

# Cementing Growth

○ • **An Indian Perspective  
on the Cement Industry**



# Foreword

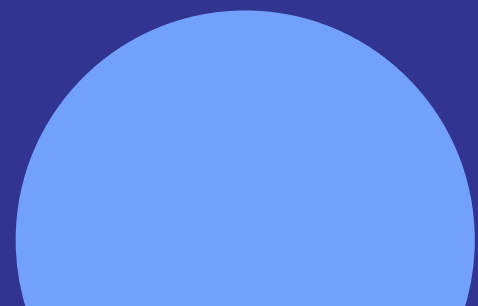


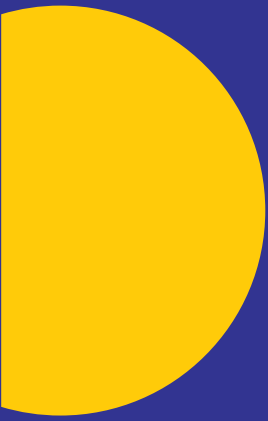
Since prehistoric times, all eras of human civilisation have had one common characteristic: finding an identity in materials. The Stone Age, Bronze Age and Iron Age were all eras defined and named after materials. Today, we find ourselves in the Concrete Age. After water, concrete is the most abundant resource in the world. Concrete is also the most used synthetic material on the planet. There would be no concrete without cement.

Cement is the vital glue that binds the ingredients of concrete together. Concrete is the material that we interact with every day - in the structures of our homes, offices, hotels, airports, stations and hospitals, supporting our bridges, dams, tunnels and infrastructure, and laid on our roads and pavements. Because of its inherent benefits of strength, durability, resilience, safety and affordability to create vital infrastructure, concrete is fundamental in shaping our world.

The earliest evidence of cementing material dates to the construction marvels created by Egyptians. Leaders of the Roman Empire accelerated the use of concrete. The Pantheon, the largest unreinforced concrete dome in the world, and the Colosseum, built around 2,000 years ago, are evidence of the resilience and durability of concrete. With the start of the Industrial Revolution at the end of the 19th century, an exponential rise in using cement for modern architecture marked the breakthrough for cement and concrete as the most used synthetic material. Since then, the cement industry worldwide has enjoyed a consistent growth phase.

India entered the manufacturing process of Portland Cement, the most common type of cement in use, in 1914 with the establishment of the Indian Cement Company Limited in Porbandar, Gujarat. Today, many industrial units operate energy-efficient state-of-the-art cement manufacturing plants across the subcontinent, propelling India into second place w.r.t cement production capacities worldwide. We at IndiaMART are honoured and proud to support the cement industry whose priority lies in infrastructure development and, hence, in serving the nation and its people.





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# Setting The Stage

## Feeding the Nation's Insatiable Hunger for Progressive Development



Cement is a lifeline for India's infrastructure development and economic growth. It fosters the expansion of many industries like real estate and construction, enabling the realisation of important national infrastructure projects. Utilities, residences, roads, bridges, tunnels, dams, airports, railways, metro lines, fly-overs and coastal roads make our professional and personal journeys through life more efficient, comfortable and safe.

Infrastructure development and related Government initiatives further boost the growth of the Indian cement market. Enhancing India's transportation network, particularly through initiatives like the **Bharatmala Road Projects and PM Gati Shakti for railways**, along with new and expanding metro lines in metropolitan and large cities, requires significant quantities of cement. Another crucial driver is the **Pradhan Mantri Awas Yojana (PMAY) scheme**, consisting of rural and urban components, aligning with the Government's vision of 'Housing for All'. With the announcement of the Union Budget 2024-25, the Government has committed to two crore additional houses under this scheme.

### Government Initiatives Relevant to the Cement Industry\*

11.1%

The outlay for infrastructure increased by **11.1%** for the FY25



Development of **51 new airports** & continued expansion of existing ones

2cr

**Two crore more houses** under PM Awas Yojana within the next five years



Indian carriers have placed orders for more than **1,000 new aircrafts**.

3.4%

The infrastructure outlay is budgeted at ₹**11,11,111 Cr**, equivalent to **3.4% of GDP**



**Middle-class housing scheme** for buying or building to be launched



Expansion of national highway corridors and metro lines in **27 cities** will continue. **21 cities** are listed for proposed metro lines



Three economic railway corridor programmes, to be implemented under the **PM Gati Shakti** (energy, mineral, cement; port connectivity; high traffic density)



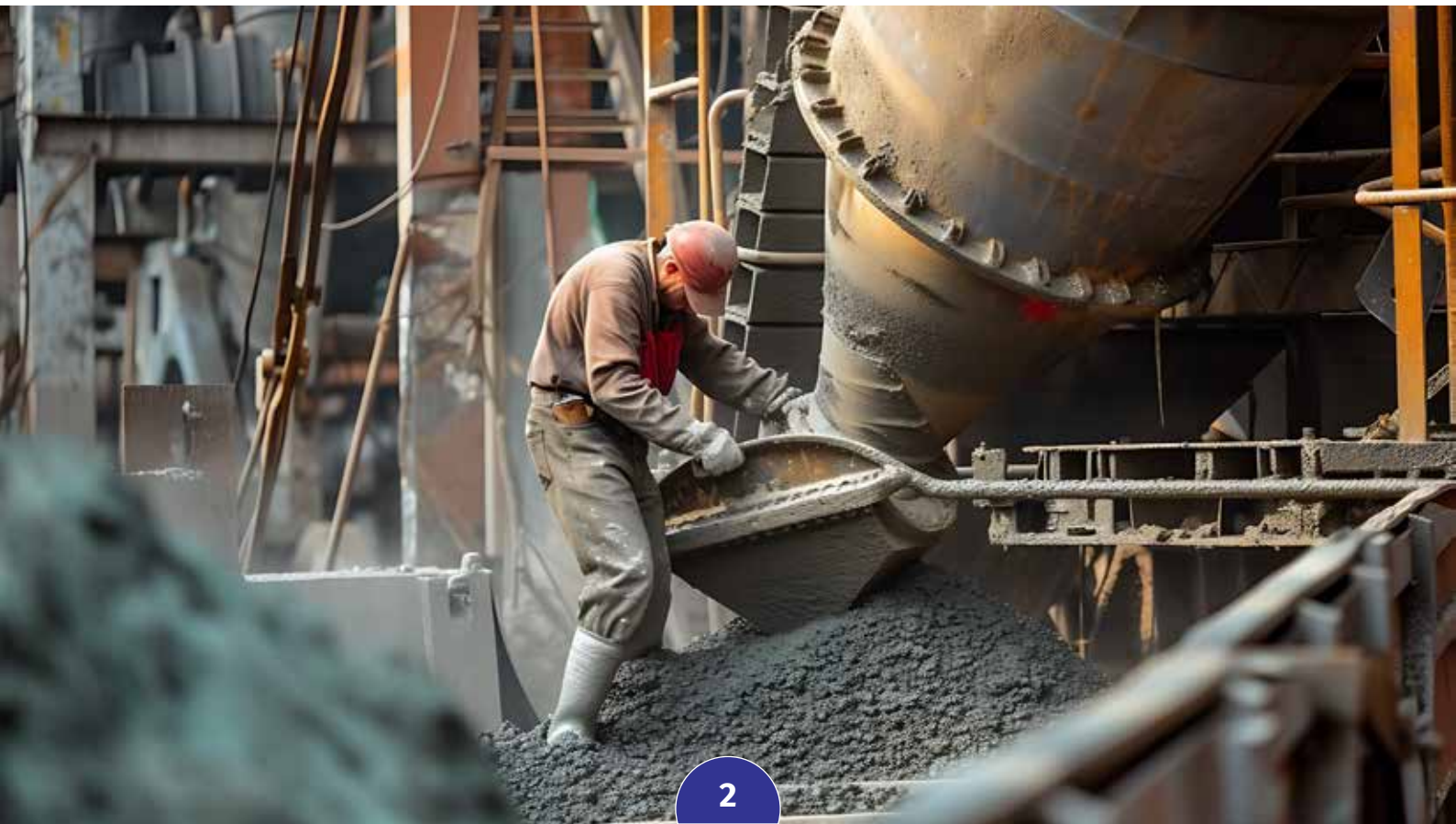
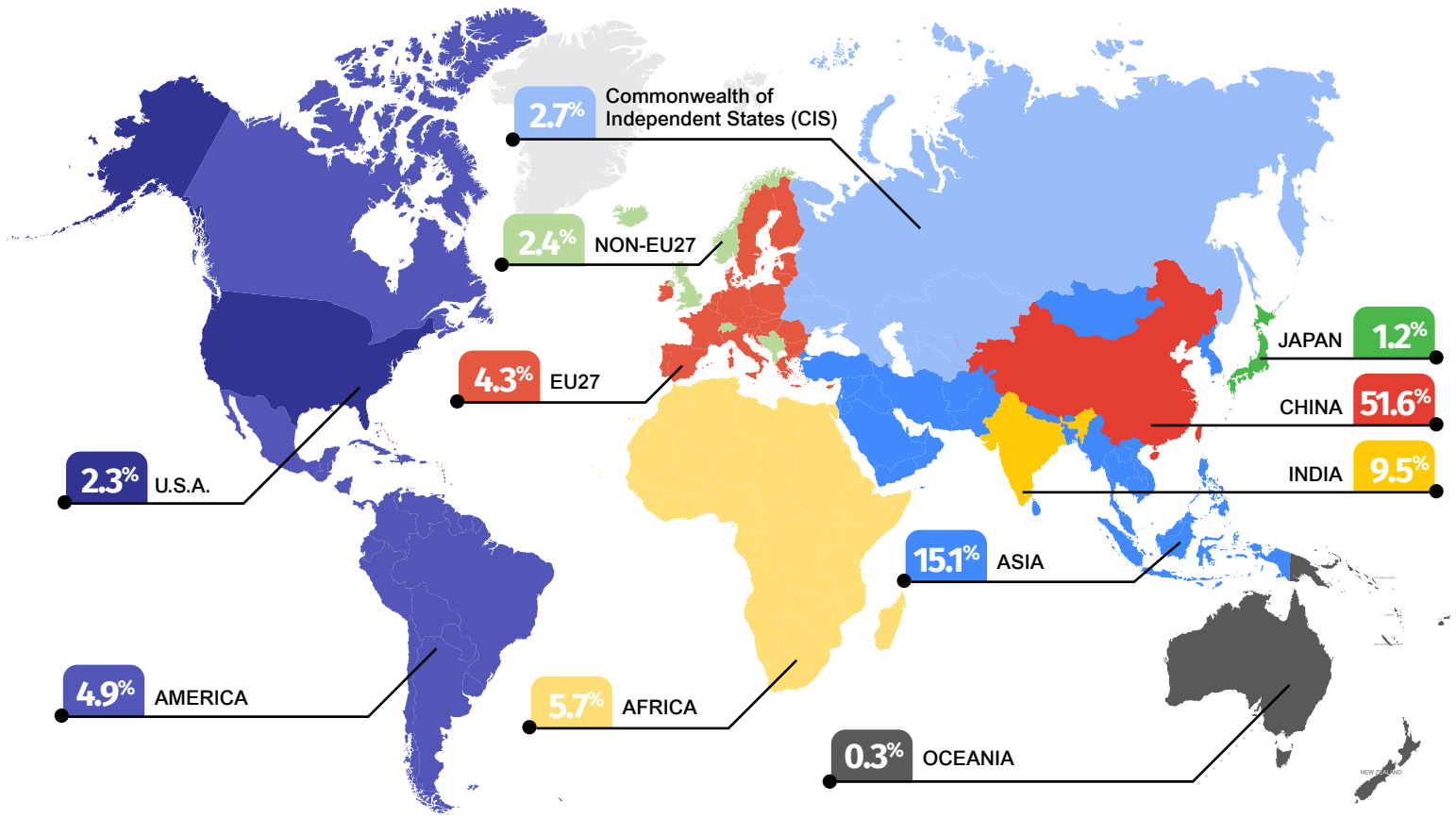
New projects added to the **National Infrastructure Pipeline (NIP)**



