge growth of 11% in North India and 10% in South India. These have also led to the firming up of cement prices across all regions. North zone has witnessed the highest rise of 31% to Rs205 per 50kg bag; it is followed by West zone where the rise was 23% to Rs204 per 50kg bag. During Apr-Sep 2006-07, the capacity utilisation has increased to 90% against 86% during the same period previous year and the industry has added capacity to the extent of 4.42m tonnes, totaling 164.66m tonnes as on September 2006.

The major contributors regions of the sector in India are South, North and Central regions. In India, cement is transported by road, rail and sea route with a contribution of 60%, 30% and 10% respectively. With the Railway Budget of 2006-07 announcing loyalty discount scheme and long freight discount scheme for cement industry, there has been an increase in Railway’s share from 32% to 39% for the quarter ended June.
3.4. THE INDIA CEMENTS LTD

The India Cements Ltd was established in 1946 and the first plant was setup at Sankar Nagar in Tamilnadu in 1949. Since then it has grown in stature to seven plants spread over Tamilnadu and Andhra Pradesh. The capacities as on March 2002 have increased multifold to 9 million tons 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 four in Andhra Pradesh which cater to 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 optimisation of existing plants as well as by acquisitions. The Company has a strong distribution network with over 10,000 stockiest of whom 25% are dedicated. The Company has well established brands - Sankar Super Power, Coromandel Super Power and Raasi Super Power. Regional offices in all southern states and Maharashtra offices/representative in every district.

Products

✓ Ready mix concrete
✓ Ordinary Portland Cement (OPC-53, OPC-43, OPC-33)
✓ Portland Pozzolana cement (PPC)
✓ Sulphate Resistance Cement (SRC)
Milestones

1946 - Incorporation of The India Cements Limited.
1949 - Commissioning of first Cement plant at Sankar nagar - Installed capacity 1 lac tonnes per annum
1963 - Commissioning of second Cement plant at Sankari drug - Installed capacity 2 lac tonnes per annum
1990 - Acquisition of Coromandel Cement plant at Cuddapah The India Cements Ltd. becomes the largest producer of Cement in South India
1991 - India Cements ventures into Shipping. Sets up a Shipping Division
1995 - Announces issue of 1:1 Bonus shares.
1997 - India cements acquires Aruna Sugars Finance Ltd. Renamed a India Cements Capital & Finance Ltd
1997 - India Cements acquires Cement Plant of Visaka Cement Industry Ltd., at Tandur
1998 - India cements acquires Raasi Cement Ltd., at Nalgonda
1999 - India Cements acquires Cement Plant of Shri Vishnu Cement Ltd., at Nalgonda
1999 - Turnover sails over the Rs. 1000 crore mark.
2001 - India Cements divests its stake in Sri Vishnu Cement Limited.
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 Ramanathapuram for a capacity of 17.4 MW and the same has started supplying power from the month of November 2004.

2007 - Sanctioned the Scheme of amalgamation of Visaka Cement Industry Limited with The India Cements Ltd.

3.5. OUTLOOK FOR 2008-09

Fiscal 2008-09 began with industrial growth dipping to 7% in April 2008 compared to 11.3% in the same month in the last fiscal reflecting the impact of higher interest rates and escalating input costs. The performance in April 2008 was, however, much better than the 3% growth registered in March 2008 testifying to the fact that economic slowdown is not as severe as was being envisaged. Economists now predict that the average industrial growth during 2008-09 is likely to be around 7%. If the inflation rate does not abate, the tempo of development is bound to suffer.

In order to maintain GDP growth at 8% in 2008-09, it will be necessary for industrial output to grow by 10% and food grain production to rise 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 2008-09, on account of monetary tightening leading to softening in domestic demand. The estimated GDP growth in 2008-09 is also closely intertwined with the vagaries of the international economic situation. If recessionary trends engulf the developed industrial nations, India will definitely be adversely impacted. However, if the winds of recession are
mild and there is an easing of the tight monetary policy, then the country is likely to be on course to clock a GDP growth exceeding 7%.

3.6. INDIAN PREMIER LEAGUE – "CHENNAI SUPER KINGS"

During the year, the company has successfully bid for the Chennai Franchise of the DLF-IPL 20/20 Cricket Tournament. "Chennai Super Kings", as our Franchise is known, was taken primarily with a view to promote our brand and to promote the Corporate Image. Considering the plans to become a Pan India cement player, IPL would be an ideal platform for us to launch our brands on an all India basis. The revenue stream for this Franchise will consist of a share of central revenue and 100% of the local franchise earnings. The company has also tied up with leading brands for team sponsorship and apparel sponsorship and judging by the current trend, it will achieve huge brand promotion at minimal cost.

Careers in India cements

THE INDIA CEMENTS LIMITED, established in the year 1946 manufactures cement, a core material in the construction industry. Since inception, making a humble beginning it has grown to a multidivisional company with seven plants of overall capacity of 9 million tonnes per annum and with a turnover of Rs.2000 crores. It is the largest manufacturer of cement in south India. Our family of 5500 dedicated members consists of 1200 Executives committed to the growth of the company and the industry at large. Our task comprises the functions in Production, Quality Assurance, Engineering, Marketing Materials, Finance, Secretarial, Personnel, HRD, Administration, Legal Affairs, Safety, Public
Relations, Projects, R&D, Information Systems 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 developments bringing about more fundamental changes in the global economy than the last 200 years. The successful corporates will be those who equip themselves to meet the challenges and convert opportunities into winning strategies. If we are to keep pace, it is imperative that we 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 employees, a strong accent on R & D and innovation and a move away from selling, to innovative marketing in recognition of the fact that the Customer is truly King, are some of the strategies that will help corporates to survive and succeed.

