



Since 1916



CEMENT UPDATE

MARCH 2023

TABLE OF CONTENTS

Port Analysis 3 - 5

Market Analysis 6 - 7

Market Highlights 8 - 9

Disclaimer: The information contained in this market update is drawn from wide range of newspapers, business and trade magazines, government, company and industry association websites. While all possible care is taken to verify the correctness and authenticity of information contained in this compilation, no claim to independent authorship of articles is implied or intended. Readers are expected to make their own independent evaluation and verification of information for their use. While all information contained in this report are believed to be correct, the editors of this compilation or J. M. BAXI & CO. do not guarantee the quotes or other data.

Port Analysis



CEMENT TRAFFIC AT INDIAN PORTS

(Qty in Millions Tonnes)

- Indian port traffic for cement in the period of Apr'22-Feb'23 saw an increase of 7.11% at 6.56MT as compared to the same period of the previous fiscal.
- Indian Port traffic for cement saw a decline of 9.20% at 0.58MT in the month of Feb'23 as compared to Feb'22.
- Pipavav port saw the highest traffic of cement in the period of Apr'22-Feb'23 at 2.37MT.

Cement Traffic At Indian Ports (Quantity in Million Tonnes)			
Ports	Apr'22-Feb'23	Apr'22-Feb'23	Y.O.Y Variance %
PIPAVAV	2.37	1.41	40.73
JNPT	1.18	0.67	42.58
COCHIN	1.07	0.98	8.30
MANGALORE	0.35	0.23	33.16
DHARAMTAR	0.27	0.50	-46.28
PARADIP	0.18	0.20	-9.89
BHAGWATI BANDAR	0.17	0.11	34.88
HAZIRA	0.16	0.05	71.78
KRISHNAPATNAM	0.16	1.11	-85.49
BEDI	0.10	0.26	-62.95
PORBANDAR	0.07	0.11	-36.39
MUMBAI	0.07	0.06	14.23
PORT BLAIR	0.05	0.02	59.44
Grand Total	6.56	6.09	7.11