# World Cement Production

by Regions and Main Countries in 2022

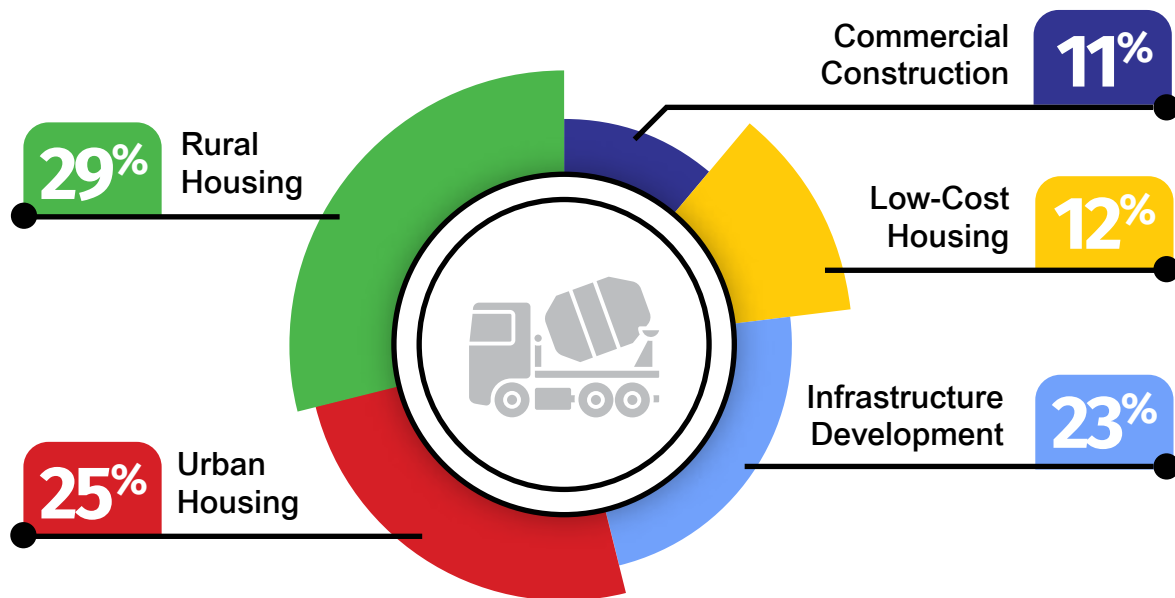
(% estimations)



## Which Sectors Drive the Demand for Cement in India?



The consistently high and still increasing demand for housing and infrastructure development will serve as the growth engine for the Indian cement industry in the coming years. In return, cement manufacturers support continued economic development and provide housing solutions for the increasing urban population in India's metropolitan areas.



## Quick Numerical Insights

**98%**

of cement manufacturers in India belong to the private sector

**583**

million tonnes

of cement manufacturing capacity is installed

**391**

million tonnes

of cement is the current annual production output

**350**

small cement manufacturers provide a production capacity of 11.1 million tonnes

**70%**

of India's cement production is accounted for by the top 10 companies

**48%**

of the installed production capacity is owned by the top five Indian cement companies

**210**

large cement factories account for a production capacity of 410 million tonnes

**77**

large cement factories are located in Andhra Pradesh, Rajasthan and Tamil Nadu

# India: A Leading Cement Producer

## and its Potential for **Future Growth**



Between 2013 and 2022, Indian cement manufacturers added a **total production capacity of 217 million tonnes**. During the first five years, mid-sized companies, especially in the South, added almost half of these capacities, investing in expanding existing or building new plants. Large producers started a consolidation process after 2018, acquiring close to **38 million tonnes of production capacity from small and mid-size manufacturers**. While large companies could consolidate and expand their production, the manufacturing capacities of small and mid-sized manufacturers dwindled. After investing just before the pandemic, they came under profitability pressure, selling the lion's share of their capacity additions to larger companies.

## Growth Figures

of the Indian Cement Industry

6.8% 

India's cement industry achieved a growth rate of 6.8% year-on-year in FY 2023

8% 

Projections expect India's cement production to grow at 8% in FY 2024

**450**  
million tonnes

The projected production output at the end of FY 2025 expects India to cross the 450 million tonnes per annum milestone

**150-160**  
million tonnes

The projected increase in output between FY 2025 and 2028 amounts to 150 to 160 million tonnes

**5.08**  
Lakh Crore INR

Between April 2000 and December 2023, the inflow of foreign direct investments related to the manufacturing of cement and gypsum products has been a whopping 5.08 lakh crore INR



# What water is for Life, Cement is for **Modern India.**

The country boasts significant quantities of high-quality and capacity limestone reserves. This is coupled with an insatiable hunger for housing and infrastructure solutions, making India one of the best markets for a cement manufacturer. As housing solutions and infrastructure development for its people and businesses is a core priority of the Indian Government, cement manufacturers are the beneficiaries of industry-friendly policies. They prosper in a market with high demand and just a few competitors, manufacturing standardised products that hardly face a threat of substitution.

The overall impact of the cement industry on the economy is substantiated by the multiplier effect of 4.16x on economic output and 1.53x on GDP. A robust infrastructure development, in turn, facilitates the sustained growth of Indian cement manufacturers. The industry is a well-established economic driving force and one of the eight core industries for a sustainable structural transformation of the subcontinent.

**For every million tons of installed cement production capacity,  
20,000 DOWNSTREAM JOBS ARE CREATED**



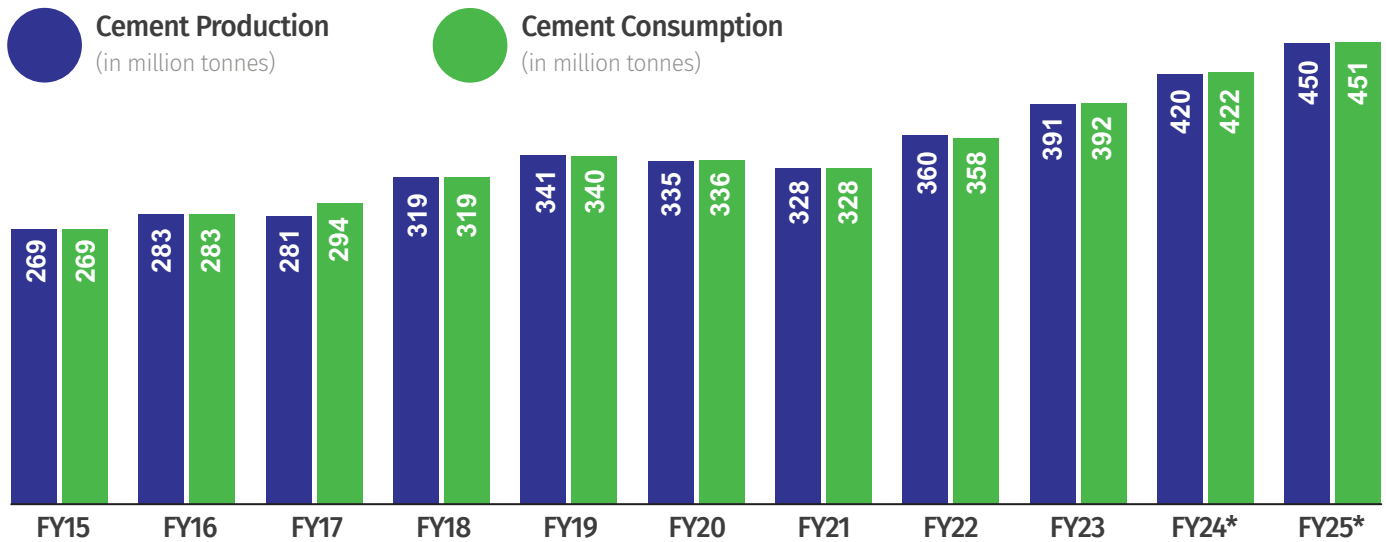


# The Lay of the Land

## The Indian Cement Industry in a Nutshell

While the Indian cement industry is predominantly privately owned, the top 10 companies account for around 70% of the cement production. With a small number of big players and a slightly larger number of small players, the Indian cement industry lies in the hands of a few large sellers who exercise controlling influence in the market.

### Cement Production and Consumption in India (in Million Tonnes)



### Demand and Supply Scenario by the Indian Cement Industry

	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24*	FY25*
<b>Effective Capacity</b> (in million tonnes)	<b>401</b>	<b>423</b>	<b>439</b>	<b>463</b>	<b>487</b>	<b>508</b>	<b>520</b>	<b>545</b>	<b>583</b>	<b>618</b>	<b>672</b>
<b>Capacity Growth</b> (in percentage)	<b>8%</b> ▲	<b>5%</b> ▲	<b>4%</b> ▲	<b>5%</b> ▲	<b>5%</b> ▲	<b>4%</b> ▲	<b>2%</b> ▲	<b>5%</b> ▲	<b>7%</b> ▲	<b>6%</b> ▲	<b>9%</b> ▲
<b>Consumption Growth</b> (in percentage)	<b>9%</b> ▲	<b>6%</b> ▲	<b>4%</b> ▲	<b>9%</b> ▲	<b>7%</b> ▲	<b>-1%</b> ▼	<b>-2%</b> ▼	<b>9%</b> ▲	<b>10%</b> ▲	<b>8%</b> ▲	<b>7%</b> ▲
<b>Surplus Capacity over cons.</b> (in million tonnes)	<b>133</b>	<b>140</b>	<b>145</b>	<b>144</b>	<b>147</b>	<b>172</b>	<b>192</b>	<b>187</b>	<b>191</b>	<b>197</b>	<b>222</b>

over cons. = over consumption/demand;

\* = figures estimated

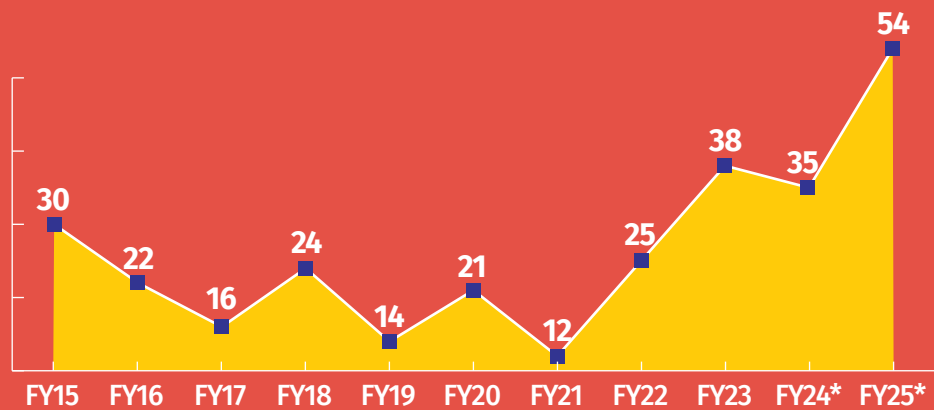
The high-demand residential building sector exhibits price sensitivity. Builders can choose alternative materials, considering ease of use, cost or environmental impact. The rapid urbanisation in India continues to increase. **With 39% of its population expected to reside in urban areas by 2030** and the average household size consistently declining, the shift towards smaller households will result in the construction of more residential units.

