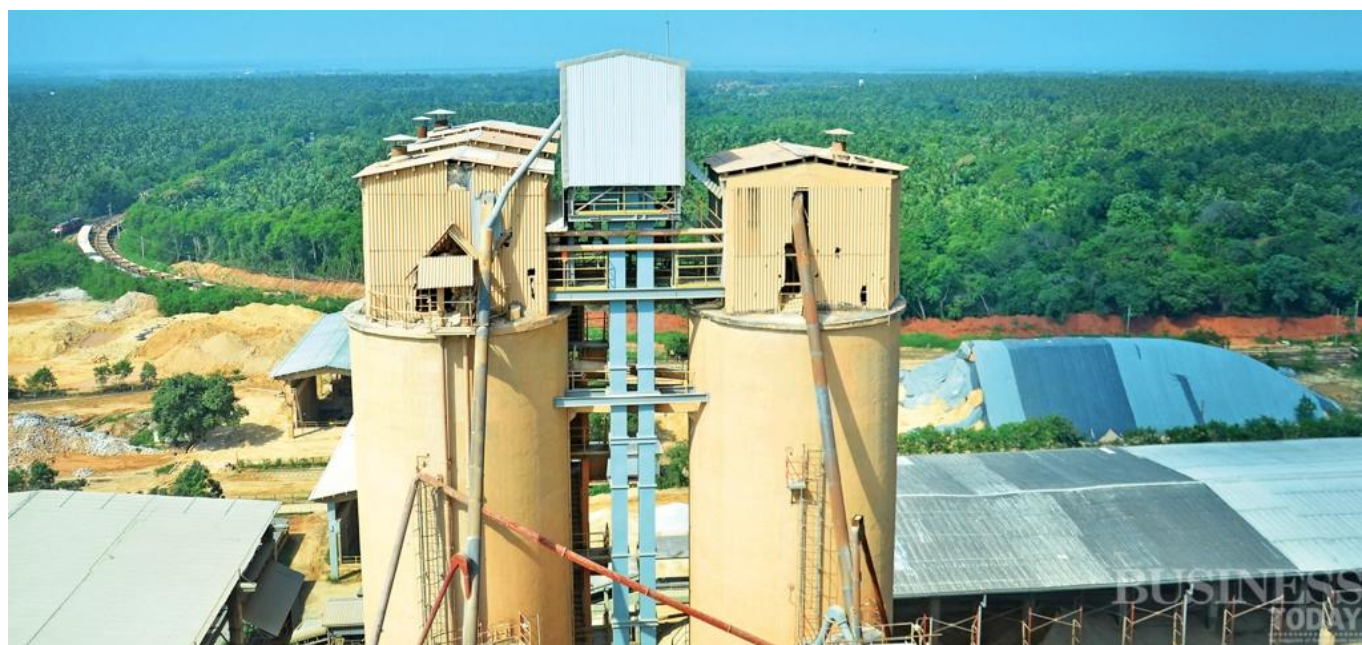


Siam City Cement (Lanka) Perspective Of Nandana Ekanayake, CEO On How INSEE Cement Strengthens Sri Lanka



Enhancing manufacturing capacity

INSEE Cement, also known as Siam City Cement (Lanka), is expanding its current manufacturing capacity with 400,000 MT Cement Grinding Plant in Galle nearing completion. The opening of the new Galle Cement Grinding Plant will make INSEE the first Loesche Vertical Mill in Sri Lanka; with a highly environmentally friendly production process.

In the next phase it will be mechanised further by installing a conveyor belt to efficiently carry materials from ships directly to the plant. The company will work with Sri Lanka Ports Authority and Central Environment Authority to improve the environmental footprint of port operations.

The company is also expanding into new business segments with the new Ready Mix concrete plant in Peliyagoda becoming operational by the middle of 2018 and another plant scheduled for completion in Ratmalana by the end of the year.

INSEE Cement is planning to launch new products such as Conwood, popular in Thailand and Indonesia as a concrete-based substitute for wood. The product has been demonstrated at trade fairs. Initially it will be imported from Thailand with the long-term plan to invest in manufacturing it in Sri Lanka as a solution for countries with high humidity. It is ideal for table tops, pantry, door and window frames.

The company is expanding INSEE Ecocycle operations' capacity to maximise the co-processing capabilities. INSEE Cement will spin-off Ecocycle operations as a separate legal entity soon, while further diversifying its services.

Launching Ecocycle as a separate company

INSEE Ecocycle will be launched as a separate, legal entity this year to maximize the co-processing capabilities while diversifying its services. Its operational capacity will be expanded to accept more waste material with extended laboratory facilities to test a wide range of hazardous waste. The company has invested in shredding and solar drying capacity expansion, and is expecting an increased revenue generation from the revamped Ecocycle venture.

INSEE Cement Will Spin-Off Ecocycle Operations As A Separate Legal Entity Soon, While Further Diversifying Its Services.

INSEE Ecocycle is expanding its expertise in providing non-kiln based environmental solutions to corporate companies and government institutions. INSEE is now able to accept contracts to clean up container ships. For example, one ship caught fire outside the harbour and a factory which caught fire due to chemical spillage were cleaned up by INSEE Ecocycle. Ecocycle has launched an emergency service line to respond to such hazardous emergencies.

Delivering on high quality standards

INSEE Cement has invested in enhancing quality testing facilities at all our cement plants. We recently invested in a new system called XRD – X-ray Diffraction technology which tests samples more frequently and uses ultra-modern analytical technique to enhance the quality of cement. INSEE Innovation & Application Center lab is now equipped to handle more volumes for testing and to conduct research.

The company has invested a substantial amount to enhance lab facilities at the University of Moratuwa which is in turn making research an important part of its curriculum and conduct experimental studies to reduce chemical composition of clinker in cement and produce high quality and high strength cement. The company has also recruited high calibre people to lead the Quality Assurance division.

After the end of the conflict in 2009 the B2B segment of the construction sector, has grown by 20 per cent annually, contributing to ten per cent of GDP growth. This trend is likely to continue as the Port City project and all the other investments will provide new opportunities. If the government fulfils all proposed infrastructure projects including highways, roads and metro line, this will further boost the B2B segment.

In 2017, INSEE Cement paid the highest-ever dividend in the history of the company to its shareholders due to higher net profits during the year. In 2018, the company is focusing on diversification into new segments and investing into producing high performance products as new construction projects are demanding high performance cement and concrete. Our blended cement, fly ash, slag cement and our investment in an experienced resource as Head of Product Development in developing new cement products, are aimed at capturing growth opportunities in the market and increasing market share from current 38 per cent to around 40 per cent levels in 2018.