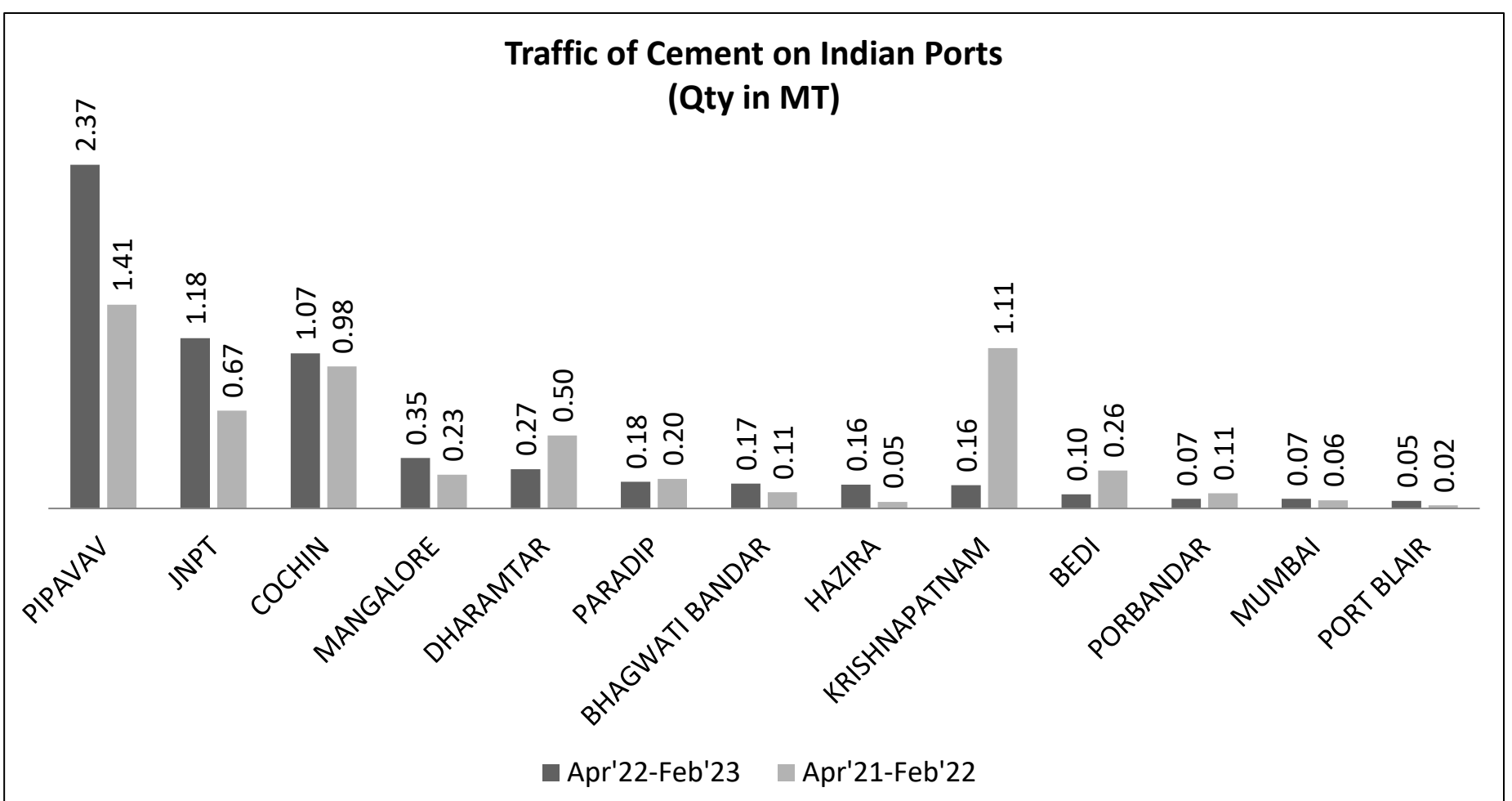
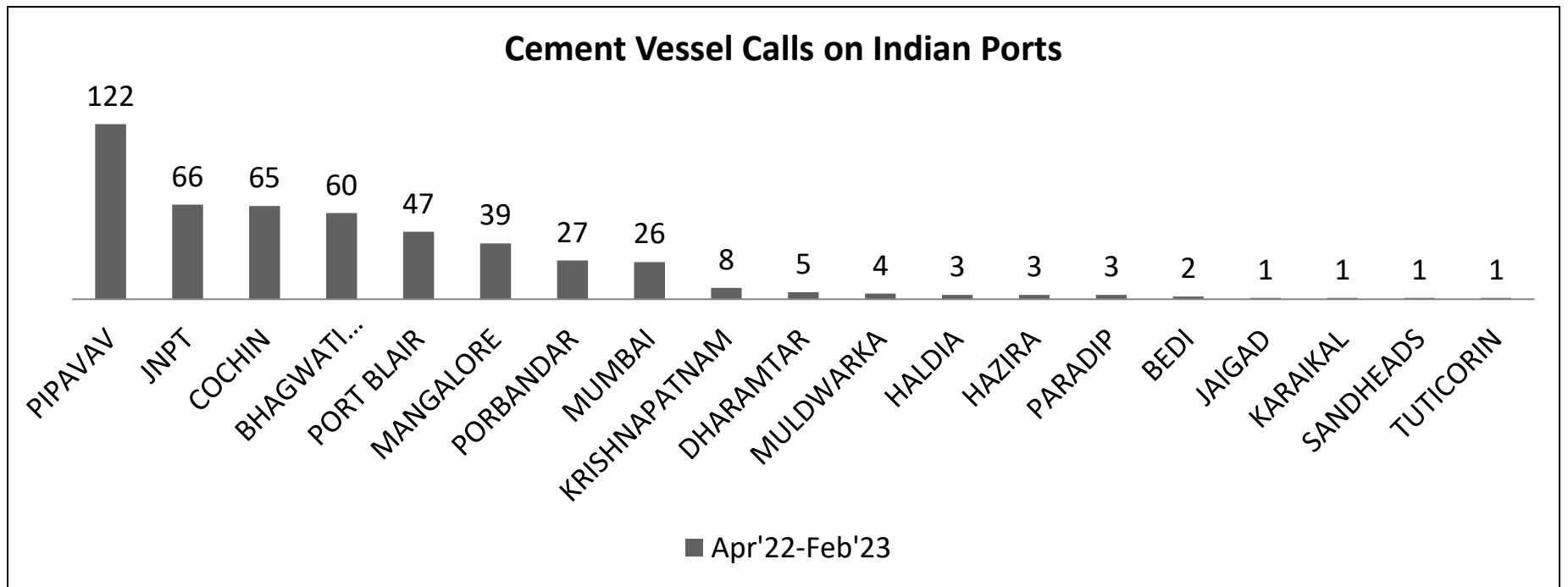
- Ultratech Cement turned out to be a major cement supplier to Sri lanka, exporting 0.37 MT of cement.
- The total exports of cement in the period of Apr'22-Feb'23 Declined by 3.02% at 2.71MT as compared to the same period of the previous fiscal.