During FY23, the Indian cement industry expected a capacity addition of **21.2 million tonnes**, catering to newly commissioned projects worth **71.8 billion INR**.

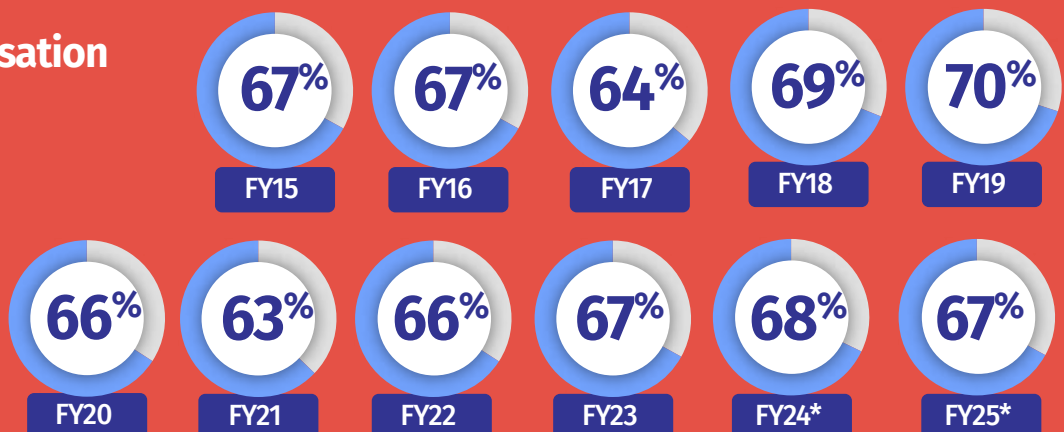
## Capacity Utilisation by the Indian Cement Industry

India's cement industry plans to match an expected annual growth rate in cement consumption of 7-8% between during FY25 and FY28. A similar increase in cement production is expected, adding manufacturing capacities of **150 - 160 million tonnes** during the same period. By the end of FY28, India's cement manufacturing capacities will have grown to around 740 million tonnes, with an expected cement production of more than 500 million tonnes.

### Capacity Addition (in Million Tonnes)



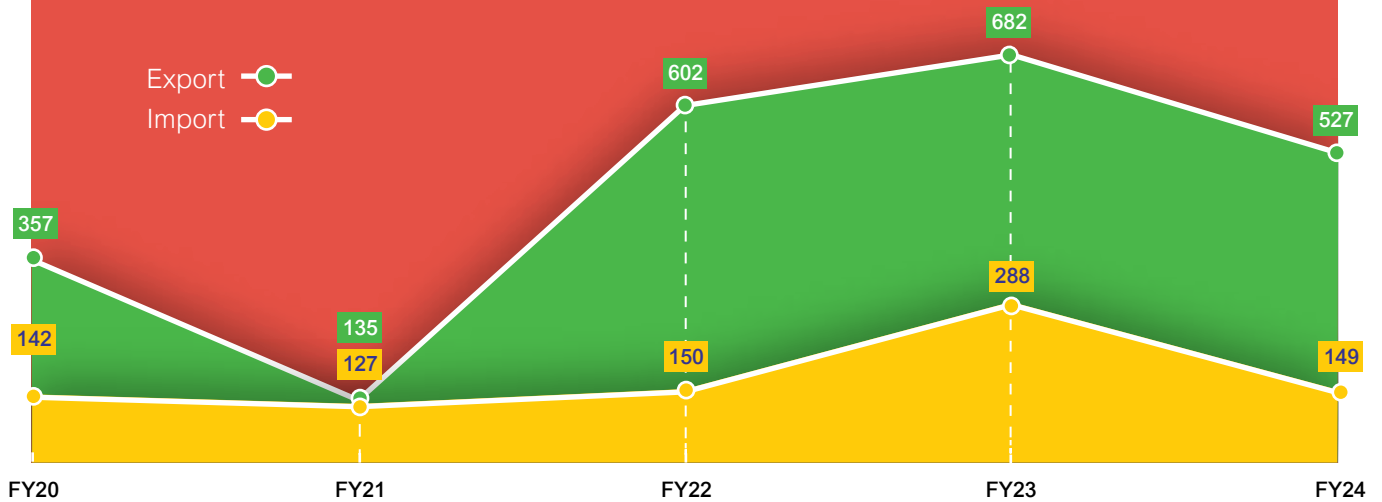
### Capacity Utilisation (in %)



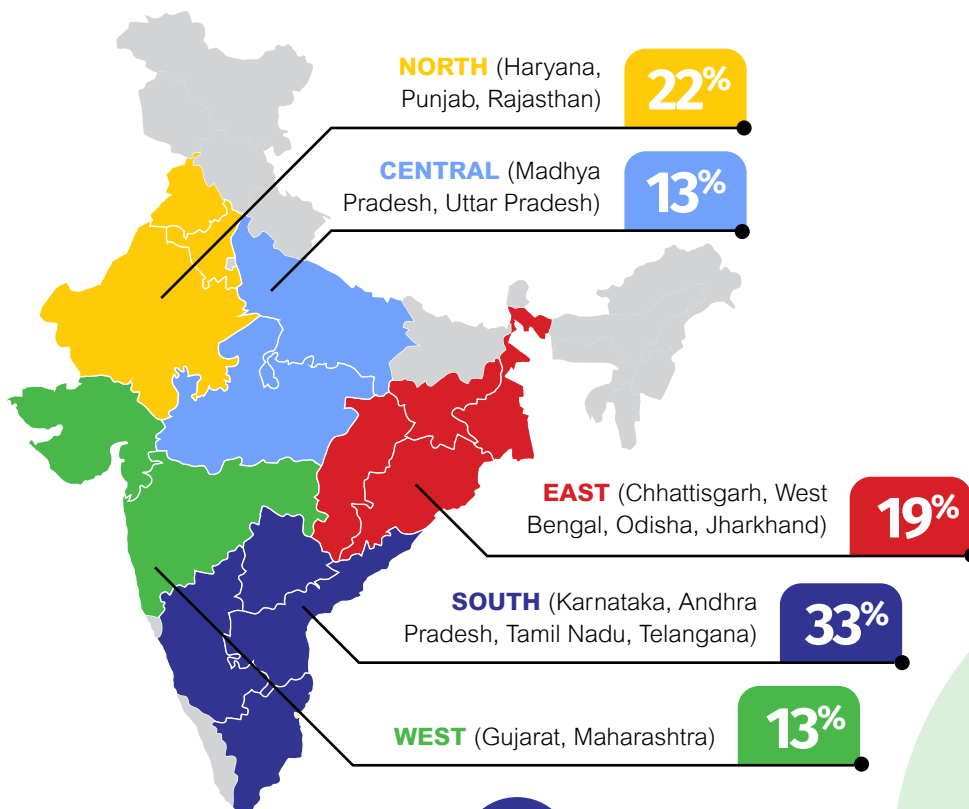
\* = figures estimated

# India's Foreign Trade in Cement in Million USD

The consistent addition of manufacturing capacities by Indian cement manufacturers is the main reason for low levels of cement import. Reduced construction activities during the pandemic slowed down the demand for cement. Due to ongoing conflicts in Ukraine and the Red Sea, charges for logistic solutions increased drastically for some time in the aftermath of the pandemic. The destinations of India's small cement exports are neighbouring countries, reachable by regular truck journeys or short shipping routes. Asian and Middle Eastern countries report booming housing and infrastructure developments. Matching competitive price calculations in high-growth markets outside India requires the local presence of production facilities by Indian manufactures.



## Region-Wise Installed Cement Manufacturing Capacity in India



Favourable market conditions like increasing demand leading to boosted profit margins and the ready availability of raw materials, notably limestone, have attracted foreign players to India. Companies like Heidelberg Cement, Holcim-Lafarge and Vicat entered the Indian market, especially in the blended cement sector. These companies adopted product launches and acquisitions as their key developmental strategies for their product portfolios.

Due to environmental and durability advantages, the share of **blended cement varieties** in India's cement market will grow. Portland cement variations with their suitability for a wide array of applications, their dependable qualities and their adherence to construction standards will dominate the growing Indian market. Indian cement brands like **Ultratech, ACC, Shree, Ambuja, Birla, Dalmia and RAMCO**, with their expanded manufacturing capacities, will remain the leading large producers of cement made in India.

## Top Cement Producers in India and their Net Sales in FY23 (in Million USD)



Ultratech Cement  
Net Sales  
**\$2,240 Million**



ACC Limited  
Net Sales  
**\$1,940 Million**



Shree Cement  
Net Sales  
**\$1,520 Million**



Ambuja Cement  
Net Sales  
**\$510 Million**



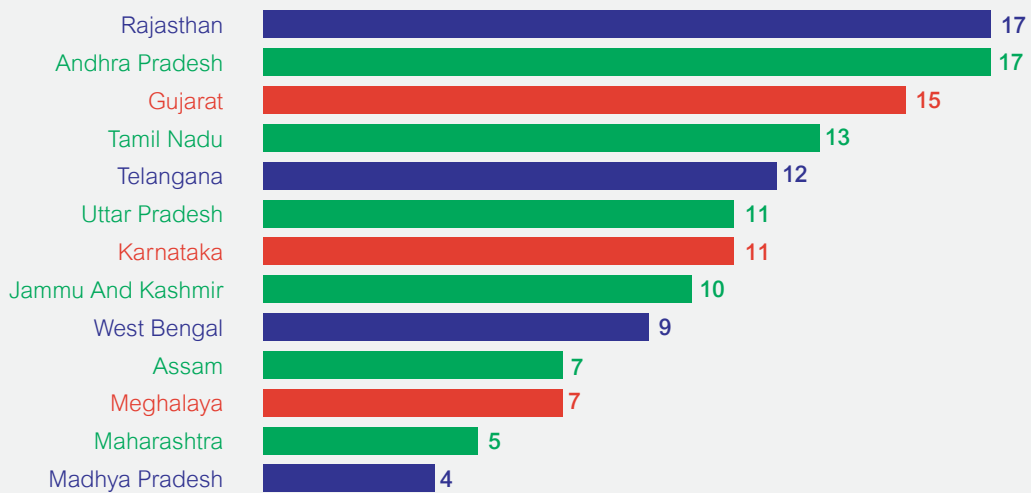
Prism Cement  
Net Sales  
**\$230 Million**



# The Vital Role of Regional Cement Players in India's Cement Industry

The Indian cement industry is vast and diverse, with a considerable portion of the market driven by regional players. These companies, often deeply rooted in their respective states, play a crucial role in meeting localized demand and contributing to the overall growth of the sector. Unlike the few dominant national brands, these regional players bring a unique mix of localized expertise, tailored product offerings, and close customer relationships, making them indispensable to India's infrastructure development.

