
Dalmia Cement 2nd plant in TN to go on stream soon

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BS reported that Dalmia Cement Limited is setting up a 2nd manufacturing facility in Tamil Nadu with an investment of around INR 800 crore.

Mr R Gurumoorthy the company spokesperson said the Greenfield project was coming up at Ariyalur on 175 acres of land. It already has a 4 million tonne unit at Dalmiapuram near Tiruchy. The capacity of the Ariyalur project would be 2.5 million tonne per annum and is almost ready.

However, this apart, it is also setting up a 27 MW captive power plant in Tamil Nadu with an investment of around INR 150 crore. The cement maker recently inaugurated a INR 750 crore facility at Kadapa in Andhra Pradesh.

Mr Gurumoorthy said the Tamil Nadu plant will predominantly cater to local and Kerala markets. However, if the freight costs are favorable, the company may look at placing the products in other adjoining markets and states.

According to him, the growth and demand for cement in South is higher by around two per cent and likely to continue in future as well.

He aid the company was targeting a 10% market share in Andhra Pradesh and is in the process of strengthening its position to achieve an 18% share in Tamil Nadu in the next 1 year.

According to industry sources, the cement sector reported an 8% growth in the south in terms of consumption for the 9 month period ended December 2008. The production during the period saw a growth of 7%. The growth was mainly led by various infrastructure and social projects like affordable housing and irrigation taken up by various governments in the southern states.

(Sourced from Business Standard)

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