



Since 1916



CEMENT UPDATE

AUGUST 2023

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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-July'23 saw a decrease of 19% at 1989836 MT as compared to the same period of the previous fiscal but saw an increase in July'23 of 18.71% at 459252 MT as compared to July'22.
- Pipavav port saw the highest traffic of cement in the period of Apr-July'23 and July'23 at 897500 MT & 234000 MT respectively

Cement Traffic At Indian Ports			
(Quantity in Metric Tonnes)			
Ports	Apr-July'23	Apr-July'22	Y.O.Y Variance
PIPAVAV	897500	819000	78500
JNPT	450425	381378	69047
COCHIN	245592	461745	-216153
MANGALORE	68636	124000	-55364
BHAGWATI BANDAR	56886	60146	-3260
TUTICORIN	55800	3900	51900
DHARAMTAR	54100	72739	-18639
HAZIRA	45698	74002	-28304
BEDI	45300	0	45300
KRISHNAPATNAM	25000	135550	-110550
Grand Total	1989836	2456718	-466882

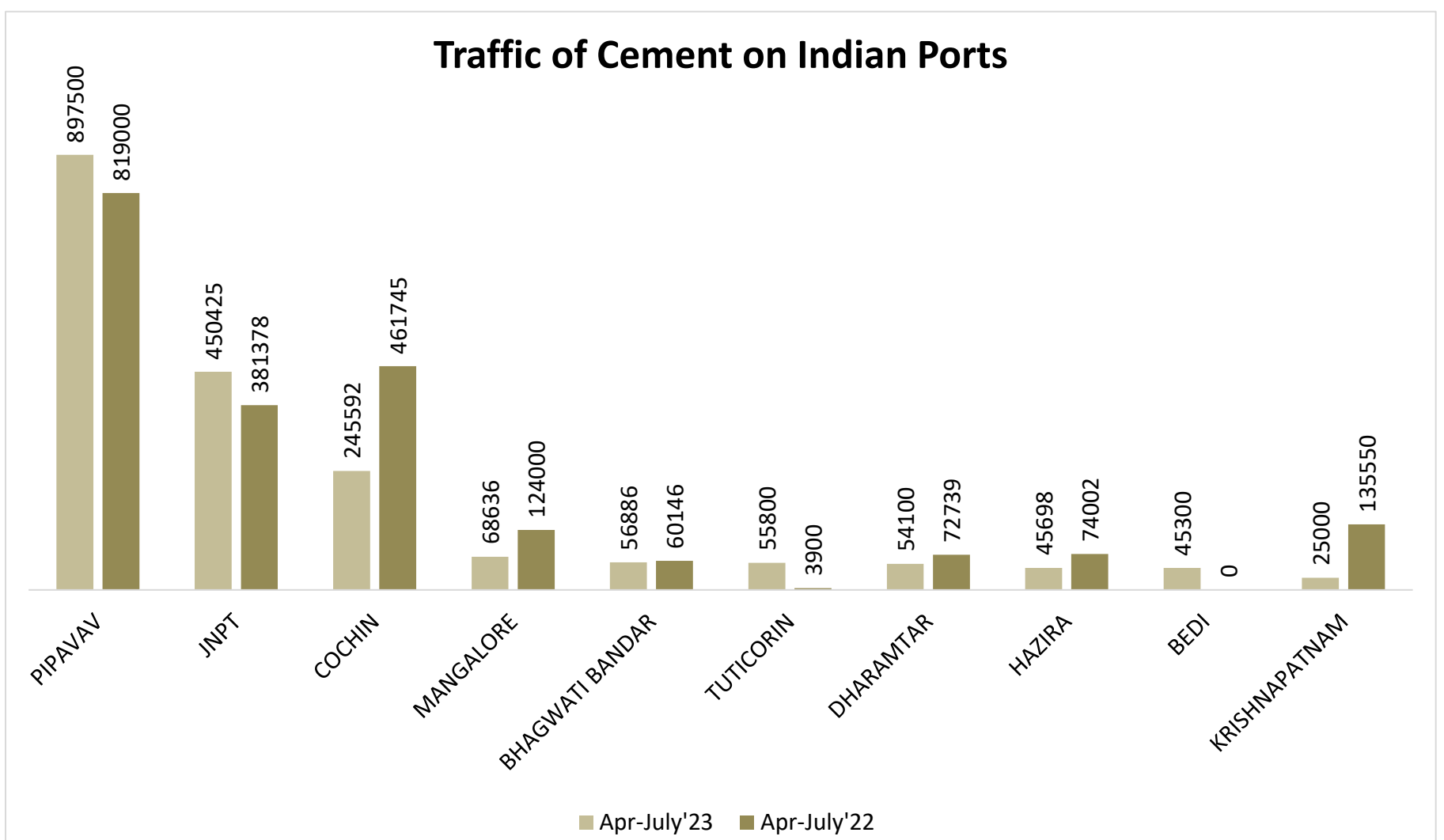
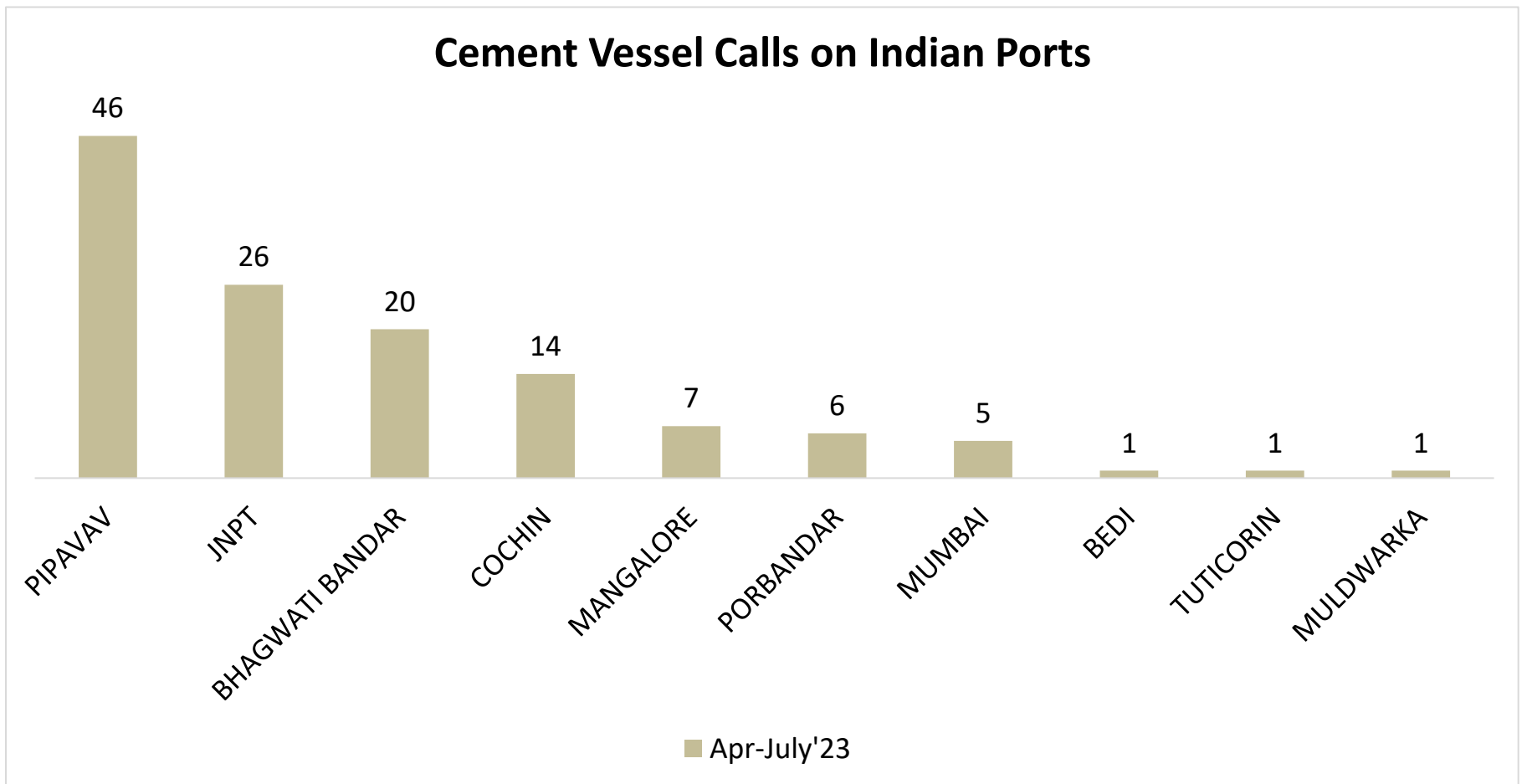
- Ultratech Cement turned out to be a major cement supplier to Sri lanka, exporting 136500 MT of cement.
- The total exports of cement in the period of Apr-July'23 decreased by 1.04% at 953100 MT as compared to the same period of the previous fiscal.