## States With Highest Number Of Regional Players



### State-wise Breakdown of Regional Cement Players

Highlighting the states with the highest concentration of regional cement players:

**Rajasthan (17 players):** Rajasthan is a prominent cement-producing state with rich limestone reserves, making it a hub for many regional cement companies. The state's favorable geological conditions and infrastructure support the growth of these regional cement players.

**Andhra Pradesh (17 players):** Andhra Pradesh has a well-established cement industry, bolstered by abundant raw materials and access to key markets in South India.

**Gujarat (15 players):** Gujarat's industrial landscape and infrastructure have enabled the growth of regional cement companies. The state's cement industry is supported by its access to ports and proximity to raw materials.

These states, with their rich natural resources, strategic locations, and robust infrastructure, provide an ideal environment for these regional companies to thrive. The strong market presence of leading players in each state highlights the importance of local expertise and adaptability in meeting the specific demands of their respective markets. As these regional players continue to grow and innovate, they will remain pivotal in shaping the future of the cement industry across the country.

### QUICK FACT:

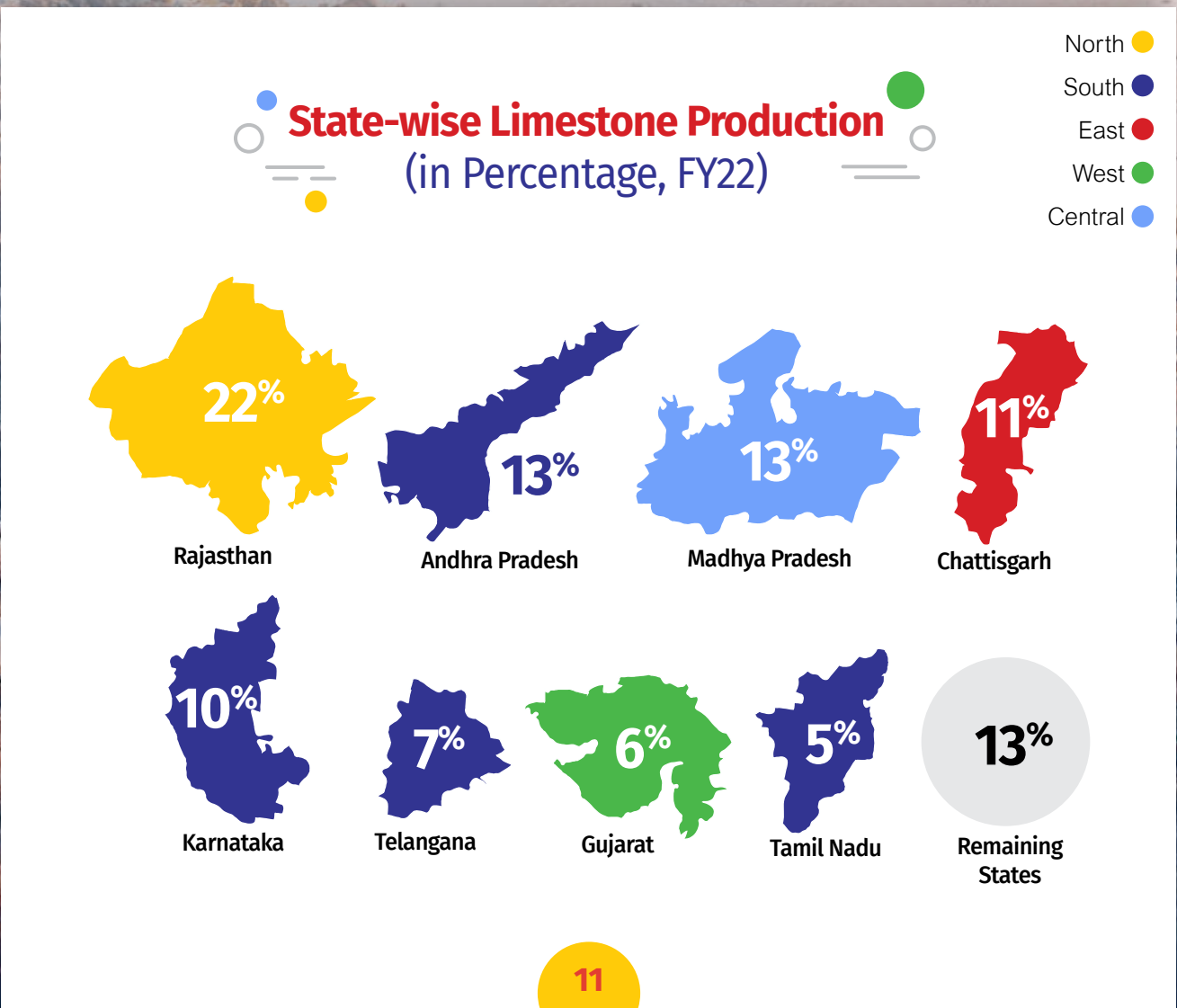
IndiaMART has approximately 6000 Paid Sellers in Cement across the country

# Limestone: The Essential Raw Material for Cement

Limestone, a sedimentary rock that is the most critical cement production source, is mainly composed of calcium carbonate. The cement industry is the principal limestone user.

Though India has rich limestone reserves, many remain untouched due to opencast mining operations preferred by the cement industry. Around 393 million tonnes of limestone were quarried from 689 operational mines during FY22. The Indian cement industry used 97% of these for manufacturing cement. Compared to FY21, limestone production increased by 12.5%, including 24 new mining sites. Many cement manufacturing facilities were constructed close to limestone mines to reduce transportation costs.

As cement and its raw materials have the third highest share in total cargo moved by the Indian Railways, the Ministry of Railways announced dedicated freight corridors to meet the requirements of the Indian cement, mining and steel sectors. The freight corridors will interlink areas of high concentration of cement factories with the sources of raw materials. They will also connect to destinations of cement customers, such as harbours and regions with high cement demand. The idea is to reduce transportation time, logistics and operational costs significantly.



# Limestone Mining by Production Capacity Groups

Production Capacity (in Tonnes)	Number of Mines		Production (in Million Tonnes)		Total Production (in %)	
upto 10,000	226	230	0.33	0.34	0.1%	0.09%
upto 1,00,000	169	181	7.48	8.70	2.14%	2.21%
upto 5,00,000	121	118	30.44	31.98	8.71%	8.14%
upto 10,00,000	47	49	36.69	36.72	10.51%	9.35%
upto 20,00,000	49	54	68.52	78.80	19.63%	20.06%
upto 30,00,000	27	21	68.00	52.72	19.48%	13.42%
above 30,00,000	26	36	137.66	183.51	39.43%	46.73%
<b>Total</b>	<b>665</b>	<b>689</b>	<b>349.12</b>	<b>392.76</b>	<b>100%</b>	<b>100%</b>

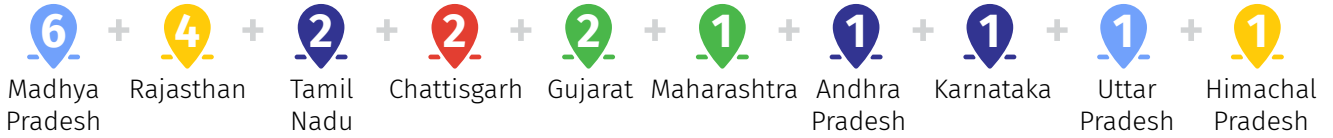
 FY21

 FY22

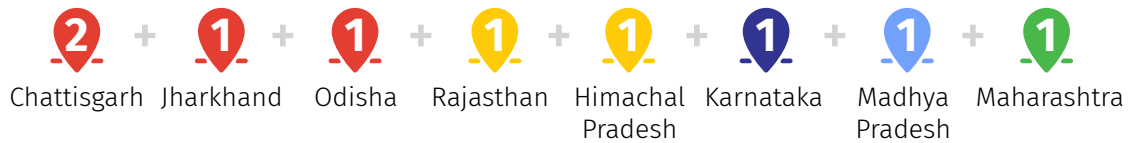


# Number of Limestone Mining Sites (Company-wise Breakdown in Indian States)

## Ultratech Cement: 21 sites



## ACC Limited: 9 sites



## Ramco Cements: 8 sites



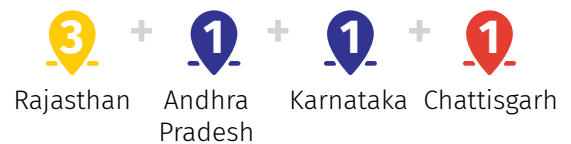
## Dalmia Cement: 7 sites



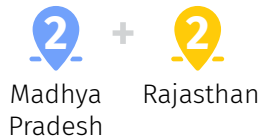
## Ambuja Cement: 7 sites



## Shree Cement: 6 sites



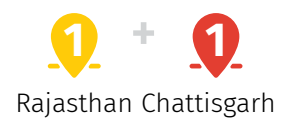
## Birla Corporation: 4 sites



## Jaypee Cement: 3 sites



## JK Cement: 2 sites



Key: Northern States = , Central States = , Western States = , Eastern States = , Southern States =



# Building a Strong Foundation

## Business Decisions, Types of Cement and Why the Industry Embraces Sustainable Practices

Strong linkages with sectors like infrastructure, construction, housing, logistics, coal, power and steel highlight the undeniable importance of the Indian cement industry. It has a significant role to play while implementing important schemes and visions of the Indian Government. Such schemes concern housing for all, smart cities, concrete highways, dedicated freight corridors, ultra-mega power projects and the Clean India mission.

Given their high dependency on limestone, most cement manufacturers own and operate limestone mines for their cement production. Through a **Star Rating System**, the Ministry of Mines aims to encourage financially viable, socially responsible, environmentally, and scientifically sound mining operations. Extensive interactions with various stakeholders resulted in the **Sustainable Development Framework (SDF) for the Indian mining sector**.

It comprises principles, reporting initiatives and good practice guidelines which provide the basis for the Star Rating System, a two-layered online evaluation model. A user-friendly self-evaluation, filled in by the mine operator, is followed up with validation by the Indian Bureau of Mines. To achieve five stars, the highest possible rating, a mine needs a consistent scoring of 90% across all parameters covering the life-cycle and post-mining processes. The Indian cement industry leads the charts of best-performing mines under the Star Rating System. There are currently 32 mines with a five-star rating. Among these 32 mines, the Indian cement industry is strongly represented.

### A Glance at India's Top Ten Cement Companies (2022)

	Revenue (in Crore INR)	Production Capacity p.a. (in Million tonnes)	Number of Employees
Ultratech Cement	53,106	102.8	20,501
Ambuja Cement	26,646	29.7	5,180
ACC Ltd.	15,975	28.4	6,730
Shree Cement	12,555	20.3	6,300
Dalmia Cement	9,642	26.5	5,630
Birla Corporation	6,778	15.5	5,780
Jaypee Cement	6,662	2.2	6,000
India Cements	5,770	15	4,330
Ramco Cements	5,310	21	3,035
JK Cement	874	15	1,570

# Major Business Decisions

## in the Indian Cement Industry in 2022 & 2023

While being a critical component for infrastructure development, the Indian cement industry generates business scenarios of interest for almost all industry players. The examples highlighted in the following table represent expansion activities in capacity, production, environmental consciousness and mergers and acquisitions across the Indian cement industry.