The Mission

Aiming High:

We should be one of the largest Cement Companies in the Country. Our growth in size will be through continuous review of potentials of the existing manufacturing resources, strategic acquisitions and expansions

Core Competency:

Cement will be our mainstay. However, we shall venture into related fields which afford purposeful synergy.
3.7. BIRLA CEMENTS

The Aditya Birla Group is among India's largest business houses. Operating in the country for over five decades and globally for nearly thirty years, its revenues today are in excess of US$ 6.7 billion, with net earnings of US $500 million, a US $6 billion asset base, and a market cap of US $5 billion and 700,000 shareholders. Its 40 state-of-the-art manufacturing units and sectoral services, anchored by 72,000 employees, criss-cross 18 countries including Thailand, Indonesia, Malaysia, Philippines, Egypt, Canada, USA and UK.

A premium conglomerate, the Aditya Birla Group is a dominant player in all of the sectors in which it operates. Such as Aluminium, Viscose Staple Fibre, Copper, Cement, Viscose Filament Yarn, Branded Apparel, Chemicals, Carbon Black, Fertilizers, Sponge Iron, Insulators, Power, Telecom, Financial Services and more recently Insurance. Grasim, Hindalco, Indian Rayon, Indo Gulf and Indal from its stables - rank among India's top 50 most respected and admired corporations.

Plant

Birla White Cement is the premier flagship brand of Grasim Industries Ltd. (White Cement Division). Established in 1988, in technological association with Onoda Engineering & Consulting Japan, its initial capacity was 80,000 tonnes per annum. In response to increasing demand, a second unit was added with technology from Nihon Cement Co., Japan. Today the company has an established capacity of 475 thousand tonnes per annum for White Cement and 200 thousand tonnes per annum for Wall Care Putty. Without doubt making it India's largest white cement company.
Products

At Grasim Industries Ltd. (White Cement Divn), we manufacture world class products like:

- Birla White Cement
- Birla White Wallcare Putty
- Birla White Textura (White Cement based textured wall finish)
- Birla White KOOL n SEAL
- Birla White GRC (Glass Fibre Reinforced Cement)
- Birla White Level Plast

Group Vision

To be a Premium Global Conglomerate with a clear focus on each business.

Group Mission

To deliver superior value to our customers, shareholders, employees and society at large.

Birla White's Vision

To be the most preferred supplier of quality product in category to result in sales revenue of more than Rs.1000 crore by FY 2010.

Birla White's Mission

To deliver superior value to our customers, shareholders, employees and society at large with increased focus on living with our values.
Grasim South

Grasim acquired Dharani Cements (since merged with the company) in April 1998. The company has a cement plant at Ariyalur, Tamil Nadu. In April 2000, a state-of-the-art cement plant, among the most modern in Asia, was commissioned at Reddipalayam, Tamil Nadu. This unit now has a capacity of 1.16 million tpa.

This is the only plant to be equipped with an auto/robot lab system for consistent quality and optimizing cost. Apart from these, the auto/robot lab assures:

- quality cement of world class standard
- accuracy and consistency

3.9. ARASU CEMENT

Arasu brand cement is very good quality cement manufactured by Tamilnadu Cements Corporation Ltd., a Govt. of Tamilnadu undertaking and number of Govt. Buildings, Dams and Bridges has been constructed by using entirely Arasu cement, which stands as Testimony for "ARASU Cement".

Tamilnadu Cements Corporation Ltd., (TANCENM), a wholly owned Government of Tamilnadu undertaking, started business from 1st April 1976 with an authorized share capital of Rs.18 crores taking over cement plant at Alangulam and setting up another plant at Ariyalur in the year 1979.

TANCENM, as its expansion and conversion activities, set up Asbestos Sheet unit at Alangulam during 1981. TANCENM also took over during 1989, a Stoneware pipe plant from TACEL with a view to provide employment to the retrenched employees.
TANCEM has, thus become a multi plants, multi locations and multi products company with an annual turnover of around Rs.250 crores and the authorized capital as of now is Rs.37.43 Crores.

The company has its main objective in production of cement and cement based products and primarily cater to the needs of Government departments. Limestone being the main raw material, the company acquired and reserved enough limestone bearing lands in and around Alangulam and Ariyalur which are sufficient to run the cement plants for decades to come. Hence, the role of TANCEM in the development of state is immense.

Ariyalur Cement Works

Commercial production in this unit was commenced during October 1979. Set up with a capital outlay of Rs.29 crores and a rated capacity of 5 lakhs tonnes per annum of cement, this unit provides direct employment 734 people and indirect employment to 1500 people.

With the best limestone deposit available it is able to produce the high quality cement of various grades and supplies to Government Departments and Public. Wide appreciations have been received from various quarters for its ARASU brand cement being marketed in Tamilnadu and Kerala.

Products

Classification by type:

- O.P.C – (Grade 43, 53)
- P.P.C – (Grade Arasu Super Star)
Our Mission:

To produce and sell cement / allied products in the Public Sector so as to have a moderating influence on the market for making available cement / allied products.

Our Vision:

➢ To attain leadership in cement technology

➢ To encourage the use of environment and friendly practices in production and

➢ To make available cement and other products at affordable prices to the common consumers and Govt. Departments.