Cement Exports- Apr-July'2023		
Exporters	Coastal	Srilanka
AMBUJA CEMENT LTD.	18000	
PENNA CEMENT INDUS. LTD.	25000	
SAURASHTRA CEMENT LTD.	12600	
ULTRATECH CEMENT LTD.	761000	136500
Grand Total	816600	136500

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-July'23 (Qty in Million Tonnes)		
IMPORTERS	COASTAL	EXIM
AMBUJA CEMENT LTD.	5855	
FAIRMACS TRADING CO. PVT. LTD.	3794	
HATHI CEMENT LTD.	4650	
ULTRATECH CEMENT LTD.	815752	
ZUARI CEMENTS LTD.	5787	
RM TRADEX		90998
JSW STEEL LTD.		54100
KALEESUWARI REFNERY CO.		55800
Grand Total	464932	200898.3

- India's Imports decreased by 30.59% in the period of Apr-July'23 at 1036736 MT as compared to the same period of the previous fiscal but saw an increment in July'23 by 12.14% at 223152 MT as compared to July'22.



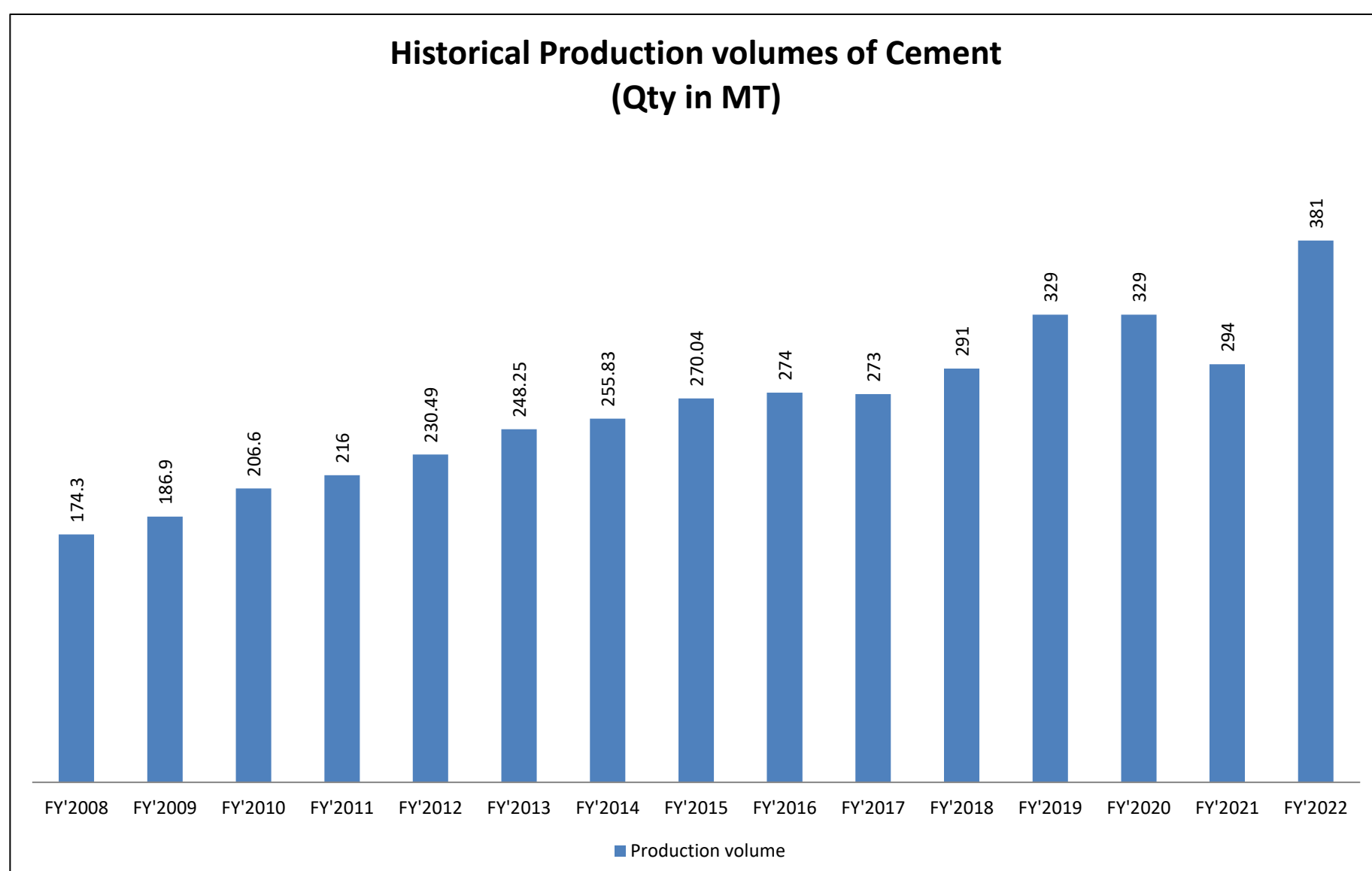
MARKET ANALYSIS



CEMENT MARKET ANALYSIS FOR AUGUST 2023

CEMENT MARKET ANALYSIS (Apr-July'23 & July'23)