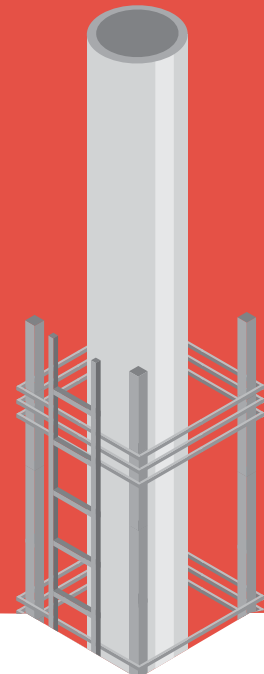
After acquiring Ambuja Cements and ACC Ltd. from the Holcim-Lafarge Group at 6.4 bn USD the Adani Group has announced **two new cement manufacturing plants, 15,000 MW of renewable power projects and a data centre in Andhra Pradesh**. The Cement industry in India is on a consistent expansion path to meet the growing demand for infrastructure and housing solutions.

	Investment	Value	Investment	Value
<b>Utratech</b>	Capacity expansion	12,886Cr INR	Capacity expansion	1.56b USD
	Grinding capacity (BR)	+ 2.2m tons	Acquisition capacity	912m USD
	Grinding capacity (MH)	+ 1.8m tons		
	Grinding capacity (MP)	+ 1.8m tons		
<b>Dalmia</b>	Capacity expansion	1.35b USD	Expansion (N,W,C)	+ 27.5m tons
	Carb. capture/utilis.	405m USD	Capacity expansion (Assam)	560m USD
			Grinding capacity (BR)	10.9m USD
			Launch PPC (Eastern Region)	
<b>Ramco</b>	Grinding capacity (OD)	25.5m USD	Capacity expansion (OD,KA)	91.3m USD
<b>Shree</b>	Capacity exp. (RJ,KA,UP)	844m USD	Grinding capacity (WB)	+ 3m tons
	Solar power plant (HR)	6.7 MW		
<b>ACC Ltd.</b>	Acquisition by Adani	6.4b USD	Launch of new concrete solution	
	Grinding capacity (UP)	+ 1.6m tons	Launch of R&D facility in Mumbai	
			Renewal limestone license (RJ)	
<b>Ambuja</b>	Acquisition by Adani	6.4b USD	Launch of R&D facility in Mumbai	

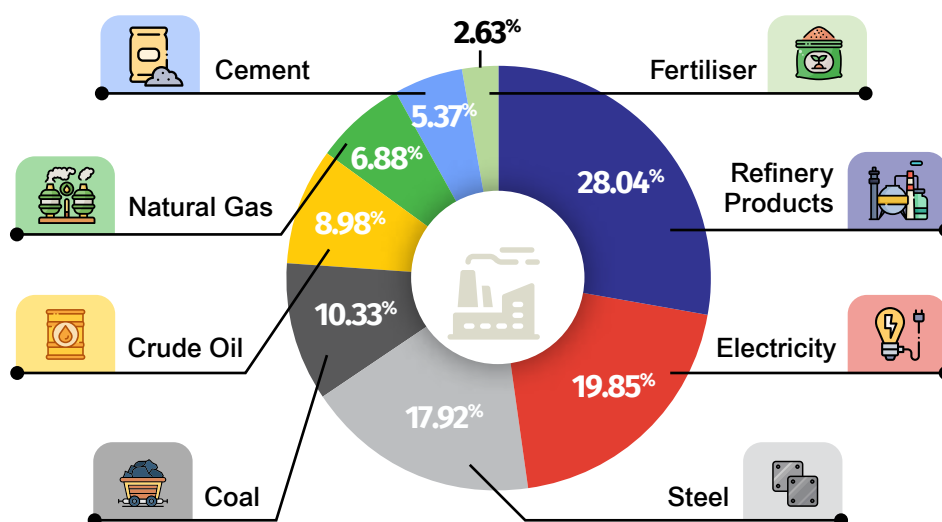
Cr = crore; INR = Indian Rupee; b = billion; USD = US Dollar, m = million; MW = Megawatt; BR = Bihar; MH = Maharashtra; MP = Madhya Pradesh; N = North; W = West; C = Central; Carb.capture/utilis. = Carbon capture and utilisation; PPC = Portland Pozzolano Cement; exp = expansion; OD = Odisha; KA = Karnataka; RJ = Rajasthan; UP = Uttar Pradesh; WB = West Bengal; HR = Haryana; R&D = Research and Development

As one of the eight core industries in India, cement receives special attention from the Government. The Office of the Economic Adviser to the Government closely monitors the performance of the eight core industries monthly. An Index of Eight Core Industries (ICI) measures their combined and individual performances. The ICI comprises 40.27% of the weight of items included in the Index of Industrial Production (IIP).

The eight core industries provide the highest employment in urban and rural areas. They are crucial for India's path towards a modern and developing society. Government policies for infrastructure construction and providing low-cost housing are highly dependent on the growth of industries like energy, steel and cement. Incidentally, these three industries record the highest growth rates within the ICI.



## The Index of Eight Core Industries (ICI) (FY22 to FY24\* in %), Index Base FY12 = 100



### Index Development

### Growth Rate (Year-on-Year)

	FY21	FY22	FY23	FY24	FY21	FY22	FY23	FY24
Refinery Products	114.9	125.1	131.2	135.9	-11.2%	8.9%	4.8%	3.6%
Electricity	157.6	170.1	185.2	198.3	-0.5%	8%	8.9%	7.1%
Steel	139.4	163	178.1	200.2	-8.7%	16.9%	9.3%	12.4%
Coal	131.1	142.3	163.5	182.7	-1.9%	8.5%	14.8%	11.8%
Crude Oil	80.1	77.9	76.6	77.1	-5.2%	-2.6%	-1.7%	0.6%
Natural Gas	59.8	71.3	72.4	76.8	-8.2%	19.2%	1.6%	6.1%
Cement	130	156.9	170.6	185.9	-10.8%	20.8%	8.7%	9%
Fertiliser	111.6	112.4	125.1	129.8	1.7%	0.7%	11.3%	3.7%

\*Provisional

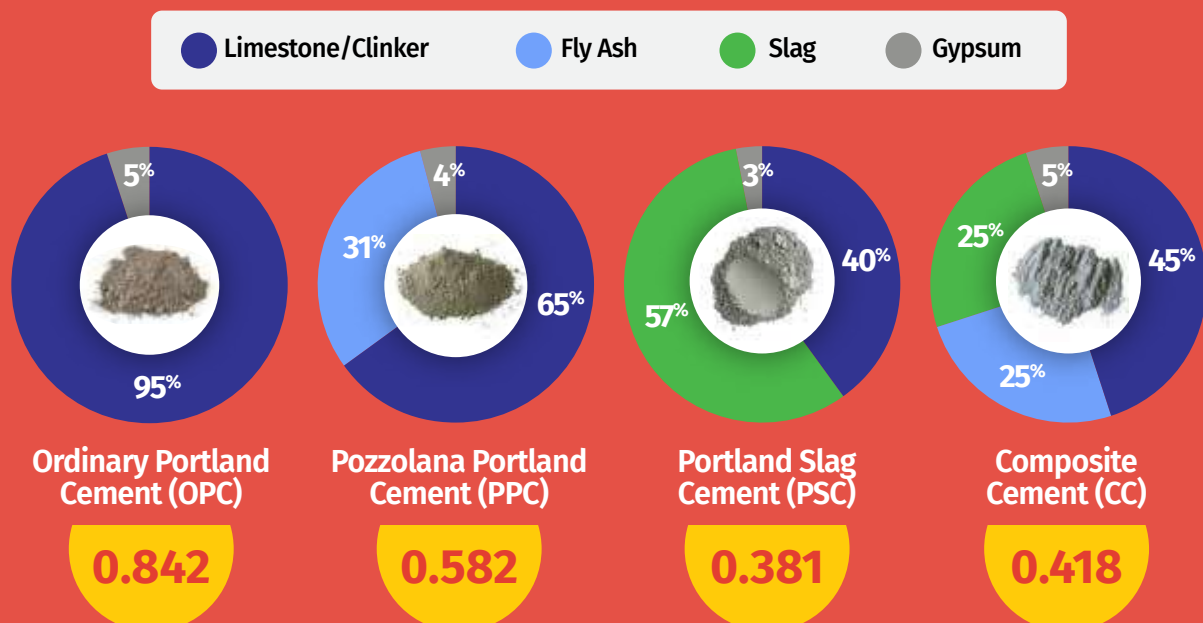
# OPC, PPC, PSC, CC - Why Cement isn't Just Cement!

Manufacturing cement is a grinding and heating process of limestone minerals at temperatures of around 1,400 to 1,500 degrees Celsius, mixing it with clay or other materials of sufficient reactivity. An intermediate product called clinker nodules mixes with a controlled percentage of gypsum. Finely ground, the end product is the most common form of cement called **Ordinary Portland Cement (OPC)**, suitable for all kinds of construction. Substituting lime and clinker content with less energy-intensive materials like fly ash or slag reduces the carbon footprint of cement, increasing the strength and durability of concrete.

Grinding and partly substituting ordinary clinker with pozzolanic materials such as fly ash and gypsum creates **Portland Pozzolana Cement (PPC)**, enhancing the durability of concrete, especially in marine and sulphate environments. Today, it constitutes two-thirds of the cement manufactured globally. While manufacturing **Portland Slag Cement (PSC)**, finely granulated blast furnace slag, with a small percentage of gypsum, replaces more than 50% of limestone, creating the cement with the smallest carbon footprint. It is applicable for constructing bridges and sea ports in saline environments and for channels prepared for wastewater containing acids, salts or sulphur.

## Composition of Popular Types of Cement and their Emission Factors

Reducing energy consumption and re-using the process heat supports India's National Mission for Enhanced Energy Efficiency which is not an end in itself. Along with it, the environment-friendly shift from ordinary to blended types of Portland cement sustains the carbon footprint reduction of the industry, actively and efficiently contributing to India's National Action Plan on Climate Change.



Emission factor (tons CO<sub>2</sub> per ton cement)



# Deploying Sustainability Measures for Greener Cement.

Maintaining a high growth rate to improve the living standards of the people while, at the same time, **reducing the adverse impacts of Climate Change is the need of the hour.** The cement industry pioneers this way through its efficient, modern and safe manufacturing processes creating products essential for safe and durable infrastructure and housing.

The manufacture of cement involves energy-intensive processes. **The Bureau of Energy Efficiency (BEE)** under the Ministry of Power has identified the cement sector as one of the eight 'designated customers' with high electricity demand. Designated consumers compulsorily follow the **PAT scheme (Perform-Achieve-Trade)**, a mechanism for improvements in energy efficiency for energy-intensive industries. PAT is a regulatory instrument to reduce energy consumption, with an associated market-based mechanism to enhance cost-effectiveness.

Measuring the energy efficiency of the cement industry is a combination of metering thermal and electrical specific energy consumption. Cement plants have transitioned to a water-efficient dry process technology. In addition, they have implemented process optimisations, installation of new generations of coolers, grinding systems, multichannel burners, and digitalisation. These measures have reduced the thermal-specific energy consumption of cement plants. **Integrating modern technologies like Vertical Roller Mills, High-Pressure Grinding Rolls, high-efficiency separators and conveyors, and variable frequency drives supports a decreasing need for electrical-specific energy.**

The efforts of the Indian cement industry to reduce its energy consumption and thus decrease its carbon footprint don't end here. With the adoption of highly efficient Waste Heat Recovery Systems and Process Automation, using energy-efficient transformers, Light Pipes, intelligent Motor Control Centres, Static Synchronous and Reactive Power Compensators, Light Emitting Plasmas, and Induction Lights, cement manufacturers identified additional potential to improve the specific energy consumption during their manufacturing stages.

