

# Shree Cement starts world's largest kiln in UAE, pips ACC

AVISHEK RAKSHIT  
Kolkata, 27 February



## STRONG HOLD

- Shree Cement acquired Union Cement in 2018 at an enterprise value of \$305.24 mn
- Of four, only one kiln line is active in Union Cement
- Union Cement kiln can produce 14,500 tpd, making it the largest kiln in the world
- In 2018-19, Union Cement made a net profit of \$9.79 mn, with a turnover of \$114.6 mn

million, which is the largest and most profitable cement company in the UAE.

At the time of acquisition, Bangur had said since Union Cement was 40 years old, two of the kilns were discarded and another kiln was shut that left Shree Cement with only one kiln, which was set up in 2006. However, the plant is located within 1 km of Saqr Port in the UAE that gives it access to key export destinations like Gulf Cooperation Countries, Africa and South Asia.

Sources said feasibility study had also been undertaken to revive the third closed kiln as well. Though analysts remained sceptical about Shree Cement's foray into the UAE, they argue that a low return on equity is possible.

In January 2018, Shree Cement had acquired 93 per cent stake in the 4-mtpa Union Cement Company at an enterprise value of \$305.24

*More on business-standard.com*

# Hindustan Oil to start production from Mumbai block by December

SHINE JACOB  
New Delhi, 27 February

Chennai-based Hindustan Oil Exploration Company (HOEC) will start commercial production from its discovered small field (DSF) block in Mumbai by December. The company successfully drilled its first well in the block earlier this month and will become the first to start production of crude oil under the DSF auction rounds.

"Our focus is on monetising the discovered resources. We expect to start production in B-80 (the block) by December. The overall production is expected to double once discovered field production starts," said P Elango, managing director of the company. Drilling of a second well is expected to be completed by April. The production from discovered field comes at a time when several blocks under the first and second rounds of DSF are stuck. The field development plan for B-80 consists of drilling two wells to produce oil and gas. HOEC bagged the block under the DSF Bid Round 2016, when 22 firms were given 31 contract areas. It



The output from discovered field comes at a time when several blocks under the first and second rounds of DSF are stuck

saw 15 entrants in the sector.

Earlier, HOEC was reported to have been in talks with Oil and Natural Gas Corporation (ONGC) for sharing the state-run major's pipeline infrastructure for evacuation of oil and gas from the block. The plan was to transport gas to ONGC's Hazira plant and oil to its Uran plant. HOEC holds 50 per cent participating interest in the block, along with Adbhoot Estates. The companies had reportedly lined up an investment of \$60 million for the block. DSF auctions were done under the Hydrocarbon Exploration & Licensing Policy (HELP)

regime that replaced the New Exploration and Licensing Policy. During the second round of DSF, 25 contract areas were awarded. The firm is targeting a doubling of its net production to around 5,000 barrels of oil equivalent per day (boepd) by the second half of 2020, from 3,233 boepd reported at the end of the third quarter of the current financial year.

The production from its Dirok field in Assam was curtailed last year because of agitations and partial shutdown of major consumers like Brahmaputra Valley Fertilizer Corporation.

# Sequoia India leads \$16-mn funding round in Qure.ai

Sequoia India has led a \$16-million funding round in AI-based health care start-up Qure.ai. MassMutual Ventures Southeast Asia also participated in the round. Qure.ai will use the capital to drive

geographical expansion, expand product portfolio in two more areas and support regulatory clearances.

"The sophistication of Qure.ai's algorithms and predictive analytics tools, cou-

pled with their expert team of data scientists and physicians positions them very well versus their global competitors," said Anjana Sasidharan, principal at Sequoia Capital India.

SAMREEN AHMAD