Binani
Cement Limited

An Enviable Track Record - A Committed Future

Capacity Expansions & New Marketing Scenario of India's Cement Industry

- Update of Greenfield, Brownfield & Grinding units projects
- Marketing strategy & role of MNCs

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An overview of Indian Economy

- Present scenario of Indian Mixed Economy
- Agriculture, Industries, Minerals, Oil Exploration, Exports
- India on world map

Indian Cement Industry – An Introduction

- **Inception to Maturity**
  - Government control
  - Post 1980
  - Current
- **The size – Concrete story**
  - Installed capacity **165** million tonnes
  - Total demand is **141** million tonnes
  - Export demand **10** million tonnes
  - Capacity utilisation **90** percent
  - Total sales $ **9000** million

Cement Stats

Cement Industry Highlights

Cement Industry Highlights As on 31st Dec 2006	
Cement Companies (Nos.)	52
Cement Plants (Nos.)	130
Installed Capacity (Mn. T.)	165
Cement Production (Mn. T.)	152
Per Capita Consumption (Kg) (2005)	125
Exports (Cement & Clincker) (Mn. T.)	9.5
Turnover (Mn. US$ approx) (2005)	9,700

Cement Stats

Performance of Cement Industry (2002 – 2006)

Million Tonnes

Capacity (Add-Up)

Year	2002	2003	2004	2005	2006
Total	135.91	142.64	149.61	155.95	163.83
%age change over prev. year	8.05	4.95	4.88	4.24	5.05

Cement Production

2002	2003	2004	2005	2006
109.59	115.42	125.07	136.67	152.35
11.43	5.32	8.36	9.27	11.47

Cement Stats

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Performance of Cement Industry (2002 – 2006)

Million Tonnes

Cement Dispatches

Year	2002	2003	2004	2005	2006
Total	109.26	115.09	124.61	136.38	151.84
%age change over prev. year	10.92	5.34	8.27	9.44	11.34

Cement Consumption

2002	2003	2004	2005	2006
105.87	111.47	120.80	131.06	145.50
11.27	5.29	8.37	8.50	11.02

Exports	**2002**	**2003**	**2004**	**2005**	**2006**
Cement	3.38	3.62	3.81	5.32	6.36
Clinker	2.93	5.27	5.83	4.14	2.95
Total	**6.31**	**8.89**	**9.64**	**9.46**	**9.31**

Capacity Expansion

- Greenfield projects
- Brownfield projects
- Grinding Units

Cement Demand Projection & Capacity Needed (Based on 11.5% CAGR of Cement Industry)		
Year	**Domestic Demand**	**Capacity Needed ***
2006-07	152.00	180.00
2007-08	168.79	198.66
2008-09	187.51	219.46
2010-11	231.66	269.07
2011-12	257.61	298.46
* 90% capacity utilisation & export targets		

Actual Capacity Expansion Expected	
Year	**Mn. T**
2008	171
2009	194
2010	233

Capacity Expansion

- Greenfield projects
- Brownfield projects
- Grinding Units

Company/Plant	2008
ACC	0.18
Dalmia Cement	2.3
JK Cement (JK Syn.)	0.5
JP India	0.5
OCL India	0.5
JK Laxmi Cement	0.9
Lafarge	0.4
UltraTech Cement-All Plants	0.5
Kesoram Ind.	1.6
Sanghi Ind.	0.6
Gujarat Ambuja	1
Shree Cement	1.5
Binani Cement	3.1

Capacity Expansion

- Greenfield projects
- Brownfield projects
- Grinding Units

Company/Plant	2009
Gujarat Ambuja	1.5
Grasim	1.0
Madras Cement	2.0
Mangalam Cement	0.5
Shree Cement	3.5
JP Ind. HP	3.0
Birla Corp.	1.0
India Cement	0.6
JP Ind. Gujarat Anjan	2.0
JP Ind. Siddhi	1.5
JP Ind. UP Cement	2.5

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Capacity Expansion

- Greenfield projects
- Brownfield projects
- Grinding Units

Company/Plant	2010
Grasim	8.0
Madras Cement	2.0
Zuari Cement	2.5
ACC	1.0
Birla Corp.	0.5
Century Textile	3.5
Gujarat Ambuja	2.3
India Cement	2.0
JK Laxmi Cement	1.0
JP – SAIL	2.5
Kasoram Ind.	1.6
OCL India	2.3

Company/Plant	2010
Shree Cement	1.5
Ultra Tech Cement	4.0
JK Cement	3.0
Orient Papers	1.0

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Marketing Strategy

- Present scenario of cement market in India
- Internal Constraints Affecting Cement Marketing
- External Factors Influencing Cement Marketing
- Role of Government
- Regional Imbalance
- Demand & Supply
- Rail & Road Movement
- Use of Blended Cement
- Price
- Exports
- The Strategy

Role of MNCs

- Consolidation of Cement Industry in India
- Healthy Cement Industry of India
- Constraints of MNCs
- Update on MNCs in India
- MNCs no threat

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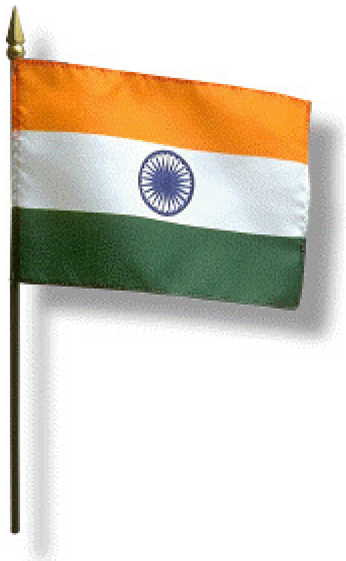
Challenges before Indian Cement Marketing



Thank You

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