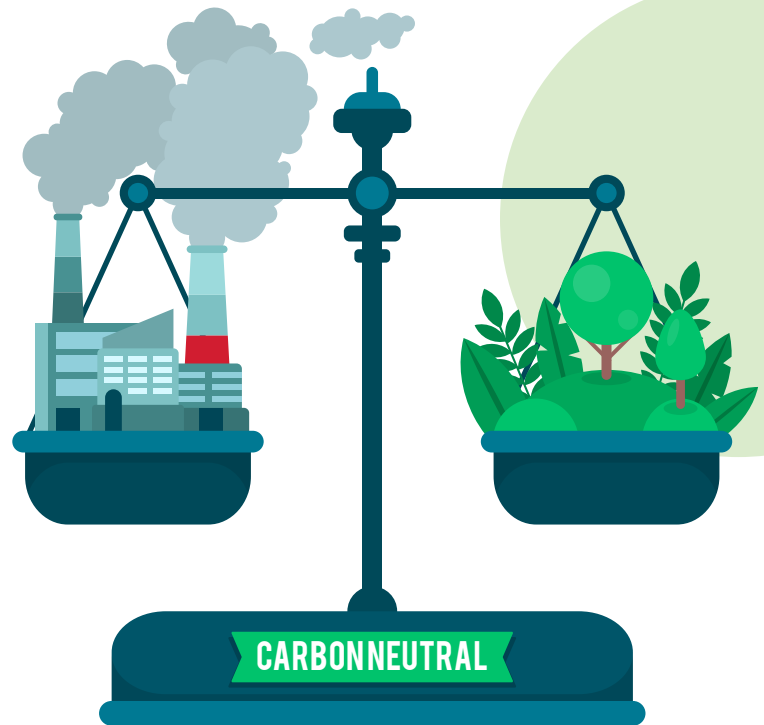
To further reduce the cement industry's carbon footprint, the **World Economy Forum's First Mover Coalition**, a network of leading companies in heavy-emitting sectors, informs about a new recycling technology for cement. Heating concrete from demolished buildings during a steel recycling process reactivates cement. Researchers call the recycled material 'electric cement'. The Indian cement industry is known for deploying the best available technologies. **'Electric cement'** opens doors for new cooperation strategies with the steel industry. Cement and steel are part of the eight core industries in India. Together, they are the prime movers for India's infrastructure development.



# Dust to Durability

## Digital Solutions, Value Added Services, and Marketing

The focus of the Indian cement industry currently is on **capacity extension, increasing production and reducing carbon footprint**. To adhere to the cement standards set by the Bureau of Indian Standards (BIS), the industry's quality control starts with the selection and operation of limestone mines. The standards are vital to guarantee the safety and durability of critical construction projects like skyscrapers, dams, bridges and tunnels.



Cement manufacturers offer their customers a portfolio of value-added services. The services are broadly designed for:



Experienced construction companies and architects for large housing and infrastructure development projects



Masons who build brick-and-mortar houses for homeowners

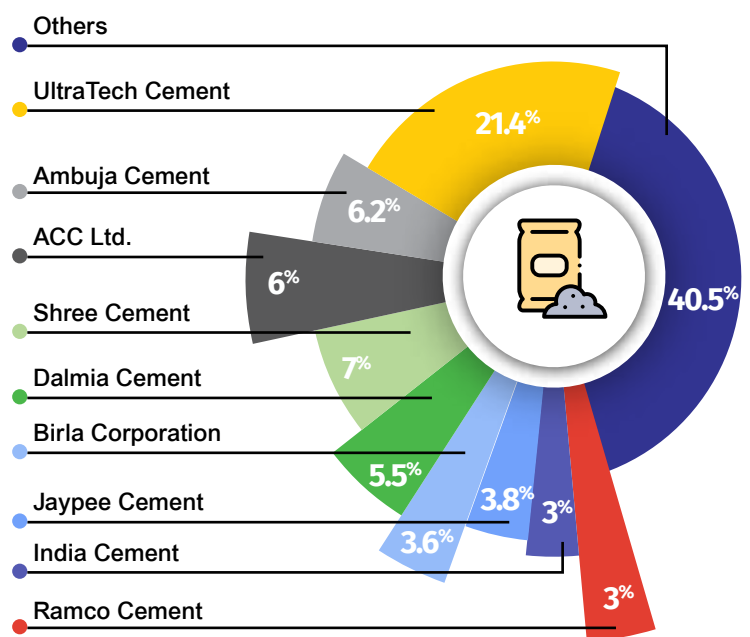
Digitalising administrative and manufacturing processes is imperative for a highly commoditised cement industry. Declining costs for computing technology, data storage and network bandwidth have eased the implementation of pilot projects and scaling up solutions. A digitalised value chain improves profitability while realising a sustainable competitive advantage



## Representation of Cement Brand Market Share in India (2022)

Cement brands compete for the best spot in the branded cement market for the preferred customer choice. The Indian Cement market is highly competitive and dynamic. Brands require effective strategies that can be the deciding factor.

Although cement is a commodity like any other building material, it is subject to social influences, environmental issues and economic fluctuations. Being a typical B2B product in the traditional marketing paradigm, cement didn't require consumer-centric promotion. The strong network of distributors, builders, and a few communication channels to connect with them worked excellently for many years. Today, cement companies allot millions for advertising campaigns and marketing budgets, doing everything possible to reach their end consumer.



All cement manufacturers create **strong branding, brand recall and substantiated retail channel management**. Addressing a B2B and a B2C audience with similar branding messages and product positioning through B2B2C campaigns is undoubtedly a huge challenge. Considering the results of Indian cement brand campaigns, this strategy works and justifies the millions allotted to advertising and marketing budgets.



Most Indian cement brands are connecting with end consumers using Hindi taglines and TV commercials. Their designs address consumer emotions through emotional screenplays and sensitivity around nation building and homecoming. This human element enables the brands to position their products as integral parts of society rather than portraying just another construction raw material. To achieve this goal, cement brands use humour and celebrities like Amitabh Bachchan, Boman Irani, Sourav Ganguly and Virender Sehwag, whose personal character features reflect the typical attributes of the brands and their products. Affiliation with sports franchises and celebrities also helps tie in the message of nation building with sports. Popular brand messaging examples of cement brands include Ultratech's 'The Engineer's Choice', Ambuja's 'Giant Compressive Strength' and ACC's 'Cementing Relationships'. Who can forget Ambuja's hilarious #BhaiyaYeDeewarToottiKyuNahi campaign? In addition, Ambuja Cement's ads have often blended humour and strength, moving away from stereotypical cement ads. Campaigns like the "Bhai Bhai" TVC and the "Giant Strength for the Giant" ad featuring The Great Khali have been highly successful.

The cement industry operates in an environment of consistently changing customers' product preferences. The competitive and dynamic market environment urges cement companies to adopt digital-based marketing strategies for further growth and development of the industry and to emphasize different brand values. Major players in the industry, such as ACC Cement has launched campaigns focused on building trust and reliability, such as the "Bharosa Atoot" and Diwali-themed ads. JK Cement has unveiled a new corporate brand identity and launched the "Kaam Se Number 1" campaign to highlight its product quality. Similarly, Dalmia Cement has leveraged digital platforms, including an ad featuring a robot, to showcase the brand's technological superiority and durability. MP Birla Cement's campaigns have emphasized the brand's heritage, strength, and connection to the spirit of new India through ads like "Tajurbe Ki Taqat" and "Chetak Cement".

Thus, technology is highly relevant for the cement industry, particularly in the post-pandemic era. The brands deploy 360-degree consumer benefit-based positioning strategies to connect with a young age group. By showcasing cement's properties, quality and applications, manufacturers can differentiate themselves to gain a competitive advantage for achieving customer loyalty through brand narratives woven with VR and AR content.




Consumer preferences regarding cement usage patterns and brand loyalty can change quickly. Highlighting sustainability practices with ESG regulations to tackle environmental concerns are now critical for marketing cement. The brand's messaging should highlight eco-friendly manufacturing processes, the use of recycled materials, and energy-efficient operations.

By focusing on key parameters like quality, product range, packaging and customer service, cement manufacturers create a positive brand image to gain a competitive edge. Stiff competition remains the biggest challenge for cement companies. Adapting innovative marketing strategies and effectively communicating unique value propositions while adapting to regional specifics can create effective customer relationships under B2B and B2B2C models. Creating customer loyalty and brand awareness to drive business growth requires consistent efforts.



# Products, Services and Solutions

## of the Top Indian Cement Manufacturers

	 <b>Products</b>	 <b>Services</b>	 <b>Solutions</b>
<b>Ultratech Cement</b>	Steel, Painting System, Waterproofing, Chemicals, Electricals, Plywood, Shuttering Ply, Power and Hand Tools, Flooring, Pipes, Sanitary Ware, Mortars, Roofing, Water Storage	Cost Calculator, EMI Calculator, Product Predictor, Store Locator, Individual Home Builder Support, Home Building Tips	Ready-Mix Concrete, Mobile Concrete Lab, Vaastu Report, Pest Control, Water Testing
<b>Shree Cement</b>	Bulk Cement, various special purpose cement mixtures (Bangur series), power generation (752 MW), AAC block	Home Builder's Guide (Assistance to Consumers in Home Building), Mason Training Programme	Customised Products, R&D Facility, Responsible Supply Chain Practices, Sustainable Procurement Practices
<b>ACC Ltd. Cement</b>	Bulk Cement, Waterproofing, Adhesives, Ready-to-use Plaster and other special purpose cement mixtures	Dream Home App, 2,000 'Construction ka Doctor' counters across India	Home Loan, various Ready-Mix Concrete Solutions
<b>M.P. Birla Cement</b>	Six Premium, three popular and three Institutional Cement Brands, Special Purpose Cement, Wall Putty, Construction Chemicals, Ready-Mix Concrete	Dealer Locator, Cost Calculator, Home Building Construction (booklet), On-site Concrete Expert for Home Builders (Estimating, Costing, Supervising, Testing, Concrete Mixing Design, Guidance on Home building, Supervision, Awareness Programmes)	Dealers and Retailers, Relationship Management with Dealers, Digital Platform for Technocrats, Civil Engineers, Blogs, Construction Tips, Ready-Mix Concrete, Apps for Professionals, Dealers and Retailers
<b>Ambuja Cement</b>	8 Cement Varieties for Special Applications	Dedicated Engagement Channels for Individuals, Masons and Contractors, Professionals, Ambuja Knowledge Centre, National Learning and Training Initiative for Architects, Engineers and Construction Professionals	Sustainable Construction, Customised R&D, Ready-Mix Concrete
<b>Prism Cement</b>	Integrated Building and Materials Company (Raheja Group), Tiles, Bath Fittings, Sanitary Ware, Modular Kitchen	Site Visits, Slab Monitoring, Sand Testing, Mason Guidance, Advise on Good Materials and Construction Practice, Training for Masons	Customised Products



	 <b>Products</b>	 <b>Services</b>	 <b>Solutions</b>
<b>Dalmia Cement</b>	4 Cement Varieties for General Applications, Varieties for Special Applications, World's Greenest Cement	Knowledge Centre for Home Builders and Professionals	R&D for Special Application Cement (Oil Wells, Railway Sleepers, Air Strips, Nuclear Power Plants)
<b>Nuvoco Vistas</b>	Cement, Ready-Mix Concrete, Building Materials (Construction Chemicals, Multipurpose Bonding, Waterproofing Agents, Wall Putty, Tile Adhesives)	Nuvoco Home Assist - Construction Stages, House Plans, Calculators, Application Guides	Ready-Mix Concrete, Vaastu Check, Waterproofing, Germ Protection, Ready-Mix Dry Plaster, Cover Blocks
<b>Godrej &amp; Boyce</b>	Concrete Manufacturer, Ready-Mix Concrete, Walling and Paving Concrete Blocks, Leasing Out and Maintaining Commercial Properties (Godrej Construction)	Sustainable Building Materials, Civil Engineering, Landscaping, 100% Recycling of Concrete	Ready-Mix-Concrete, Environmental Engineering Solutions, R&D Lab

Services and solutions provided by the Indian cement industry extend into the planning and execution of construction projects. Especially online tools like predictors, locators and calculators are of tremendous support to gathering reliable information concerning selecting appropriate cement types and reliably calculating quantities and prices. Knowing every step of construction and where the relevant building materials are available complements the services and solutions for cement customers.

