

## Business segment review

# Cement

With two integrated plants in Indian states of Telangana and Andhra Pradesh, RAIN has a production capacity of 4 MNTPA, focusing on OPC and PPC grades.



**3.24** Mn MT  
Sales volume

**₹15,233** Mn  
Revenue from operations

**8%**  
Contribution to consolidated revenue

## Market dynamics

### Market growth potential

With its significant market size, India's cement industry offers increasing growth potential. Rapid urbanisation, government-led infrastructure projects and growing real estate and construction sector investments are fuelling this demand. Moreover, the cement sector has attracted substantial investments from domestic and foreign sources, indicating confidence in the industry's growth prospects.

### Government support and policy initiatives

India has stringent environmental regulations, and sustainability concerns are growing. Thus, cement companies must adapt to

these regulations and embrace eco-friendly practices, including alternative materials, to minimise their environmental footprint.

### Greater emphasis on sustainability

The cement industry is increasingly prioritising sustainability efforts to mitigate the environmental impact and meet evolving regulatory requirements. These initiatives include the adoption of renewable energy sources, reducing carbon emissions, optimising resource utilisation and implementing waste management strategies. By embracing sustainability practices, the industry aims to enhance its environmental stewardship, improve operational efficiency and maintain long-term viability.



## Our response

- ▶ **Advertising campaigns:** RAIN plans to carry out promotional activities through advertising campaigns to boost brand awareness, build trust and attract new customers.
- ▶ **Dealer network expansion:** We will roll out our plans to strategically expand our dealer network in untapped markets to increase sales and enhance market presence in these areas.
- ▶ **Focus on consistent high-quality cement production:** We will implement product performance enhancement measures which will further strengthen the trusted image of our Company and its cement products.

## Key developments of 2023

- ▶ Introduced loose (unpackaged) cement in select markets, receiving an encouraging response from the dealer community and implementing a strategic initiative to reduce plastic packaging.
- ▶ Achieved nearly 40% renewable energy usage, including waste heat recovery and solar power.
- ▶ Initiated water positivity improvements through rainwater harvesting.
- ▶ Launched multi-channel advertising campaigns to enhance brand awareness and attract new customers, aiming to capitalise on the successes of 2023.
- ▶ Initiated plans to expand the dealer network into untapped markets to increase sales volume, ensuring a wider reach for us and enhanced accessibility for our customers.
- ▶ Focused on producing high-quality cement to ensure consistency in product performance and maintain our Company's image as a trusted cement manufacturer.

## Future prospects

In 2024, RAIN's Cement segment's primary focus revolves around three core objectives:

- ▶ **Achieve higher capacity utilisation:** Undertaking dedicated efforts to increase operational capacity.
- ▶ **Enhance energy efficiency:** Prioritising initiatives for improving energy efficiency and implementing measures to streamline consumption and reduce environmental impact.
- ▶ **Bolster cost-effectiveness:** Implementing proactive maintenance strategies for optimal plant performance.
- ▶ **Scale output:** Additionally, to address the surging demand for cement, we plan to augment the capacity of our first integrated manufacturing unit (Suryapet) by adding a new production line unit.