Cement Exports- Apr'22-Feb'23				
Exporters	Coastal	Iran	Mozambique	Srilanka
ULTRATECH CEMENT LTD.	1.94	0.00	0.00	0.37
PENNA CEMENT INDUS. LTD.	0.13	0.00	0.00	0.04
SAURASHTRA CEMENT LTD.	0.06	0.00	0.00	0.00
AMBUJA CEMENT LTD.	0.01	0.00	0.06	0.00
VASUKI TRADE LINK PVT. LTD.	0.00	0.05	0.00	0.00
Grand Total	2.16	0.05	0.06	0.41

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'22-Feb'23 (Qty in Million Tonnes)				
IMPORTERS	INDIA	IRAN	OMAN	U.A.E.
ULTRATECH CEMENT LTD.	2238395.288			
AMBUJA CEMENT LTD.	346038			
RM TRADEX		102339	189730.484	
JSW STEEL LTD.				106690
COCHIN CEMENTS CO.		42900		40428
PENNA CEMENT INDUS. LTD.	75000			
PRIYADARSHINI CEMENT		73500		
ULTIMATE CHEM INDIA PVT. LTD.	21753			
ZUARI CEMENTS LTD.	18211			
ADANI PORT & LOGISTICS	13000			
Grand Total	2.78	0.36	0.23	0.14

- India's Imports Increased by 14.12% in the period of Apr'22-Feb'23 at 3.84 MT as compared to the same period of the previous fiscal.



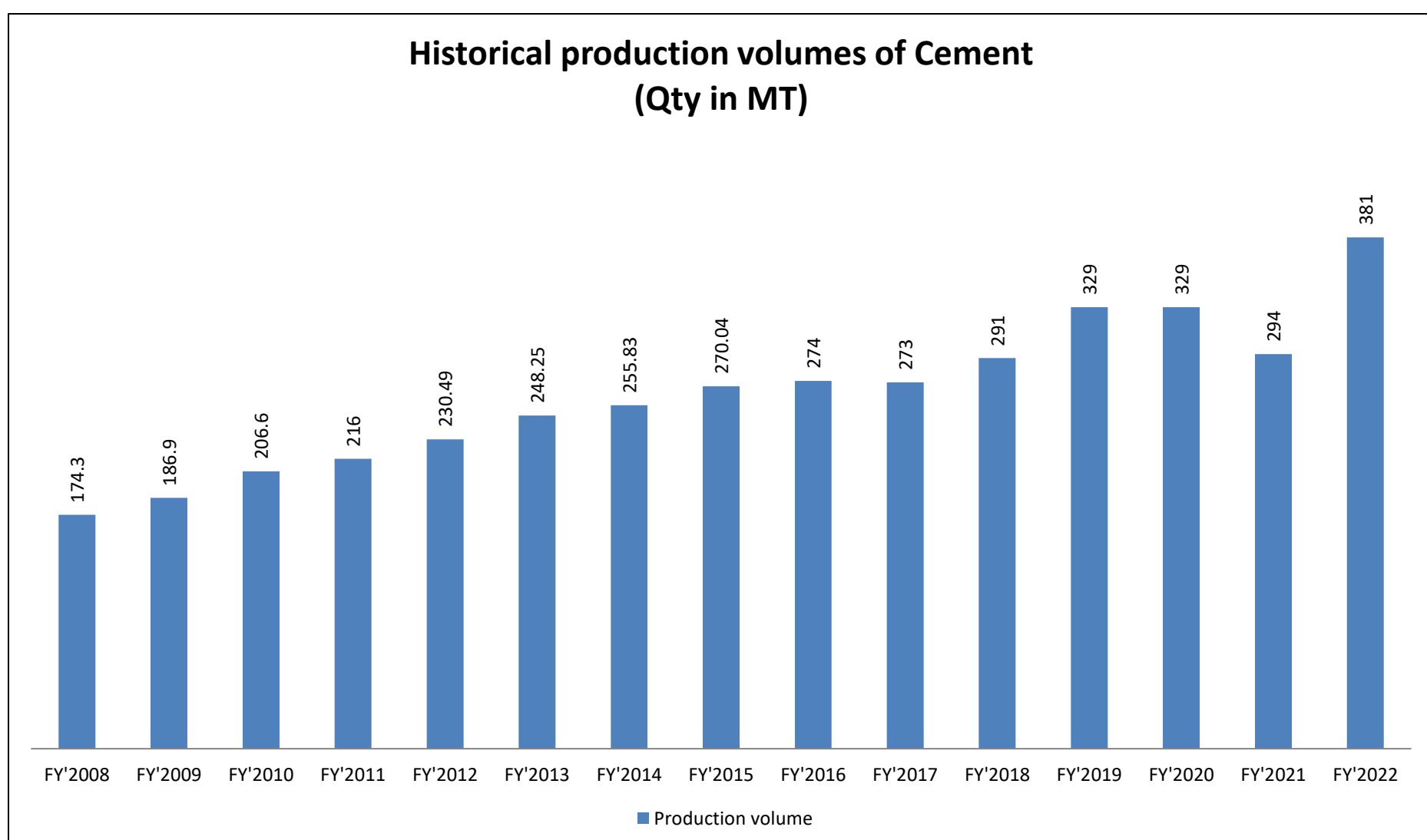
MARKET ANALYSIS



CEMENT MARKET ANALYSIS

CEMENT MARKET ANALYSIS (Feb'23)