Managing manufacturing sites with industry 4.0 intelligence for automation solutions highlights the deployment of the best available technology and state-of-the-art manufacturing practices. The operational disruptions caused by the COVID-19 pandemic further compelled the cement industry to transition to automated digitised processes. All major players have adopted multiple digital measures across their value chains to optimise the use of resources and increase process efficiency.



**The Adani Group** companies Ambuja and ACC are pioneers in recording real-time data to strengthen decision-making and optimising supply chain operations to enhance plant efficiency and increase uptime. They share a R&D facility in Greater Mumbai, developing customised types of cement. Ambuja provides dedicated engagement channels for individuals, masons and contractors, and professional engineers.



**Dalmia** implemented an app empowering dealers with transparency in order management because customers and trade partners enjoy access to real-time information like order placement, online tracking of supplies and monthly accounts statements. They provide a Knowledge Center for home builders and professional engineers. It also caters to customised cement demands regarding railway sleepers and oil wells.



**UltraTech** implemented a computer-controlled expert optimiser for controlling, stabilising and optimising all cement manufacturing process steps. The system mimics the operator, performing optimally throughout the production process. Their range of products comprises all kinds of building materials which are sold through dedicated stores (UltraTech Building Solutions) at more than 2,500 locations in India.



**Shree Cement** adopted measures like systematic backup procedures, firewall systems and an improved monitoring and control mechanism to mitigate digitalisation-related risks. The company developed several special purpose cements (Bangur brand) in their R&D facility. Home owners are assisted by a Home Builder's Guide and through Mason Training Programmes.



## Your Partner in Building Success

In India, we purchase cement through brands, authorised dealers, stockists or sales representatives. Cement manufacturers provide customer communication options through various sales channels like dedicated shops, counters, apps, and online platforms.

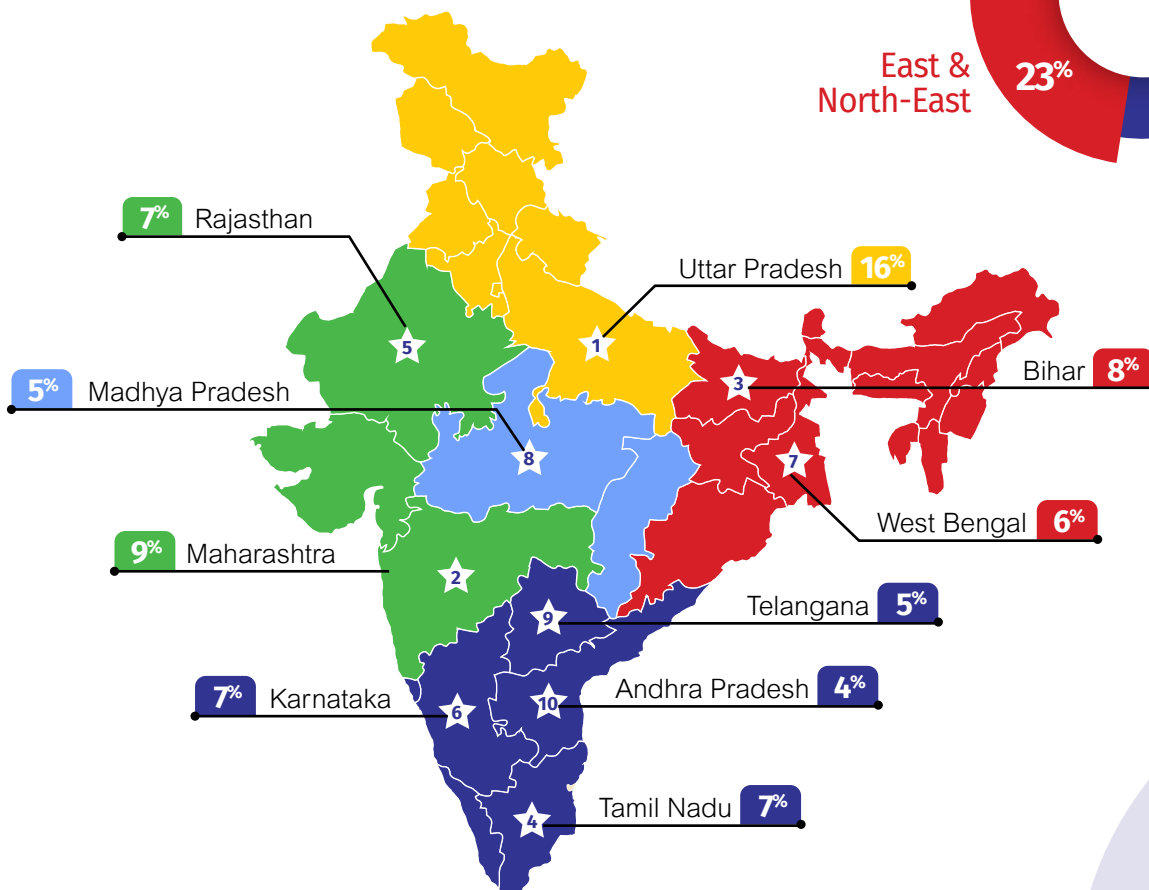
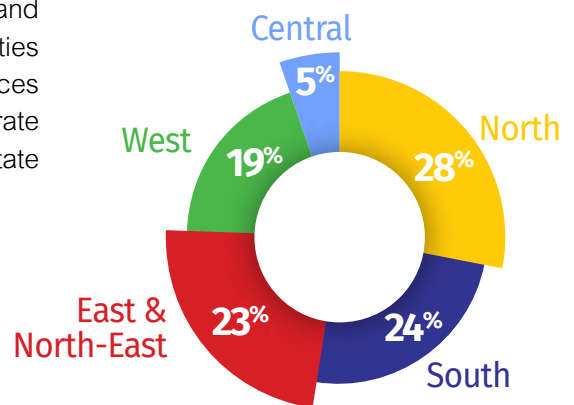
Internet-based business-to-business marketplaces like IndiaMART connect cement manufacturers with potential buyers. Generating cement sales online creates a strongly growing new source of revenue generation for the industry.

**15.5mn**

IndiaMART has registered almost 15.5 million enquiries regarding cement between 2019 and 2023.

### Region-wise Cement Enquiries Registered by IndiaMART Between 2019 and 2023 (in %)

Through IndiaMART, potential buyers can locate brands and authorised dealers nearby. They may compare prices and qualities available for the required quantities from the comfort of their offices or homes. IndiaMART allows cement companies to generate high-potential leads, identify relevant customers and facilitate communication with interested buyers.

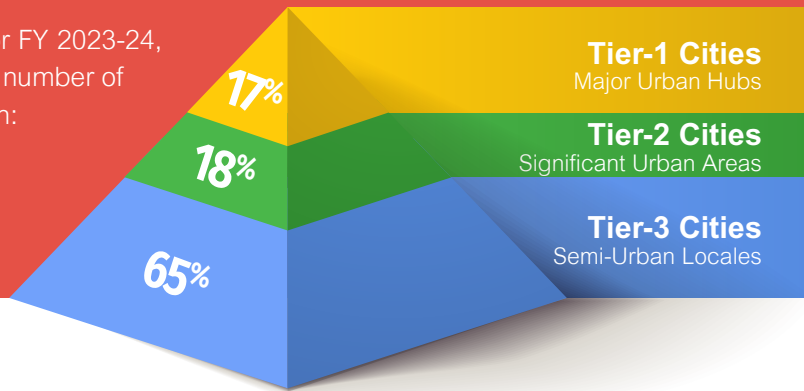


# Cement Enquiries Registered by IndiaMART as per Location Size Between 2019 and 2023 (in %)

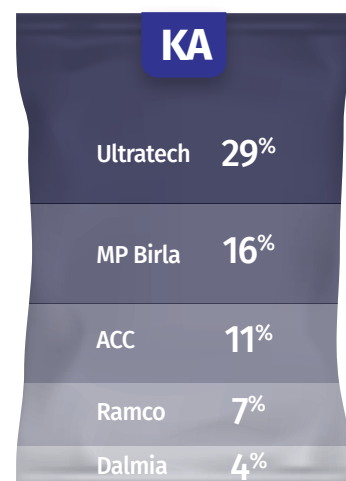
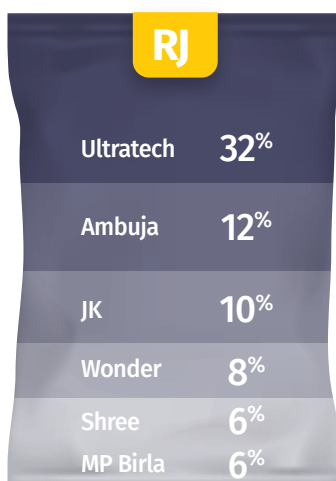
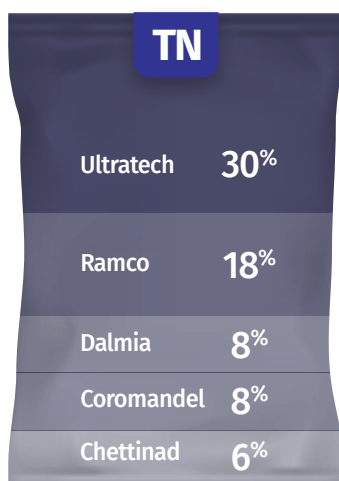
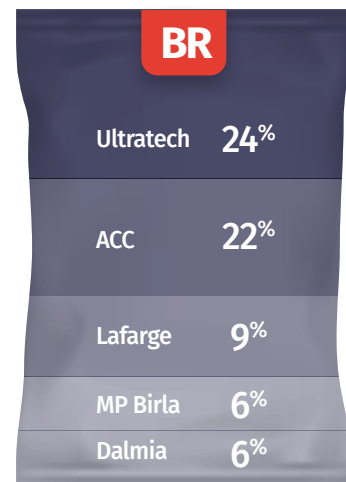
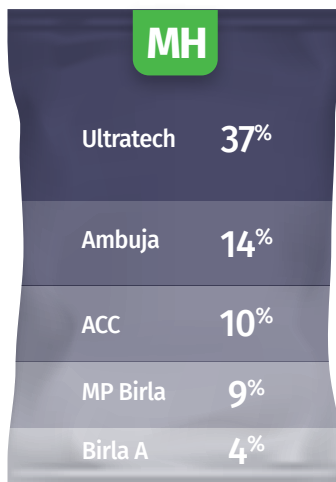
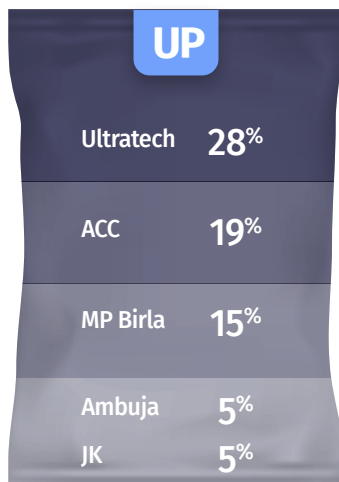
Over the years, IndiaMART has established a reputation that provides a sense of security for buyers and sellers. The undisputed credibility of this easy-to-handle business platform enhances the convenient shopping experience for buyers. At the same time, cement suppliers benefit from the consistent demand from interested buyers.

