

JK Lakshmi Cement plans to set up Rs 1,000cr, 2mt plant in Gujarat

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JK LAKSHMI Cement is planning to set up a plant in Gujarat with an investment of Rs 1,000 crore over the next 3-4 years to meet rising cement demand from the infrastructure sector, a senior company executive said.

The proposed 2-million-tonne unit will boost its existing operations that includes a cement plant in Sirohi (Rajasthan), besides a grinding unit near Ahmedabad with total annual cement making capacity of 4.7 million tonne. The company is also in the process of setting



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up a second 0.6-million-tonne cement grinding unit in Haryana.

In addition, JK Lakshmi Cement has announced plans to set up a 2.7-million-tonne cement unit in Chhattisgarh by Oc-

tober 2012 that would take its annual cement producing capacity to 8 million tonne.

JK Lakshmi Cement whole time director Shailendra Chouksey said the expansion has been planned to meet the rising domestic demand from infrastructure related investments. "The Gujarat project is still at a nascent stage and we are awaiting mining lease for limestone in the region. We have, however, expressed the intent of setting up a plant with the state government," Mr Chouksey said.

Limestone is a key input for cement production. He said the proposed unit in Gujarat will be funded largely through in-

ternal accruals besides some debt.

Cement demand in India has revived after a sluggish December quarter, backed by accelerating construction activity. The industry sold 18.19 million tonnes cement in January, a growth of 12.77% over the year-ago period. India's current cement manufacturing capacity is around 240 million tonnes annually and is likely to go up to 276 million tonnes by the end of this fiscal.

Delhi-based JK Lakshmi Cement, which sells cement under the same brand name, operates primarily in North and West regions and is a dominant player in states of Rajasthan and Gujarat.