- Cement is the second most consumed commodity in the world after water. The India cement market size reached 3,644.5 Million Tons in 2022. Currently, the installed cement capacity in India is 553 MTPA with a production of 298 MTPA.
- In this, a capacity worth around 33-36 million MT will be added in FY24 and around 30-33 million MT in FY25. "The cement capacity is expected to rise by 6 per cent in FY2024, the highest addition in the last five years," it said. ICRA has given a "stable" outlook for the cement sector.
- As per Crisil Ratings, the Indian cement industry is likely to add ~80 million tonnes (MT) capacity by FY24, the highest in the last 10 years, driven by increasing spending on housing and infrastructure activities.
- We expect the India cement industry to witness 8% y-y volume growth in FY24," a report by Nomura said, adding it estimates cement capacity to grow 7% over FY23-25 versus 5.6% over FY13-22.
- "Region-wise, prices have declined by Rs2-3/bag in west and south, Rs6/bag in east, and stood flat in the central region; but, prices improved by Rs6/bag in north on month-on-month basis. In Q2FY24-TD, panIndia average cement prices broadly stood flat on a quarter-on-quarter basis," added the Emkay report dated 4 August.
- The eastern states of India are likely to be the newer and untapped markets for cement companies and could contribute to their bottom line in future. In the next 10 years, India could become the main exporter of clinker and gray cement to the Middle East, Africa, and other developing nations of the world. India's cement production capacity is expected to reach 550 MT by 2025.





MARKET HIGHLIGHTS

- **UltraTech targets 200 MTPA cement capacity, aims to be among largest cement makers globally**
- **Adani Group acquires majority stake in Sanghi Industries for Rs 5,000 crore**

UltraTech targets 200 MTPA cement capacity, aims to be among largest cement makers globally

- The Aditya Birla group firm has doubled its grey cement production capacity from 66.3 MTPA in FY16 to 132.4 MTPA in FY23.
- UltraTech achieved the unique distinction of being the first Indian cement company to record over 100 million tons sales volume in a fiscal year.”
- The total all-India installed cement capacity is 541 MTPA.
- UltraTech has 23 integrated manufacturing units, 29 grinding units, one clinker unit and 8 Bulk Packaging Terminals. It is the third largest cement producer in the world, excluding China. UltraTech is the only cement company globally (outside of China) to have over 100 MTPA of cement manufacturing capacity in a single country.

Source: The Economic Times

Cement demand seen rising 8-9 pc in FY24 over 9 pc growth in FY23

- The acquisition includes a cement plant and captive jetties in Gujarat which will allow Ambuja to directly transport its products through the coastal route to states like Maharashtra, Karnataka and Kerala.
- The acquisition is expected to bring all the assets in Kutch district, This includes the Sanghi Cement plant that was commissioned in 2002 as the world’s largest single stream cement plant located at Sanghipuram in Abdasa taluka of Kutch. With 2,700 hectares of land, the integrated unit at Sanghipuram has two kilns with a clinker production capacity of 6.6 MTPA and a cement grinding unit with a capacity of 6.1 MTPA.
- It also has a captive power plant of 130 MW and a Waste Heat Recovery System of 13 MW. The unit is also connected with a captive jetty at Sanghipuram.
- The company also stated that jetty at Sanghipuram will be expanded to handle vessel sizes of 8,000 DWT
- Bulk terminals and grinding units will be created along the western coast to enable movement of clinker and cement through the sea route at the lowest possible cost. SIL also has a bulk cement terminal each at Navlakhi Port in Gujarat and Dharamtar Port in Maharashtra.
- The acquisition is also expected to help Ambuja tap the fly-ash produced at Adani Group’s thermal power plants in Mundra for the acquired cement facility.
- The acquisition of SIL will help ACL to strengthen its market leadership and increase its cement capacity to 73.6 MTPA from the current 67.5 MTPA. With the ongoing capex of 14 MTPA and with commissioning of 5.5 MTPA capacity at Dahej and Ametha by Q2 of FY24.

Source: Indian Express

REPORTS FOR AUGUST 2023

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