IndiaMART analysed its cement-related traffic for FY 2023-24, focusing on the top six states in India with the highest number of enquiries on its platform. The enquiries were based on:

- Top cement manufacturers/brands
- Most demanded cement and concrete products



## Percentages of Cement Enquiries Received on IndiaMART in FY 2023-24 Representing Top Cement Manufacturers/Brands from the Top 6 States in India:













**Note:** The percentages represent the traffic share of enquiries for the mentioned cement brands/manufacturers as a fraction of all branded cement products on IndiaMART. (Data as per FY 2023-24)

UP = Uttar Pradesh; MH = Maharashtra; BR = Bihar; TN = Tamil Nadu; RJ = Rajasthan; KA = Karnataka; FY = Financial Year

## Percentages of cement enquiries received on IndiaMART in FY24

Representing the Most Demanded Cement and Concrete Products from the Top 6 States in India:

	UP	MH	BR	TN	RJ	KA
 OPC	16%	9%	13%	11%	15%	13%
 PPC	14%	5%	9%	13%	14%	9%
 Gypsum Plaster	6%	12%	-	10%	5%	12%
 Plaster of Paris	6%	5%	-	-	7%	5%
 White Cement	6%	-	10%	5%	7%	-
 Readymix Concrete	6%	10%	-	9%	5%	10%
 Ready-mix Plaster	-	7%	-	-	-	-
 PSC	-	-	8%	-	-	-
 Concrete Cement	-	-	7%	-	-	-
 Epoxy Grout	-	-	-	-	5%	5%

UP = Uttar Pradesh; MH = Maharashtra; BR = Bihar; TN = Tamil Nadu; RJ = Rajasthan; KA = Karnataka; FY = Financial Year

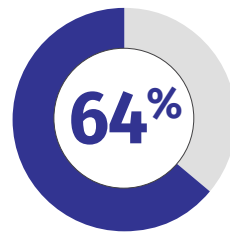
**Note:** The percentages represent the traffic share of enquiries for the mentioned types of unbranded cement and concrete products as a fraction of all unbranded cement products on IndiaMART. (Data as per FY 2023-24)

# Cement Usage Pattern of IndiaMART Buyers, FY24

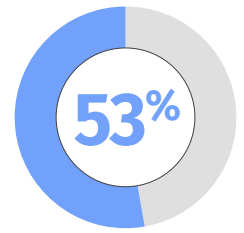
The cement industry in India has witnessed a significant demand surge, driven by rapid urbanization and infrastructure development. IndiaMART, being a leading B2B marketplace, plays a crucial role in connecting buyers with cement suppliers.

This analysis delves into the key preferences of IndiaMART buyers regarding cement quantities, packaging, grade, and order frequency.

IndiaMART buyers enquired about quantities, packaging size & type of cement. Cement filled in 50 kg bags was a priority for 64% of the buyers. 53% of the users enquired about Grade 53 cement, and **nearly 57% of the IndiaMART buyers showed interest in recurring purchases.**



50kg bags



Grade 53

## Order Value



₹20K - ₹100K

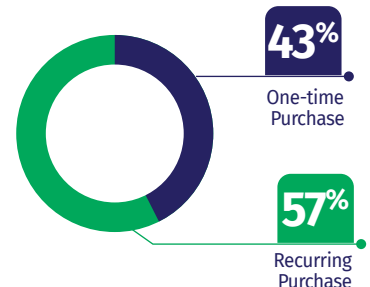


₹100K - ₹500K

44% of buyer requirements fell within the bracket of 20,000/- INR and 1 lakh INR, & requirements between 1 lakh INR and 5 lakh INR accounted for 22%. Regarding the order quantity, **21% of IndiaMART buyers enquired for 76-100 cement bags, 27% of the buyers enquired for 100-500 bags and 12% had a requirement between 500 and 1,000 bags.**

Based on the insights from IndiaMART buyer enquiries, cement suppliers can optimize their product offerings and marketing efforts to meet the specific demands of the Indian market. Prioritizing 50 kg bags, Grade 53 cement, and building relationships with buyers for recurring purchases can significantly enhance customer satisfaction and drive business growth.

## Requirement Frequency

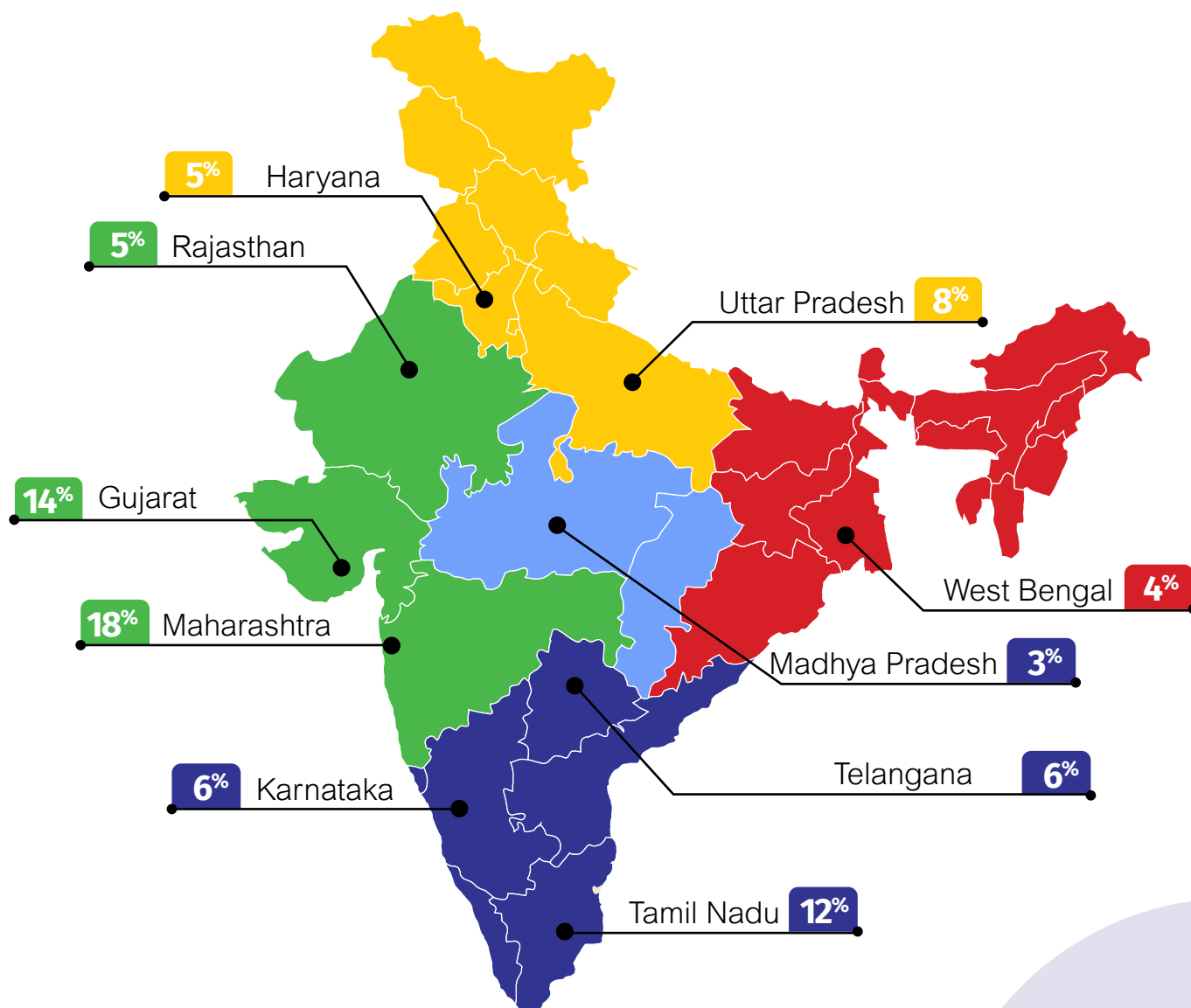




# Cement Sellers on IndiaMART: A Growing EcoSystem

IndiaMART continues to play a pivotal role in connecting buyers and sellers across various industries, including the cement sector. With approximately 6,000 paid sellers on the platform, IndiaMART has established itself as a vital marketplace for cement-related transactions. These sellers range from small and medium enterprises to large-scale manufacturers, offering a diverse range of cement products and services.

## Regional Distribution of Cement Sellers on IndiaMART



# Cementing The Growth Path Ahead

Undoubtedly, the Indian cement industry is pivotal in building the nation's infrastructure and supporting its evolving housing sector. Four strong pillars carry its growth path ahead that feels much like a smoothly motorable fly-over: As the strong government focus on infrastructure development will continue, the already very well-filled kitty of the National Infrastructure Pipeline (NIP) will continue to swell. Approximately 40% to 45% of projects under the NIP are currently under different implementation phases. In conclusion, 55% to 60% of infrastructure projects will get started in the coming years, safeguarding the demand for cement for a foreseeable period. That's a first pillar of high importance for Indian cement manufacturers.

India's growing urbanisation is the second and equally strong pillar for its cement industry. After the pandemic, the real estate industry picked up pace, showcasing a quick increase in housing projects with rising affordability and changing consumer trends in urban residential spaces. The third pillar will be continuing policy efforts to improve rural income, increasingly contributing to the cement industry's coffers with sales revenues from cement for more affordable brick-and-mortar buildings. As industries in India plan to continue and increase investments in their operations, the cement industry will also benefit from industrial building activities, the last pillar for a growth path already predefined for years to come.

On the cost front, fuel costs for generating heat for production processes are a focus topic for the cement industry. With investments into 'green' energy sources, particularly solar photovoltaic plants and Waste Heat Recovery Systems (WHRS), they can effectively reduce energy costs and control them much better. While renewable energy sources cover approximately 10% to 20% of the energy requirement of the Indian cement industry today, this rate will rise to more than 50% in years to come as the Indian cement industry works towards achieving its sustainability and climate protection goals to become a carbon neutral industry. Besides caring for safe, secure, strong and durable construction, the cement industry already dedicated its consistent efforts to keeping our environment green and clean many years ago. We at IndiaMART are looking forward to accompanying the Indian cement industry on all its successful growth paths ahead!





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