

Press Clipping

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The logo for Reliance, featuring the word "RELIANCE" in white capital letters on a blue rectangular background. A small red triangle is positioned above the letter "I".

Reliance Infrastructure plans to triple cement capacity in 3 years to 15 million tonne

Economic Times, Oct 1, 2014

MUMBAI: Reliance Infrastructure (RInfra) plans to nearly triple its cement generation capacity to 15 million tonne per annum (mtpa) over the next three years.

The current capacity of the Anil Ambani-led company stands at 5.8 mtpa from its plants in Madhya Pradesh, Maharashtra, Uttar Pradesh and Bengal.

"We will be tripling our cement capacity in the next three years by setting up new plants in MP and Maharashtra," company chairman Anil Ambani told shareholders during the AGM here this evening, wherein the group clubbed all the four group companies AGMs back and forth in six-seven hours.

He also said the company will participate in the smart city project announced by the government.

"We will be participating in the smart city project by combining our skills in sectors such as transmission, distribution, power generation, telecom, EPC, cement, and roads which are the constituents of new cities," he said.

Ambani further said the new road projects that are likely to come up for bidding will open up opportunities for the company especially because they have to be built with cement concrete.

"To build better quality roads with cement, the country will need new cement capacity of nearly 40 mt per annum. We will be selectively participating in road projects," Ambani said.

On the ongoing arbitration with the Delhi Metro, he said, "The project is currently operated by the Delhi Metro Rail Corporation. We expect the final pronouncement of the arbitration award in the course of this financial year."

Speaking about the Mumbai Metro project, he said the company will continue to offer the promotional fares of Rs 10, 15 and 20 till December.

He further said the company has come at an inflection point where its large capex in previous projects like cement, roads, metro, transmission, distribution, etc, will see reverse cash flow and strong growth in revenue and profit in the coming years.

"As the country is expecting to double the GDP, the only way to reach there is through infrastructure development. We are at the inflection point. We have the competency, skill-set, balance sheet, experience and people to participate in the next phase of growth," Ambani added.