- Cement is the second most consumed commodity in the world after water. The global cement market is determined to grow at a CAGR of 5.10% over the forecasted period of 2022-2027.
- India is the second largest producer of cement in the world. At present, the Installed capacity of cement in India is 500 MTPA with production estimated to close at 390 MTPA in FY23. The Indian cement demand is set to grow by approx. 9% in FY'24 to 425 MT.
- Cement demand is projected to remain healthy in the final months of this fiscal due to an up-trend in infrastructure development. According to CRISIL, the demand increased by 11% during the first 11 months of the current fiscal. The union budget (which is infrastructure centric) will boost the demand for cement in the coming months as more development projects come in place. The highest traction seems to come in place from development of roadways.
- The sales volumes therefore will see a uptrend of 30-35MT in FY'24 compared to the cumulative volumes of 68 MT in FY'21 & FY'22. However, operating costs will subsequently increase due to higher raw material and energy costs in the global market.
- In the backdrop of demand revival in feb'23, the cement companies may look forward to a price hike of Rs. 5-10 per bag in March mid. That being said, due to a consequential decline in the prices of coal and petcoke- though temporary-in the international markets will give some marginal relief to cement manufacturers.
- Considering the cement companies would have to meet their year end targets during the month of march, The prices are expected to remain stable. While there is an expectation of price hikes in the eastern and central regions; the prices would be seeing a flat trend in the last month of the current fiscal, picking pace from april.





MARKET HIGHLIGHTS

- **Adani Group to build two cement plants in Andhra Pradesh**
- **Nepal exports 153,493t of cement to India in 7MFY22-23**
- **Indian Railways to create cement corridor**

Adani Group to build two cement plants in Andhra Pradesh

- Adani Group is planning to build two new cement plants in Andhra Pradesh with a combined production capacity of 10Mt/yr.
- At present the group does not have any cement production plants in Andhra Pradesh, although it does operate two ports at Krishnapatnam and Gangavaram respectively.
- The other projects include renewable power units with a capacity of 15,000MW and data centres.

Source: Global Cement News

Nepal exports 153,493t of cement to India in 7MFY22-23

- In the 7MFY22-23 Nepal exported cement and clinker worth NPR167.03m (US\$1.273m), reports Khabarhub. According to Nepal's Department of Customs, over the seven-month period, 153,493t of cement were exported, with a value of NPR60.66m.
- linker exports came in at 151,158t, worth NPR106.38m. According to the government, two Nepali cement companies have been exporting product to India.
- These include Palpa Cement, which has been exporting cement under the 'Tansen' brand since July 2022, and the 'Arghakhanchi' brand since October 2022.

Source: Global Cement News

Indian Railways to create cement corridor

- Indian Railways (IR) are planning to create a cement corridor to link cement and clinker plants along with fly ash facilities for the seamless movement of these products, senior officials. IR is in talks with the Cement Manufacturing Association (CMA) to create a road map to link cement manufacturing factories in the eastern, central, southern and Rajasthan clusters.
- According to the CMA, cumulative cement loading grew from 34.82Mt in April-October 2020-21 to 45.38Mt in April-October 2021-22, YoY growth of 30.3 per cent. Similarly, cumulative clinker loading also increased from 22.29Mt in April-October 2020-21 to 31.09Mt in April-October 2021-22, a growth of 39.5 per cent. During April-October 2021-22, the cement industry has been the fourth largest revenue generator for the IR, report Economic Times.
- As of December 2022, IR said that it has achieved the yearly milestone in freight transportation by crossing the 1000Mt mark. The third-biggest contributor to this growth has been the cement and clinker group. It showed eight per cent improvement in volume of 94.7Mt in the current financial year as compared to 87.7Mt in the last financial year.

Source: Global Cement News

REPORTS FOR MARCH 2023

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

J. M. BAXI. & CO. Monthly Automotve 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 Seaferer Insight Update

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

Research & Analysis Desk:

J. M. BAXI & CO.,

Godrej Coliseum, Office No. 801, 8th floor, "C" wing, Behind Everard Nagar,
Off. Somaiya Road, Sion. Mumbai - 400022 INDIA.

T: 022 61077100 Ext 161/145, | M: 091-7506004224 / 7045659111
E: shwetalk@jmbaxi.com | W: www.jmbaxico.com