

# JK Lakshmi Cement revives RMC expansion

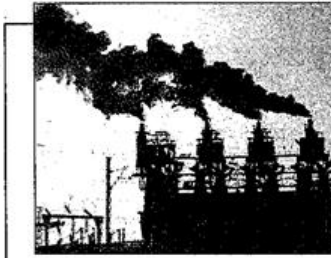
To Invest Rs 100 cr To Set Up Plants In Mumbai, Gujarat & North India

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MUMBAI

JK LAKSHMI Cement has revived its plan to set up nearly half-a-dozen ready-mix-concrete (RMC) units to cash in on the surge in demand for the building material, especially in the infrastructure sector, says a senior company executive.

The JK Group company, which deferred expansion last year, will invest nearly Rs 100 crore to set up RMC plants in Mumbai, Gujarat and north India. The company will fund the investment through internal accruals, said CEO Shailendra Chouksey.

"RMC is the business where the company will concentrate in the next few years as huge opportunity remains untapped," said Mr Chouksey. JK Lakshmi earns nearly 5% of sales



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**JK Lakshmi earns nearly 5% of sales from RMC business.**

The company to cash in on the surge in demand for the building material, especially in the infrastructure sector

from RMC business.

RMC refers to specifically manufactured concrete—a mixture of portland cement, water and aggregates comprising sand and gravel. The demand for RMC is growing in the real estate industry because it reduces labour requirement. Lafarge is market leader with sales of nearly Rs 1,000 crore.

Construction companies can save

cost by nearly 15-18% by using RMC as it reduces labour requirement, said Rupesh Sankhe, research analyst with Angel Securities.

A leading player in Rajasthan and Gujarat, JK Lakshmi recorded 35% growth in net profit at Rs 241 crore in the last financial year on a 22% jump in net sales of Rs 1,490 crore.

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